

**** Per Governor's emergency [Proclamation 20-28](#) issued March 24, 2020, agencies are required to meet completely remotely without providing for a physical location. Agencies are prohibited from taking "action," as defined in RCW 42.30.020, unless those matters are necessary and routine matters or are matters necessary to respond to the COVID-19 outbreak and the current public health emergency, until such time as regular public participation under the Open Public Meetings Act is possible.**

**** Per Section 3 of Anacortes [Resolution 2082](#) Ratifying Proclamation of Emergency and Providing Temporary Procedures to Respond to the COVID-19 Epidemic, adopted by the Anacortes City Council on March 16, 2020:**

- All in-person Committee meetings of the City Council are cancelled. Council and committee meetings may be held telephonically regardless of whether the City has the capability of video recording meetings.
- The public comment portion of Council meetings and any scheduled public hearings are temporarily suspended to discourage public in-person attendance of City Council meetings.
- Meetings may be viewed live or viewed after the fact on the [City of Anacortes website](#) or on [Channel 10](#).
- The public may also listen to the meeting by phone: 312-757-3121, Access Code: 373-576-877
- The public is encouraged to comment via [email](#) or written comment addressed to: City Clerk, P.O. Box 547, Anacortes, WA 98221. Public comments received prior to 5:00 p.m. the day of the meeting will become part of the record for the meeting, just as if presented in person.



Anacortes City Council
Municipal Building Council Chambers
904 6th Street

**** This meeting will be held electronically only ****

June 1, 2020
6:00 p.m.

PRELIMINARY AGENDA

[Packet Materials](#) / [Watch Meeting](#)

1. **Call to Order**
2. **Announcements and Committee Reports**
 - a. COVID-19 Update
 - b. Lodging Tax Advisory Committee
 - c. Public Works Committee
3. **Consent Agenda (Action)**
 - a. Minutes of May 26, 2020
 - b. Approval of Claims in the amount of: \$757,766.06
 - c. Contract Award: WWTP Heat Exchanger Tube Sheet Repair #20-140-SEW-001
 - d. Resolution 2093: Waiving the State Competitive Bidding Requirements for Purchase of Parklets from Dero Bike Racks
4. **Other Business**
 - a. Resolution 2092: Authorizing Distribution of Tourism Promotion Funds to the City of Anacortes PCED Department for the Purchase of Parklets to Expand Restaurant Seating to Accommodate Distancing Restrictions as Outlined in the Governor's Safe Start Washington Plan (Discussion/Possible Action)
 - b. Ordinance 3071: Authorizing Maximum Authority for Affordable Housing Sales Tax Credit (Discussion/Possible Action)
5. **Adjournment**



Anacortes City Council

Proposed Agenda Items for the Next Eight Weeks Beginning June 8, 2020

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 and vouchers are 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.

June 8, 2020

June 15, 2020

June 22, 2020

July 6, 2020

July 13, 2020

July 20, 2020

July 27, 2020

August 3, 2020

Upcoming City Council Committee Meetings

The public is welcome to attend City Council Committee Meetings.

- Public Works, Monday, Jun 1, 2020, 5:00 PM, Teleconference
- Port/City Liaison, Tuesday, Jun 2, 2020, 8:30 AM, TBD
- Public Safety, Tuesday, Jun 2, 2020, 10:00 AM, Teleconference
- Fiber, Thursday, Jun 4, 2020, 2:30 PM, Teleconference
- Fiber, Thursday, Jun 4, 2020, 2:30 PM, Teleconference
- Housing Affordability & Community Services, Monday, Jun 8, 2020, 4:00 PM, Teleconference
- Planning, Monday, Jun 8, 2020, 5:00 PM, Teleconference
- Finance, Wednesday, Jun 10, 2020, 5:00 PM, Teleconference
- Community Center / Pool, Thursday, Jun 11, 2020, 3:30 PM, TBD
- Public Works, Monday, Jun 15, 2020, 5:00 PM, Teleconference
- Planning, Monday, Jun 22, 2020, 5:00 PM, Teleconference

REAL ESTATE PURCHASE AND SALE AGREEMENT

This Agreement for purchase and sale of real estate ("Agreement") is by and between **Jane E. Jones, as the Personal Representative of the Estate of Gerald Thomas Koffel**, deceased, per Skagit County Superior Court Probate No. 18-4-00437-29 ("Seller"), and **the City of Anacortes**, a State of Washington municipal corporation ("Purchaser" or "City"). Seller and Purchaser are each a "Party" and collectively the "Parties" to this Agreement. The Parties agree as follows.

Seller owns certain parcels of real property (the "Property") situated in the County of Skagit, State of Washington, described as follows:

PARCEL No. 340313-0-063-0006, P21746

That portion of Government Lot 1 in Section 13, Township 34 North, Range 3 East, W.M., Skagit County, Washington, described as follows:

Beginning at a point on the South line of said Government Lot 1, where the same intersects the
East line of the County road;
thence East along the South line of said Government Lot 1 to the Southeast corner of said Government Lot 1;
thence North following the East line of said Government Lot 1, a distance of 570.5 feet, more or
less, to the South line of a tract conveyed to Carl J. Blackburn, by Deed dated July 20, 1925, and
recorded August 20, 1925, in Volume 137 of Deeds, page 436;
thence West along the South line of said Blackburn tract a distance of 688 feet;
thence South a distance of 75 feet;
thence West to the East line of the County road;
thence in a Southerly direction following the East line of the County road to the point of beginning.
EXCEPT dike and drainage ditch rights of way, if any.

Seller agrees to sell and Purchaser agrees to purchase the Property, including all water rights, and all subsurface and mineral rights appurtenant to the Property, upon the following terms and conditions:110

1. RECITALS AND PURCHASE PRICE:

A. The City acquires this Property by Condemnation, pursuant to City Ordinance No. 3041 (May 13, 2019).

B. The total purchase price for the Property shall be FOUR HUNDRED NINETY THOUSAND DOLLARS (\$490,000.00). The Purchase Price shall be paid in cash to Seller at time of closing.

2. IMPROVEMENTS; IRRIGATION EQUIPMENT: All improvements on the Property and all above-ground irrigation equipment (including pumps, pipes and appurtenances) on

the Property at the time of this Agreement, except items that are owned by any tenant will be the property of the Purchaser after closing.

3. PRORATIONS AND COSTS:

- A. All utility fees, expenses and assessments, and all real and personal property taxes will be prorated to the date of closing.
- B. Purchaser shall pay the escrow closing fees, cost of title commitment, and recording of documents. It is understood by the Parties that additional fees may also be required and any such fees shall be paid by Purchaser (but not Seller's personal costs and expenses and any of Seller's attorney, accounting or other consulting costs and expenses that shall remain the responsibility of Seller).
- C. Each Party warrants that no broker is entitled to a commission from the Property sale.

4. CLOSING: Closing shall be by **July 17, 2020.**

- A. **Land Title and Escrow of Skagit County** ("Escrow Company") shall prepare the closing statements. Seller authorizes the Escrow Company to supply Purchaser a copy of Seller's closing settlement statement.
- B. The Parties will provide a duly executed Real Estate Excise Tax Affidavit for the Property showing the property exempt from REET tax, and any continuation notices required to maintain the current use designation for the Property at closing. If Purchaser elects to change the current use designation after closing, Purchaser will pay all taxes, penalties, and charges that arise from the change in election.
- C. Possession of the Property shall be delivered to Purchaser at closing.

5. TIME FOR ACCEPTANCE: The Parties must execute this Agreement on or before **June 5, 2020.**

- 6. TITLE: Title to the Property shall be conveyed by a statutory warranty deed subject to the conditions of this Agreement. Said deed shall recite that it is subject to such matters as an ALTA survey would reveal.
 - A. Purchaser shall order a title commitment issued by Escrow Company for the issuance of an updated owner's title insurance policy in the amount of the Purchase Price within ten (10) days of the acceptance date of this Agreement. Purchaser shall pay for the cost of a standard American Land Title Association policy of insurance.
 - B. If the title commitment discloses exceptions to title to the Property or conditions or matters shown on the record survey which are not acceptable to the Purchaser (any such exception, liens, claims, restrictions, encumbrances or other exceptions attached to the property after the title commitment is issued shall be considered "Unpermitted Exceptions") then Purchaser shall give Seller notice of any such Unpermitted Exceptions on or prior to ten (10) days after the receipt of the title commitment.

Any exceptions to title to the Property disclosed by the title commitment, including those matters shown as "General Exceptions", that are not objected to by Purchaser by said date shall be deemed accepted. Seller shall then have ten (10) days following the receipt of Purchaser's objection notice in which to give Purchaser notice that Seller will use commercially reasonable efforts to cause any exceptions set forth in the notice to be removed from title or insured over by the Escrow Company on the Title Policy prior to or at closing.

If Seller fails to give such notice within the ten (10) days response period, or gives notice that Seller will not cause some or all of such Unpermitted Exceptions to be removed from title or insured over by the Escrow Company prior to or at closing, then on or before five (5) business days after the expiration of the ten (10) day period in which Seller must notify Purchaser whether it will remove Unpermitted Exceptions listed in Purchaser's exception notice, Purchaser may elect to terminate this Agreement by written notice.

If Purchaser fails to deliver written notice to Seller prior to the expiration of the five (5) business day period set forth above, then Purchaser shall be deemed to have elected to waive the right to terminate this Agreement as a result of any such Unpermitted Exceptions and said Unpermitted Exceptions previously objected to shall be deemed permitted exceptions.

- C. A standard owner's Title Policy will be issued by the title company showing good and marketable title in Purchaser, free from defects and encumbrances.
7. WARRANTIES: Except as otherwise provided in the Agreement, Seller shall maintain and repair the Property so that at the time possession is transferred to Purchaser, the Property shall be in substantially the same condition and repair as on **June 1, 2020**. Seller warrants that there are no unrecorded leases or other known claims against the Property. Until the closing, Seller shall grant Purchaser or Purchaser's Representative reasonable access to inspect the Property. In the event the Property is disturbed or altered in any way as a result of such activities, Purchaser shall, at its sole cost and expense, promptly restore the Property to its condition existing prior to the commencement of such activities which disturbed or altered the Property. By closing hereunder, Purchaser acknowledges that all warranties concerning the Property have been satisfied and extinguished. This paragraph shall survive closing.
8. STATUS OF WARRANTIES AND REPRESENTATIONS: Any representations or information concerning, without limitation, the Property or title, physical condition, value, notices of violation, or other material matters relating to the Property, given to Purchaser are believed to be reliable but were provided by others. Therefore, Seller makes no warranty, expressed or implied, as to the accuracy of such information.

Purchaser represents by signing this Agreement that it has (or will have prior to the closing hereunder) conducted an independent investigation of any and all matters concerning this purchase, and by closing accepts the Property and its improvements AS IS, and no seller warranty of any kind, express or implied (including without limitation warranty of merchantability or habitability) shall survive the closing.

9. **WAIVER:** The Purchaser waives the right to receive a seller disclosure statement ("Form 17-Commercial") if required by RCW 64.06. However, if Seller would otherwise be required to provide Purchaser with a Form 17-Commercial, and if the answer to any of the questions in the section of the Form 17-Commercial entitled "Environmental" would be "yes," then Purchaser does not waive the receipt of the "Environmental" section of the Form 17- Commercial which shall be provided by Seller.

The Purchaser acknowledges that Seller is not warranting the quality or suitability of any potable water used on the property or available to the property and is specifically advised to perform any testing it feels is appropriate.

10. **DOCUMENTS AND LIENS:** Seller shall provide to Purchaser, as soon as practicable, but in no case later than ten (10) days after the Effective Date of this Agreement, copies of all known, unrecorded leases, restrictions, notes, licenses, agreements, warranties, and permits affecting the Property or the use or occupancy thereof plus a description of any liens or encumbrances thereon. Unless Purchaser notifies Seller in writing of any objections to any item described in this paragraph within fourteen (14) days after receiving such item, such item shall be deemed to be acceptable to Purchaser.
11. **CANCELLATION:** If any Party elects to cancel this Agreement because of any breach by another party or because escrow fails to close by the agreed date, the Party electing to cancel shall deliver to closing agent a notice containing the address of the Party in breach and stating that this Agreement shall be cancelled unless the breach is cured within thirteen (14) days following the delivery of the notice to the closing agent. If the breach is not cured within such period, this Agreement shall be cancelled. Within three (3) business days after receipt of such a notice, the closing agent shall send it by United States mail to the Party in breach at the address contained in the notice. Notice shall be effective on the date of mailing and no further notice shall be required.
12. **CONTROLLING LAW, SEVERABILITY, AND VENUE:** This Agreement shall be interpreted under the laws of the State of Washington. Should any term or provision of this Agreement or any part thereof be held unenforceable for any reason, such unenforceable term or provision or part thereof shall not affect the remainder of this Agreement, it being agreed the provisions are severable. Any suit or action on this Agreement shall be brought only in the Superior Court of Skagit County, Washington.
13. **DEFAULT AND REMEDIES:** If Purchaser fails to pay the cash purchase price when due, or otherwise defaults in any respect on any material obligation under this Agreement, Seller may:
- A. Elect to be released from the obligation to sell the Property to Purchaser;
 - B. Seller may proceed against Purchaser upon any claim or remedy which it may have including the seeking of specific performance, in law or equity; or

If Purchaser or Seller files suit against the other to enforce any provision of this Agreement or for damages sustained by reason of its breach, all Parties prevailing in such action, on trial and appeal, shall receive their reasonable attorneys' fees and costs as awarded by the court.

15. SCRUTINY: This Agreement has been submitted to the scrutiny of all Parties and their respective legal counsel and shall be given a fair and reasonable interpretation in accordance with the words hereof without consideration or weight being given to this being drafted by or for one of the Parties. This paragraph shall survive closing.
16. AUTHORITY: Each person signing this Agreement warrants that he has the capacity, full power and authority to enter into and consummate the transaction contemplated herein on his own behalf or on behalf of the Party he represents, as appropriate. This Agreement inures to the benefit of and is binding upon the parties and their beneficiaries, successors in interest, and assignees. This paragraph shall survive closing.
17. ENTIRE AGREEMENT: This Agreement, any attached exhibits and any addenda signed by the parties shall constitute the entire agreement between Seller and Purchaser and supersede any other written or oral agreements between Seller and Purchaser. This Agreement can be modified by written agreement between the parties and signed by Seller and Purchaser. This paragraph shall survive closing.
18. NOTICES: All notices shall be hand delivered; sent by facsimile or electronic mail; certified mail, return receipt requested; or a nationwide overnight air courier service to the Parties at the following addresses or facsimile number or to such other or further addresses or facsimile numbers as the Parties may hereafter designate by like notice similarly sent:

To Purchaser:
City of Anacortes
ATTN: City Clerk
City Hall
904 6th Street
Anacortes, WA 98221-0547

To Seller:
Jane E. Jones
Personal Representative of the Estate of Gerald Koffel
2516 103rd Dr. SE
Lake Stevens, WA 98258

19. COUNTERPARTS: This Agreement may be executed in any number of counterparts which together shall constitute the Agreement. Executed signature pages of this Agreement transmitted via facsimile or electronic mail shall be valid and binding as original signatures and shall be considered an agreement of the respective Party to fully execute and deliver originally signed copies of this Agreement.
20. SURVIVAL OF AGREEMENT: All provisions of this Agreement shall survive closing and shall inure to the benefit of and bind the respective Parties and their successors and assigns.

21. EFFECTIVE DATE. This Agreement takes effect and shall be in force on the last date of execution by each Party, below (the "Effective Date"),

22. PURCHASER'S OFFER: The undersigned Purchaser hereby offers to purchase as stated above.

CITY OF ANACORTES, a Washington municipal corporation

City Hall
904 6th Street
Anacortes, WA 98221-0547

BY: _____
Lauri Gere, Mayor

DATE: _____

22. SELLER'S ACCEPTANCE & RECEIPT OF COPY: The undersigned Seller agrees to sell and acknowledges the receipt of a copy hereof and will deliver a signed copy to the Purchaser.

Jane E. Jones
Personal Representative of the Estate of Gerald Koffel
2516 103rd Dr. SE
Lake Stevens, WA 98258

BY: _____
Jane E. Jones

DATE: _____

Anacortes City Council Minutes – May 26, 2020

Mayor Laurie Gere called to order the Anacortes City Council meeting of May 26, 2020 at 6:00 p.m. Councilmembers Jeremy Carter, Anthony Young, Ryan Walters, Christine Cleland-McGrath, Carolyn Moulton, Bruce McDougall and Matt Miller all participated in the meeting in absentia via video conference.

Announcements and Committee Reports

COVID-19 Update: Mayor Gere briefly reported on preparations for Phase 2 reopening including of the Boys and Girls Club. She advised that Skagit County elected officials had joined forces to write to the Governor's office requesting variance criteria to move to Phase 2. The mayor invited the public to tune in to her weekly briefing on Wednesday at 4:00 p.m. for more information.

Traffic Safety Committee: Mr. Miller reported from the committee meeting held May 19. He elaborated on topics discussed including a proposal to reduce the speed limit on A Avenue (declined), complaints about RV parking (no violations detected), and a possible speed study on West 3rd Street. Ms. Moulton noted discussion of an accident at R Avenue and SR20 and said no ongoing problems were expected at that intersection.

Finance Committee: Mr. McDougall reported from the committee meeting the prior Wednesday. He said the committee reviewed the Finance Director's presentation which was on the agenda for later in the evening.

Fiber Committee: Mr. McDougall reported from the committee meeting the prior Thursday. He shared the current active customer count and described how the revenue per customer was comparing positively to the business model. He said other fiber topics would be discussed later on the evening's agenda.

Parks & Recreation Committee: Ms. Moulton reported from the committee meeting the prior Thursday. She shared updates on a large number of topics discussed including phased reopening of park and recreational facilities, virtual events that staff had been exploring in lieu of live events for the summer, state funding received for the repair of the Washington Park boat launch, progress on the campground improvements at Washington Park and the Depot restroom project, the hornet trapping project, and the A Avenue landfill analysis being performed by Skagit County. Ms. Moulton praised Parks Director Jonn Lunsford, Assistant Director Bob Vaux and all the parks staff for their extraordinary efforts to make facilities and activities available for the public in keeping with safety guidelines. Mr. Young added that the Senior Center was still providing Meals on Wheels.

Planning Committee: Ms. Cleland-McGrath reported from the committee meeting earlier in the evening. She shared ideas staff had presented for allowing outdoor options for retail stores and restaurants to enable serving more customers while observing social distancing. Ms. Cleland-McGrath also reported that the Planning Department was processing permits in preparation for resumption of construction and that work on the critical areas ordinance, Shoreline Master Program and the tree ordinance would resume once public hearings were allowed. Ms. Moulton added encouragement to local businesses to apply for the city's Small Business Stabilization grants before the May 29 deadline.

Public Comment

Per Section 3 of Resolution 2082 Ratifying Proclamation of Emergency and Providing Temporary Procedures to Respond to the COVID-19 Epidemic, adopted by the Anacortes City Council on March 16, 2020, the public comment portion of Council meetings and any scheduled public hearings were temporarily suspended to discourage public in-person attendance of City Council meetings. The public was encouraged to comment via email or written comment addressed to: City Clerk, P.O. Box 547, Anacortes, WA 98221. Public comments received prior to the meeting become part of the record for the meeting, just as if presented in person.

Consent Agenda

Mr. Miller moved, seconded by Mr. Young, to approve the following Consent Agenda items. The motion carried unanimously by voice vote.

- a. Minutes of May 18, 2020
- b. Approval of Claims in the amount of: \$547,552.84
- c. Contract Award: Above Ground Waterline Painting #20-111-WTR-001
- d. Interlocal Agreement: Fiber Interconnection Agreement #20-135-FBR-001
- e. Contract Approval: Master Service Agreement with NoaNet for Communication Services
#20-133-FBR-001

The following vouchers/checks were approved for payment:

EFT numbers: 97175 through 97216, total \$260,955.08

Check numbers: 97217 through 97247, total \$84,082.62

Wire transfer numbers: 268642 through 268918, total \$202,328.99

OTHER BUSINESS

Monthly Finance Update and COVID-19 Impacts

Finance Director Steve Hoglund shared his slide presentation from the packet materials summarizing nationwide and local retail sales declines in April and Anacortes water consumption and solid waste generation decreases during the same timeframe due to the COVID-19 epidemic. Mr. Hoglund next shared his regular monthly financial update, reviewing the graphs included in the packet materials depicting the various revenue streams year to date, then the revenues and expenditures by fund.

Resolution 2091: Updating the Unified Fee Schedule for Fiber Service Suspension

Mr. Hoglund presented Resolution 2091 which would implement a reduced monthly fee for Access Fiber customers who wish to suspend their broadband service for at least 60 days. Mr. Hoglund reminded that Ms. Schuh had explained this proposal in more detail during the monthly Fiber update at the regular City Council meeting on May 18, 2020.

Mr. Miller moved, seconded by Mr. McDougall, to approve Resolution 2091 implementing a reduced fee provision for suspended fiber service. Vote: Ayes – Young, Walters, Cleland-McGrath, Moulton, McDougall, Miller and Carter. Motion carried.

Contract Award: Slurry Seal Type II #20-002-TRN-002

Public Works Director Fred Buckenmeyer presented a brief explanation of the slurry seal methodology and an update on the status of the pavement management program. Mr. Walters requested an alternative pavement rating that would weight the overall pavement condition by the miles drive on each street. Mr. Buckenmeyer observed that the PCI by street type would reflect significant improvement for the arterials since the inception of the pavement management program since that was where the funding had been focused. Mr. Walters asked that the more specific rating breakdown be posted on the website.

Mr. Buckenmeyer then requested City Council consent to award a contract in the amount of \$212,012.23 to Doolittle Construction LLC to perform the Slurry Seal Type II Project. He summarized the contract, referring to the packet materials for the meeting. Mr. Buckenmeyer recommended approval.

Mr. Miller moved, seconded by Ms. Moulton, authorize the Mayor to sign contract 20-002-TRN-002 with Doolittle Construction LLC in the amount of \$212,012.23 to perform the Slurry Seal Type II Project. Vote: Ayes – Walters, Cleland-McGrath, Moulton, McDougall, Miller, Carter and Young. Motion carried.

Lodging Tax Advisory Committee Appointments

Planning Director Don Measamer requested that Council reappoint the seven individuals currently serving on the Lodging Tax Advisory Committee (LTAC) to serve for an additional year. He confirmed that all seven had expressed a desire to serve another year. Mr. Measamer recommended the reappointments. In response to a question from Mr. Young, Mr. Measamer confirmed that no one else had applied to serve on the LTAC. LTAC Committee Chair Matt Miller thanked the committee members for their willingness to continue to serve.

Mr. McDougall moved, seconded by Mr. Young, to appoint Matt Miller as Chair and Mark Lione, Erik Schorr, Russ Olivier, Andy Stewart, Pam Audette, and Karla Locke as committee members to represent the City in the review and recommendation of projects that encourage tourism in Anacortes. Vote: Ayes – Cleland-McGrath, Moulton, McDougall, Miller, Carter, Young and Walters. Motion carried.

Contract Award: Municipal Broadband Network - Library to MSTs Aerial Areas 2, 3, 4 & 6

Administrative Services Director Emily Schuh said Access – Anacortes fiber was moving forward with expansion into aerial installation areas. She requested City Council consent to award a contract in the amount of \$204,433.45 to Robinson Brothers Construction, Inc. (RBC) to perform the construction of Municipal Broadband Network – Library to MSTs Aerial Areas 2, 3, 4 & 6. Ms. Schuh displayed a map of the aerial areas; the map was added to the packet materials for the meeting.

Mr. McDougall moved, seconded by Mr. Miller, to authorize the mayor to sign contract 19-175-FBR-003 with RBC in the amount of \$204,433.45 to perform the construction of Municipal Broadband Network – Library to MSTs Aerial Areas 2, 3, 4 & 6. Vote: Ayes – Moulton, McDougall, Miller, Carter, Young, Walters and Cleland-McGrath. Motion carried.

There being no further business, at approximately 7:20 p.m. the Anacortes City Council meeting of May 26, 2020 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 June 1, 2020 City Council meeting:
[Download this file in OpenDocument spreadsheet format.](#)

Invoice Doc #	Transaction Date	Invoice #	Vendor Full Name	Description	Total Amount	Approval Queue
268938	2/18/2020	28714	DATEC, INC	SECTOR / THERMAL PAPER	\$ 293.49	apd
268624	4/1/2020	1000030032	OCLC, INC	CATALOGING, ILL, FIRSTSEARCH/WORLDCAT DISCOVERY	\$ 379.90	publib
268623	4/1/2020	76633909	RECORDED BOOKS INC	RBDIGITAL MAGAZINES	\$ 1,000.00	publib
269131	4/10/2020	5373	FIRE SERVICE REPAIR, LLC	VEH #220 PUMP REPAIRS	\$ 1,336.94	dshop
269042	4/14/2020	0122681-IN	SWS EQUIPMENT	SERVICE REPAIRS- #512	\$ 5,159.34	dshop
269125	4/15/2020	00-2019-240 - 6	ALTA PLANNING AND DESIGN, INC	COMMERCIAL AVE CORRIDOR PLAN PHASE 1 - 11TH-13TH ST DESIGN THROUGH 3/28/20	\$ 26,989.01	pw1
268971	4/29/2020	0122974-IN	SWS EQUIPMENT	PUMP TO REPAIR GARBAGE TRUCK #511	\$ 7,514.51	dshop
269035	5/1/2020	PWTFNT-246270	DEPARTMENT OF COMMERCE	CONTRACT PC12-951-072	\$ 542,105.26	finance
269036	5/1/2020	PWTF-258474	DEPARTMENT OF COMMERCE	CONTRACT PR09-951-009	\$ 47,395.83	finance
268626	5/1/2020	1000036663	OCLC, INC	CATALOGING, ILL, FIRSTSEARCH/WORLDCAT DISCOVERY	\$ 371.59	publib
268935	5/7/2020	200000667101	PUGET SOUND ENERGY INC	1220 10TH 4/7-5/720	\$ 2,285.96	publib
269118	5/13/2020	20-0504	SEAHURST ELECTRIC, INC	WWTP INCINERATOR MCC REPLACEMENT	\$ 48,545.42	dwwtp
269127	5/14/2020	04668590	MCKESSON MEDICAL-SURGICAL	PHARMACEUTICALS	\$ 70.94	medic
269034	5/16/2020	123121	LAKESIDE INDUSTRIES, INC.	WA PARK UTILITY UPGRADE	\$ 109.42	parks1
269045	5/16/2020	123176	LAKESIDE INDUSTRIES, INC.	ASPHALT- WATER DEPT	\$ 773.78	wdist
268933	5/17/2020	8498 30 017 0543538	COMCAST	DEPOT 611 R AVENUE - 5/22-6/21/20	\$ 186.15	parks1
269123	5/18/2020	00-2019-240 - 7	ALTA PLANNING AND DESIGN, INC	COMMERCIAL AVE CORRIDOR PLAN PHASE 1 - 11TH-13TH ST DESIGN THROUGH 4/30/20	\$ 13,775.81	pw1
268934	5/18/2020	154 700 0000 9	CASCADE NATURAL GAS CORP.	LIBRARY 4/18-5/15/20	\$ 233.05	publib
269116	5/18/2020	674 400 0000 7	CASCADE NATURAL GAS CORP.	STA 1: 4/18 - 5/15	\$ 54.10	medic
269119	5/18/2020	169 400 0000 9	CASCADE NATURAL GAS CORP.	STA 2: 4/18 - 5/15	\$ 47.24	medic
269130	5/18/2020	20-18340-6	MILLENNIUM	FIBER OPTIC CABLE	\$ 3,785.15	fiber
268941	5/18/2020	001-465765	PISTON SERVICE OF ANACORTES	FILTERS FOR STOCK	\$ 88.48	dshop
269117	5/18/2020	P0002-32	QCC QUALITY CONTROLS CORP.	ON CALL PROFESSIONAL SERVICES AT WTP - APRIL 2020 DEARDEN SERVICE	\$ 437.50	dwwtp
268981	5/19/2020	280543C	BAY CITY SUPPLY	COVID-19 SAFETY SUPPLIES	\$ 51.52	pwfac
268982	5/19/2020	281620	BAY CITY SUPPLY	COVID-19 SAFETY SUPPLIES	\$ 206.10	pwfac
268983	5/19/2020	282307A	BAY CITY SUPPLY	COVID-19 SAFETY ITEMS	\$ 42.30	pwfac
268984	5/19/2020	282511	BAY CITY SUPPLY	COVID-19 SAFETY SUPPLIES	\$ 17.87	pwfac
268986	5/19/2020	20-14734	EDGE ANALYTICAL, INC	LAB TESTING	\$ 104.55	dwwtp
268939	5/19/2020	001-465839	PISTON SERVICE OF ANACORTES	MINI FUSED CIRCUIT #607	\$ 5.98	dshop
268940	5/19/2020	001-465833	PISTON SERVICE OF ANACORTES	ALTERNATOR VEH #155	\$ 158.64	dshop

Invoice Doc #	Transaction Date	Invoice #	Vendor Full Name	Description	Total Amount	Approval Queue
269129	5/19/2020	722	POHLI, INC	2020 WTP LAB EQUIPMENT PREVENTATIVE MAINTENANCE - MAY 2020	\$ 1,168.55	dwtpt
268942	5/19/2020	278850	U.S. MOWER	MOWER #704A PARTS AND LABOR	\$ 8,869.97	dshop
269120	5/20/2020	1991758079	ARAMARK	STA 3 MAT/MOP SERVICE	\$ 21.74	medic
268975	5/20/2020	RefundFraedrich	FRAEDRICH, MICHELLE	WA PARK CAMPGROUND REFUND FRAEDRICH	\$ 21.00	parks1
268973	5/20/2020	U2016021851	HB JAEGER	2 PEXA CTS SDR 9 300' REHAU	\$ 5,871.69	wdist
269050	5/20/2020	821530	JCI JONES CHEMICALS INC	HYPOCHLORITE SOLUTION	\$ 3,958.86	dwtpt
268937	5/20/2020	RefundKammerer	KAMMERER, VICKI	WA PARK CAMPGROUND REFUND KAMMERER	\$ 54.00	parks1
268978	5/20/2020	RefundDott	OTT, LEAH	WA PARK CAMPGROUND REFUND OTT	\$ 200.00	parks1
268977	5/20/2020	RefundRogers	RODGERS, MATT	WA PARK CAMPGROUND REFUND RODGERS	\$ 200.00	parks1
268980	5/20/2020	3193	SIGNDOG NW	COVID-19 RELATED SIGNS	\$ 917.43	pwfac
269043	5/20/2020	0123510-IN	SWS EQUIPMENT	SERVICE REPAIRS- #514	\$ 4,900.74	dshop
269044	5/20/2020	0123508-IN	SWS EQUIPMENT	SERVICE REPAIRS- #511	\$ 4,580.71	dshop
269049	5/20/2020	331 0519594	UNIFIRST CORPORATION	WTP LAUNDRY SERVICE	\$ 87.89	dwtpt
269124	5/21/2020	112335	A-1 MOBILE LOCK AND KEY, INC.	PARTS AND INSTALLATION - ELECTRONIC LOCKS FOR DOORS @ 29-1	\$ 7,788.36	medic
269039	5/21/2020	1991759586	ARAMARK	OPS: MAT CLEANING	\$ 34.96	dshop
269052	5/21/2020	1991759585	ARAMARK	OPS & PARKS LAUNDRY SVC FOR	\$ 77.76	finance
269121	5/21/2020	1991759576	ARAMARK	STA 2 MAT/MOP SERVICE 5/21	\$ 21.74	medic
269122	5/21/2020	1991759577	ARAMARK	STA 1 MAT/MOP SERVICE - 5/21	\$ 21.74	medic
268985	5/21/2020	RefundCassidy	DOUG, CASSIDY	WA PARK CAMPGROUND REFUND CASSIDY	\$ 100.00	parks1
269126	5/21/2020	WAANA125772	FASTENAL COMPANY	BATTERIES	\$ 15.92	medic
269135	5/21/2020	172191	INFOSEND, INC.	2020 FIREWORKS PRINT+INSERTION FEE	\$ 636.50	parks1
268979	5/21/2020	RefundMarfleet	MARFLEET, BRUCE	WA PARK CAMPGROUND REFUND MARFLEET	\$ 324.00	parks1
268976	5/21/2020	RefundMcKay	MCKAY, DAN	WA PARK CAMPGROUND REFUND MCKAY	\$ 135.00	parks1
269040	5/21/2020	001-466084	PISTON SERVICE OF ANACORTES	TAILGATE HANDLE- #131	\$ 24.76	dshop
269041	5/21/2020	001-466120	PISTON SERVICE OF ANACORTES	MINI HALOGEN LAMPS- #710	\$ 10.13	dshop
268987	5/21/2020	Invoice 02	SKAGIT VALLEY TULIP FESTIVAL	LTAC SKAGIT TULIP FEST	\$ 240.00	plan
269051	5/21/2020	112251	WALTON BEVERAGE COMPANY, INC	WTP BREAKROOM SUPPLIES	\$ 60.50	dwtpt
269038	5/22/2020	3037	BUBBA SUDZ CAR WASH, INC.	DETAILING- #160	\$ 288.06	dshop
269109	5/22/2020	92898467	CHEMTRADE CHEMICALS US LLC	ALUMINUM SULFATE	\$ 4,888.64	dwtpt
269134	5/22/2020	WABUR220043	FASTENAL COMPANY	EYEWASH ADDITIVE X 5	\$ 43.10	dwtpt
269046	5/22/2020	001-466240	PISTON SERVICE OF ANACORTES	WINDSHIELD WIPER BLADES- #050	\$ 12.04	dshop
269113	5/23/2020	00005W5A83210	UNITED PARCEL SERVICE, INC	UPS SHIPPING CHARGES; WEEK END 5-23-20	\$ 23.21	apd
269112	5/25/2020	05/25/2020	FIDALGO CLEANING	APD CLEANING & SUPPLIES	\$ 700.00	apd
269110	5/25/2020	579	SPORTSITES, INC.	SPORTSITES ANNUAL SUBSCRIPTION 5/1/20-4/30/21	\$ 5,000.00	parks1
269111	5/26/2020	4756	ANACORTES TOWING, LLC	TOWING; APD CASE 20-A03170	\$ 163.05	apd

Invoice Doc #	Transaction Date	Invoice #	Vendor Full Name	Description	Total Amount	Approval Queue
269108	5/26/2020	RefundBowers	BOWERS, LAURA	WA PARK CAMPGROUND REFUND BOWERS	\$ 200.00	parks1
269128	5/26/2020	5396062	CARDINAL HEALTH 110, INC.	ACCU-CHECKS AND PHARMACEUTICALS	\$ 343.18	medic
269115	6/1/2020	20200601	CHOWANEC, WILLIAM	STA 3 RENT: JUNE	\$ 2,235.00	medic

Total **\$757,766.06**



City Council Contract Agenda Bill

Meeting Date: 6/1/2020 **Agenda Item:** 3c

Subject: Contract Award – WWTP Heat Exchanger Tube Sheet Repair 20-140-SEW-001

Staff Contact: Fred Buckenmeyer

Approved for Submittal to Council by:
Darcy Swetnam, City Attorney

Action Type: Contract Award

Summary Statement: City staff seeks City Council consent to award a contract in the amount of \$60,872.00 to C H Murphy || Clark-Ullman, Inc. to perform the WWTP Heat Exchanger Tube Sheet Repair. During the annual incinerator shutdown, it was observed that the WWTP's Incinerator Heat Exchanger had sustained damage. Repairs must take place to avoid further damaging the Heat Exchanger.

Background:

1. **History:** During the annual incinerator shutdown, a separated weld on the inside of the incinerator heat exchanger was discovered. This separation allows gasses and ash to fill a void that is meant to allow for expansion and contraction. In order to complete this repair a portion of the heat exchanger must be disassembled to get to the damaged piece.
2. **Key Terms:**
 - Contract is for a fixed price of \$60,872.00.
 - All physical construction activities shall be completed by July 31, 2020.
3. **Competitive Bidding:** In accordance with competitive bid requirements set forth under RCW 35.23.352 the project cost is under the competitive requirements and thus the Project Manager evaluated contractors and chose to contract with C H Murphy || Clark-Ullman, Inc.

Previous Council/Committee Action: N/A

Competing Viewpoints Considered: N/A

Recommended Motion: I move that City Council authorize the Mayor to sign contract 20-140-SEW-001 with C H Murphy || Clark-Ullman, Inc. in the amount of \$60,872.00 to perform the WWTP Heat Exchanger Tube Sheet Repair.

Alternative Actions: Not award the contract

Attachments: Contract 20-140-SEW-001

Contractor	C H Murphy Clark-Ullman, Inc.
Contract Amount	\$60,872.00
Earmarked Funds	\$0
BARS #	440.750.535.89.48
Budget Amendment Required?	No – funds will be provided by the overall WWTP budget
Start Date	Notice to Proceed
End Date	7/31/20



CONTRACT 20-140-SEW-001
AGREEMENT WITH
C H MURPHY || CLARK-ULLMAN, INC.

This Contract is between the City of Anacortes, Washington, a Municipal Corporation (herein after referred to as "City") and C H Murphy || Clark-Ullman, Inc., a private contractor at 3113 S Pine St Bldg A, Tacoma WA 98409 (herein after referred to as "Contractor").

PROJECT
WWTP Heat Exchanger Tube Sheet Repair

1. **Scope of Work:** Contractor shall furnish all materials, equipment and labor to perform the repair of the heat exchanger tube sheet at the Anacortes Water Treatment Plant, 500 T Ave, Anacortes, WA 98221. Work is detailed in Exhibit A, which is hereby incorporated by reference and made a part hereof. Work shall be scheduled in advance with the Project Manager, Steve Doebler, who may be contacted at (360) 299-1504 or steved@cityofanacortes.org.

2. **Contract Price:** The Contractor will perform the scope of work above for a firm fixed price of **Sixty Thousand Eight Hundred Seventy-Two Dollars (\$60,872.00)**, which includes \$4,872.00 in sales tax at an 8.7% rate. This includes all labor and materials for the project. Before any payment is made by the City of Anacortes of sums under this contract, the contractor must provide a copy of the statement of *Intent to Pay Prevailing Wage* approved by the Department of Labor and Industries. Pursuant to RCW Chapter 60.28, a sum of five percent (5%) of the monies earned by the contractor will be retained.

3. **Bonds:** Pursuant to RCW 39.08.010, the Contractor shall provide the City a performance bond and payment bond for the full contract amount to be in effect as detailed in the incorporated General Provisions. The City may at its option release the bonds once all the conditions of RCW 39.08.010-1a have been discharged.

4. **Time of Completion:** The Contractor shall complete the work by July 31, 2020.

5. **Job Safety:** Contractor shall comply with all WA Department Labor & Industries safety standards.

6. **Contract Requirements:** Contractor must have a contractor license number, insurance, and City of Anacortes business license. **Prevailing Wage Law Applies.** Forms Needed: 1) Proof of Insurance with Additional Insured Endorsement (see General Provisions); 2) Intent to Pay Prevailing Wage; 3) Affidavit of Wages Paid; 4) Performance Bond; 5) Payment Bond; 6) Certification of Compliance with Wage Payment Statutes.

7. **Contract Documents:** The attached General Provisions and Exhibit A are included in this Contract Agreement.

The parties acknowledge that there has been an opportunity to negotiate the terms and conditions of this Agreement and agree to each bind itself, its partners, successors, assigns, and legal representatives to the other party hereto, in respect of all covenants, agreements, and obligations contained in the Contract Documents. Each of the persons signing below on behalf of any party hereby represents and warrants that s/he or it is signing with full and complete authority to bind the party on whose behalf of whom s/he or it is signing, to each and every term of this Agreement.

Owner:

City of Anacortes

Mayor

Date

Contractor:

C H Murphy || Clark-Ullman, Inc.

Date

Contractor License #

1. WASHINGTON STATE PREVAILING WAGES

Washington State Prevailing Wages apply to all Work. The Contractor and any of its Subcontractors are required to pay their laborers and mechanics minimum wage in compliance with Washington State Prevailing Wage Laws. Before any payment is made by the City of Anacortes of any sums under this contract, the contractor and each subcontractor must provide the City with a copy of the statement of *Intent to Pay Prevailing Wages* approved by the Washington State Department of Labor and Industries (L&I). Following contract completion, the City will not release any funds retained, according to the provisions of RCW 60.28.010, until the contractor and each subcontractor has provided the City a copy of the *Affidavit of Wages Paid* approved by L&I. L&I provides the wage forms. Payment by the contractor or subcontractor of any fees are incidental to the project and all costs shall be included in other pay items of the project.

For contracts in excess of \$10,000, the contractor must post in a conspicuous place at the job site, a copy of the statement of *Intent to Pay Prevailing Wages* approved by L&I and the address and phone number of the Industrial Statistician where complaints or inquiries may be made. The City will refer any dispute regarding the prevailing rate of wage to L&I for arbitration.

The State of Washington prevailing wage rates applicable for this public works project, which is located in Skagit County, may be found at the following website address of the Department of Labor and Industries: <https://fortress.wa.gov/lni/wagelookup/prvwagelookup.aspx>. The prevailing wage schedule in effect for the work under the contract will be the one in effect upon the date of execution of the contract. A copy of the applicable prevailing wage rates are also available for viewing at the office of the Owner, located at 904 6th Street, Anacortes, WA. Upon request, the Owner will mail a hard copy of the applicable prevailing wages for this project.

At least once a month Contractor must file weekly certified payroll reports online with the Washington Department of Labor and Industries as required by RCW 39.12.120.

2. Delivery. Advance coordination of the work shall be made with the Project Manager Steve Doeblner (360) 299-1504.

3. Subcontracts. The Contractor shall give notice reasonably in advance of placing any subcontract; preferably the Contractor shall identify subcontracts before subcontracted work begins. "Subcontract" means any contract entered into by a subcontractor to furnish supplies or services for performance of the prime Contractor or a subcontractor. It includes, but is not limited to, purchase orders, and changes and modifications to purchase orders. The following information shall be included (i) a description of the supplies or services to be subcontracted, (ii) identification of the type of subcontract to be used (iii) identification of the proposed subcontractor, (iv) proposed subcontract price. Unless consent or approval specifically provides otherwise, consent by the City shall not constitute a determination

- (1) of the acceptability of any subcontract terms or conditions;
- (2) of the allowability of any cost under this contract, or
- (3) to relieve the Contractor of any responsibility for performing this Contract.

As required by RCW 39.06.020, the Contractor must verify responsibility criteria for each first tier subcontractor, and a subcontractor of any tier that hires other subcontractors must verify responsibility criteria for each of its subcontractors. Verification is to include that, at the time of subcontract execution, each subcontractor meets the responsibility criteria listed in RCW 39.04.350(1) and additionally - if applicable - possesses an electrical contractor license or an elevator contractor license. This verification requirement, as well as the responsibility criteria, must be included in every public works contract and subcontract of every tier. The Contractor shall give immediate written notice of any action or suit filed and prompt notice of any claim made against the Contractor by any subcontractor or vendor that, in the opinion of the Contractor, may result in litigation related in any way to this contract, with respect to which the Contractor may be entitled to reimbursement from the City.

4. Taxes. The City will pay sales and use taxes imposed on goods or services acquired hereunder as required by law. The Contractor must pay all other taxes including, but not limited to: Business and Occupation Tax, taxes based on the Contractor's gross or net income, or personal property to which the City does not hold title. The City is exempt from Federal Excise Tax. Where applicable the City shall furnish a Federal Excise Tax Exemption certificate.

5. Invoicing. All invoices shall include: Company Name, Invoice Date, Due Date (30 days), Invoice Number, Invoice Period, Contract Title, Agreement Number and Price, or Amended Price. The Contractor must invoice **MONTHLY** for quantities delivered during the invoice period. Invoices may be sent by US mail to City of Anacortes, Accounts Payable, PO Box 547, Anacortes, WA 98221, or by email to accountspayable@cityofanacortes.org. Contractors may complete a City furnished ACH/EFT form to receive electronic payments directly to their financial institution. The City shall notify the Contractor within fifteen (15) calendar days from receipt of invoice if there are any objections or disputes with the invoice. The Contractor shall then resubmit a new invoice less the disputed amount and payment shall be made within 30 calendar days. Any disputed amounts may be submitted under the Disputes clause contained herein.

6. Withholding Payment. In the event the City determines that the Contractor has failed to perform any obligation under this Contract within the times set forth in this Contract, then the City may withhold from amounts otherwise due and payable to Contractor the amount determined by the City as necessary to cure the default, until the Contracting Officer determines that such failure to perform has been cured. Withholding under this clause shall not be deemed a breach entitling Contractor to terminate or damages, provided that the City promptly gives notice in writing to the Contractor of the nature of the default or failure to perform, and in no case more than 8 days after it determines to withhold amounts

otherwise due. A determination of the Public Works Director set forth in such notice to the Contractor of the action required and/or the amount required to cure any alleged failure to perform shall be deemed conclusive, except to the extent that the Contractor acts within the times and in strict accord with the provisions of the Disputes clause of this Contract. The City may act in accordance with any determination of the Public Works Director which has become conclusive under this clause, without prejudice to any other remedy under the Contract, to take all or any of the following actions: (1) cure any failure or default, (2) to pay any amount so required to be paid and to charge the same to the account of the Contractor, (3) to set off any amount so paid or incurred from amounts due to become due the Contractor. In the event the Contractor obtains relief upon a claim under the Disputes clause, no penalty or damages shall accrue to Contractor by reason of good faith withholding by the City under this clause.

7. Final Payment: Waiver Of Claim. The Contractor's acceptance of final payment (excluding withheld retainage) shall constitute a waiver of claims, except those previously and properly made and identified by the contractor as unsettled at the time request for final payment is made.

8. COVID-19 Safety Requirements Compliance. The Contractor, and its subcontractors of any tier, agree to comply with all current and future COVID-19 proclamations, regulations, requirements and/or related guidance issued by the Office of the Governor of Washington State as it may relate to City of Anacortes construction projects.

9. Inspection.

A. Of the Work

All materials furnished and work done shall be subject to inspection. The City Project Manager administering the Contract shall at all times have access to the work wherever it is in progress or being performed, and the Contractor shall provide proper facilities for such access and inspection. Such inspection shall not relieve the Contractor of the responsibility of performing the work correctly, utilizing the best labor and materials in strict accordance with the Specifications of the Contract. All material or work approved and later found to be defective shall be replaced without cost to the City.

B. Project Manager's Authority

The Project Manager shall have power to reject materials or workmanship which do not fulfill the requirements of these Specifications, but in case of dispute the Contractor may appeal to the City Attorney whose decision shall be final. The Contract shall be carried out under the general control of the representative of the City administering the Contract, who may exercise such control over the conduct of the work as may be necessary, in his or her opinion, to safeguard the interest of the City. The Contractor shall comply with any and all orders and instructions given by the representative of the particular Department administering the Contract in accordance with the terms of the Contract. Nothing herein contained, however, shall be taken to relieve the Contractor of his/her obligations or responsibilities under the Contract.

10. New and Unused. All units, equipment, parts and material shall be new, unused, manufacturer's current model year and in current production. All materials shall have physical and chemical properties to withstand the intended purpose. Equipment design shall have sufficient excess capacity for durability and safety.

11. Warranty. The Contractor shall return to the project and repair or replace all defects in workmanship and material discovered within one year after Final Acceptance of the Work, including any necessary labor and materials. The Contractor shall start work to remedy any such defects within 7 calendar days of receiving City's written notice of a defect, and shall complete such work within the time stated in the City's notice. In case of an emergency, where damage may result from delay or where loss of services may result, such corrections may be made by the City's own forces or another contractor, in which case the cost of corrections shall be paid by the Contractor. In the event the Contractor does not accomplish corrections within the time specified, the work will be otherwise accomplished and the cost of same shall be paid by the Contractor. When corrections of defects are made, the Contractor shall then be responsible for correcting all defects in workmanship and materials in the corrected work for one year after acceptance of the corrections by City. In addition, the Contractor shall obtain and submit to the City any necessary documentation to secure any extended manufacturer's warranty and warranty terms. This guarantee is supplemental to and does not limit or affect the requirements that the Contractor's work comply with the requirements of the Contract or any other legal rights or remedies of the City.

12. Defense and Indemnity Agreement. The Contractor shall defend, indemnify and hold the City, its appointed and elective officers, officials, employees and volunteers harmless from any and all claims, injuries, including death at any time resulting there from, damages, losses or suits including attorney fees, to the extent caused by negligent acts, errors or omissions of the Contractor in 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 Clause shall survive the expiration or termination of this Agreement.

13. 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: The 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: The Contractor's 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 as least as broad as ISO occurrence form CG 00 01 and shall cover liability arising from premises, operations, independent contractors, products-completed operations, stop gap liability, 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 of Anacortes and its officers, elected officials, employees, agents, and volunteers 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. Worker's Compensation coverage as required by the Industrial Insurance laws of the State of Washington.

D. Minimum Amounts of Insurance: The 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 \$2,000,000 each occurrence, \$2,000,000 general aggregate and \$2,000,000 products-completed operations aggregate limit.

E. Public Entity Full Availability of Contractor Limits: If the Contractor maintains higher insurance limits than the minimums shown above, the Public Entity 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 Public Entity evidences limits of liability lower than those maintained by the Contractor.

F. Other Insurance Provision: The Contractor's Automobile Liability and Commercial General Liability 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. Acceptability of Insurers: Insurance is to be placed with insurers with a current A.M. Best rating of not less than A:VII.

H. Verification of Coverage: The 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 insurance requirements of the Contractor before commencement of the work. 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.

I. Subcontractors' Insurance: 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 CG 20 10 10 01 for ongoing operations and CG 20 37 10 01 for completed operations.

J. 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 (2) business days of their receipt of such notice.

K. 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.

14. Acceptance. Contractor acknowledges and agrees that these General Provisions are incorporated in, and are a part of, each purchase order or other agreement relating to the provision of goods and/or related services by Contractor. These

General Provisions supersede all conflicting or additional terms pre-printed on any purchase order, quote, invoice, or otherwise set forth on any release, acknowledgement, confirmation, requisition, work order, shipping instruction, specification and similar document or communication.

15. Registered or Licensed Contractor. The City is prohibited by RCW 39.06.010 from executing an Agreement with a Contractor who is not registered or licensed as required by the laws of the state. In addition, a City of Anacortes business license is required for any business working inside the city limits whose annual value of products, gross proceeds of sales, or gross income of the business in the city is more than \$2,000. Business licenses can be obtained through the State of Washington Department of Revenue (DOR) Business Licensing Service (BLS) at bls.dor.wa.gov.

16. Discrimination Prohibited. During the performance of this Agreement, the Contractor and subcontractors shall not discriminate in violation of any applicable federal, state and/or local law or regulation on the basis of age, sex, race, creed, religion, color, national origin, marital status, disability, honorably discharged veteran or military status, pregnancy, sexual orientation, gender identity, or any other classification protected under federal, state, or local law. This provision shall include but not be limited to the following: employment, upgrading, demotion, transfer, recruitment, advertising, layoff or termination, rates of pay or other forms of compensation, selection for training, and the provision of services under this Agreement. Contractor agrees to comply with the applicable provisions of State and Federal Equal Employment Opportunity and Nondiscrimination statutes and regulations.

17. Contractor is an Independent Contractor. The parties intend that an independent Contractor relationship will be created by this Agreement. No agent, employee or representative of the Contractor shall be deemed to be an agent, employee or representative of the City for any purpose. Contractor shall be solely responsible for all acts of its agents, employees, representatives and Sub-Contractors during the performance of this Agreement.

18. No Third Party Beneficiary Rights. This Agreement is not intended to and shall not be construed to give any Third Party any interest or rights (including, without limitation, any Third Party beneficiary rights) with respect to or in connection with any agreement or provision contained herein or contemplated hereby, except as otherwise expressly provided for in this Agreement.

19. The City's Right to Terminate Agreement.

A. Termination for Default: If the Contractor 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 Contractor 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 Contractor shall not be entitled to receive any further payments under the Agreement until the Scope of Services under this Agreement 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 Contractor. The Contractor 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 Contractor 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 Contractor shall be entitled to payment for actual work performed at unit Agreement prices for completed items of work through the date of termination. 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.

20. Changes/Additional Work. The City may engage Contractor to perform services in addition to those listed in this Agreement, and Contractor will be entitled to additional compensation for authorized additional services or materials. The City shall not be liable for additional compensation until and unless any and all additional work and compensation is approved in advance in writing and signed by both parties to this Agreement. If conditions are encountered which are not anticipated in the Scope of Services, the City understands that a revision to the Scope of Services and fees may be required. Provided, however, that nothing in this paragraph shall be interpreted to obligate the Contractor to render or the City to pay for services rendered in excess of the Scope of Services unless or until a modification to this Agreement is approved in writing by both parties.

21. Non-waiver. Waiver by the City of any provision of this Agreement or any time limitation provided for in this Agreement shall not constitute a waiver of any other provision.

22. Covenant Against Contingent Fees. The Contractor warrants that he has not employed or retained any company or person, other than a bona fide employee working solely for the Contractor, to solicit or secure this Agreement, and that he has not paid or agreed to pay any company or person, other than a bona fide employee working solely for the Contractor, any fee, commission, percentage, brokerage fee, gifts, or any other consideration contingent upon or resulting

from the award of making of this Agreement. For breach or violation of this warranty, the City shall have the right to annul this Agreement without liability or, in its discretion to deduct from the Agreement price or consideration, or otherwise recover, the full amount of such fee, commission, percentage, brokerage fee, gift, or contingent fee.

23. Disputes

A. **General:** Differences between the Contractor and the City, arising under and by virtue of this Agreement shall be brought to the attention of the City at the earliest possible time in order that such matters may be settled or other appropriate action promptly taken. The provisions of this Clause shall survive the expiration or termination of this Agreement.

B. **Notice of Potential Claims:** The Contractor shall not be entitled to additional compensation which otherwise may be payable, or to extension of time for (1) any act or failure to act by the City, or (2) the happening of any event or occurrence, unless the Contractor has given the City a written Notice of Potential Claim within 10 days of the commencement of the act, failure, or event giving rise to the claim, and before final payment by the City. The written Notice of Potential Claim shall set forth the reasons for which the Contractor believes additional compensation or extension of time is due, the nature of the cost involved, and insofar as possible, the amount of the potential claim. Contractor shall keep full and complete daily records of the Work performed, labor and all costs and additional time claimed to be additional.

C. **Detailed Claim:** The Contractor shall not be entitled to claim any such additional compensation, or extension of time, unless within 30 days of the accomplishment of the portion of the work from which the claim arose, and before final payment by the City, the Contractor has given the City a detailed written statement of each element of cost or other compensation requested and of all elements of additional time required, and copies of any supporting documents evidencing the amount or the extension of time claimed to be due.

D. **Dispute Resolution:** In the event of a dispute between the City and the Contractor arising out of this Agreement, or any obligation hereunder the dispute shall first be referred to the representatives designated by the City and the Contractor to have oversight over the administration of this Agreement. Said representatives shall meet within thirty (30) calendar days of receipt of detailed claim, and the parties shall make a good faith effort to achieve a resolution of the dispute. In the event the parties are unable to resolve the dispute under the procedure set forth above, then the parties hereby agree that the matter shall be referred to mediation. The parties shall mutually agree upon a mediator to assist them in resolving their differences. Any expenses incidental to mediation shall be borne equally by the parties. If either party is dissatisfied with the outcome of the mediation, that party may then pursue any available judicial remedies.

24. Force Majeure. Neither party shall be liable to the other or deemed in breach or default for any failure or delay in performance under this Agreement during the time and to the extent its performance is prevented by reasons of Force Majeure. For the purposes of this Agreement, Force Majeure means an occurrence that is beyond the reasonable control of and without fault or negligence of the party claiming force majeure and which, by exercise of due diligence of such party, could not have been prevented or overcome. Force Majeure shall include natural disasters, including fire, flood, earthquake, windstorm, avalanche, mudslide, and other similar events; acts of war or civil unrest when an emergency has been declared by appropriate governmental officials; acts of civil or military authority; freight embargoes; epidemics; quarantine restrictions; labor strikes; boycotts; terrorist acts; riots; insurrections; explosions; and nuclear accidents. A party claiming suspension or termination of its obligations due to force majeure shall give the other party prompt written notice, but no more than two (2) working days after the event, of the impediment and its effect on the ability to perform; failure to provide such notice shall preclude recovery under this provision. Such delay shall cease as soon as practicable and written notification of same shall be provided. The time of completion shall be extended by Agreement modification for a period of time equal to the time that the results or effects of such delay prevented the delayed party from performing in accordance with this Agreement. Rights Reserved: The City reserves the right to cancel the Agreement and/or purchase materials, equipment or services from the best available source during the time of force majeure, and Contractor shall have no recourse against the City.

25. Governing Law. This Agreement shall be governed by and construed under the laws of the State of Washington. Any action brought under the Agreement or relating to the Project shall be brought in the Superior Court of the State of Washington in Skagit County Washington.

26. Compliance with Laws. The Contractor in the performance of this Agreement shall comply with all applicable Federal, State or local laws and ordinances, including regulations for licensing, certification and operation of facilities, programs and accreditation, and licensing of individuals, and any other standards or criteria as described in the Agreement to assure quality of services. Contractor will follow all applicable laws and requirements for excavation and disposal of material.

27. Severability. If any term or condition of this Agreement or the application thereof to any person(s) or circumstances is held invalid, such invalidity shall not affect other terms, conditions or applications which can be given effect without the invalid term, condition or application. To this end, the terms and conditions of this Agreement are declared severable.

28. Survival of Contract Termination. The provisions of the following paragraphs, the provisions of the non collusion affidavit, and the liability of the Contractor for default during the term of the Contract shall survive, notwithstanding the termination or invalidity of this Contract for any reason: Taxes; Warranty; The City's Right to Terminate Contract; Governing Law; Defense & Indemnity Agreement; Disputes.

29. Notices. Receipt of any notice shall be deemed effective three days after deposit of written notice in the U.S. mail, with proper postage and properly addressed. Notices shall be sent to the following addresses:

CITY:

City of Anacortes
Tiffany Matson
904 6th Street
PO Box 547
Anacortes, WA 98221

CONTRACTOR:

C H Murphy || Clark-Ullman, Inc.
Nate Cauley
3113 S Pine St Bldg A
Tacoma WA 98409

30. Performance and Payment Bonds. The City is required by RCW 39.08.010, with limited exceptions, to obtain both a Performance and a Payment bond for each public works project. The City requires separate Performance and Payment bonds for 100% of the contract amount furnished on bond forms standardized by the City Attorney's office. The bonds must meet the following provisions:

- Be for the full amount of the project, including tax.
- Name City of Anacortes as the obligee.
- List the correct Project Name and Project Number.
- Be signed by both the surety (the Attorney in Fact) and the Contractor.
- Be issued by a surety authorized to do business in the State of Washington (listed on the Insurance Commissioners website) and which meets the AM Best Rating required in the Contract Documents. If no requirement exists, a minimum of AM Best Rating A-7 or better will be required.

Release of Bonds

Bonds will not be released until the project has been completed and finally accepted.

Performance Bonds – Performance Bonds will be released at the end of the warranty period or six months after the date of final acceptance, whichever is later. The City may at its option release the bond once all the conditions of RCW 39.08.010-1a have been discharged.

Payment Bonds – Payment Bonds will be released either 45 days after final acceptance of the project or upon receipt of releases from the Department of Revenue, Department of Employment Security and the Department of Labor and Industries, whichever is later. Release is contingent on the fact that no claims against the bond have been filed prior to the 45 day mark. If claims have been filed against the bond, it will not be released until the claims have been resolved.

Exceptions – On projects \$150,000 and under, the Contractor can, in lieu of providing a performance and payment bond, request to have the City withhold 10% of monies earned on the project for a period of 30 days after final acceptance of the completed work or until receipt of all necessary releases from the Department of Revenue and the Department of Labor and Industries and settlement of any liens filed under Chapter 60.28 RCW, whichever is later. This exception is dependent on pre-approval by the City Attorney, and the City reserves the right to reject requests to waive the bond requirements.

31. Retainage. Pursuant to RCW Chapter 60.28, a sum of five percent (5%) of the monies earned by the Contractor will be retained. The Contractor may elect to execute a Retainage Bond. The bond must be furnished on a bond form standardized by the City Attorney's office and issued by a surety currently authorized by the State Insurance Commissioner to do business in Washington State. Retainage will be released **45 days after final acceptance**, provided that the following has occurred:

- 1) All liens placed against the project have been released. For projects over \$35,000, releases from the Department of Labor and Industries, Department of Employment Security and the Department of Revenue will also be required.
- 2) Affidavits of Wages paid for the final correct contract amount are approved and on file for the Contractor and any subcontractors.
- 3) Worker's Compensation Premiums for the Contractor and any subcontractors are current.

Note: If the City has approved the Contractor's request to waive the bond requirements, the City will withhold a total of 10% of the monies earned for a period of 30 days after final acceptance of the completed work or until receipt of all necessary releases from the Department of Revenue and the Department of Labor and Industries and settlement of any liens filed under Chapter 60.28 RCW, whichever is later.

Contract 20-140-SEW-001
Exhibit A

Scope of Work

- Provide Scaffold to access top flange of exchanger and plenum.
- Provide support for crossover duct.
- Provide crane service for removal and installation of upper exchanger plenum.
- Remove upper exchanger plenum.
- Remove refractory from upper tube sheet.
- Make repairs to top seal ring at tube sheet assembly.
- Inspect tube sheet.
- Reinstall tube sheet refractory.
- Reinstall upper exchanger plenum.

Additional Items Provided by C H Murphy || Clark-Ullman, Inc.

- Lytherm 1535 high temp gaskets for gas inlet flange & upper exchanger flange.
- (40) ss 5/8" x 2" bolts with nuts & flat washers.
- Crane services
- Scaffolding services

Items Provided by City of Anacortes Wastewater Treatment Plant

- Insulation, Painting, Forklift, Electrical, Instrumentation.
- Plant air, water, electricity, restroom facilities, and disposal of all debris.



City Council Agenda Item Summary

Meeting Date: 6/1/2020

Agenda Item Number: 3d

Agenda Item Title: Resolution 2093 – Waiving the State Competitive Bidding Requirements for the Purchase of Ten Parklets from Dero Bike Racks

Staff Contact(s): Don Measamer

Approved by: Steve Hoglund

Action Type: Resolution 2093

Item Summary:

City staff seeks City Council approval of Resolution 2093 to waive the bidding requirements for the purchase of ten parklets for use by the City of Anacortes and authorize sole source purchasing from Dero Bike Racks.

Background:

- RCW 39.04.280 provides that the City, by resolution, may waive competitive bidding requirements when a purchase is clearly and legitimately limited to a single source of supply, or when the purchase involves special facilities or market conditions.
- The City requires parklets that can be disassembled and easily relocated.
- The City currently use a parklet manufactured by Dero Bike Racks in the downtown business district.
- Dero Bike Racks is the only manufacturer and distributor of parklets that meet the City's requirements and established parklet aesthetics.
- In order to provide additional seating in front of restaurants the City wishes to purchase an additional 10 parklets.

Budget Impact

Amount Budgeted: \$

Proposed Expenditure: \$116,089.08

Budget Amendment Required? Yes

Lodging Tax revenues and/or reserves

Previous Action: Staff is presenting "Resolution 2092: Authorizing Execution of Tourism Promotion Fund Contracts by and Between the City of Anacortes and Recipient Agencies - Streateries Parklet Purchase" under the Other Business portion of the June 1, 2020 City Council agenda.

Recommended Motion: I move that Resolution 2093 be approved authorizing the purchase of ten parklets from Dero Bike Racks for use by the City and waiving the competitive bidding requirement due to a single source of supply.

Alternative Actions: Not approve the resolution

Attachments In order presented:

- Resolution 2093
- letter from Dero Bike Racks

RESOLUTION 2093

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ANACORTES, WASHINGTON, authorizing the purchase of ten parklets from Dero Bike Racks for use by the City and waiving the competitive bidding requirement due to a single source of supply, pursuant to RCW 39.04.280.

WHEREAS, RCW 39.04.280 provides that the City, by resolution, may waive competitive bidding requirements when a purchase is clearly and legitimately limited to a single source of supply, or when the purchase involves special facilities or market conditions.

WHEREAS, the City requires parklets that can be disassembled and easily relocated; and

WHEREAS, the City currently use a parklet manufactured by Dero Bike Racks in the downtown business district; and

WHEREAS, Dero Bike Racks is the only manufacturer and distributor of parklets that meet the City's requirements and established parklet aesthetics; and

WHEREAS, in order to provide additional seating in front of restaurants the City wishes to purchase an additional 10 parklets; and

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

Section 1. The City Council of the City of Anacortes finds that purchasing parklets that meet the City's requirements for disassembly and easy relocation, as well as providing uniform aesthetics with the City's currently owned parklet, clearly limits the City of Anacortes to a single source of supply from Dero Bike Racks, justifying the waiver of competitive bidding requirements.

Section 2. The City Council of the City of Anacortes hereby waives the bidding requirements for the purchase of ten parklets for use by the City of Anacortes and authorizes sole source purchasing from Dero Bike Racks.

Section 3. Any actions of the City or its officers prior to the date hereof and consistent with the terms of this Resolution are ratified and confirmed.

Section 4. This Resolution shall be in full force and effect after its adoption and approval.

The foregoing resolution was ADOPTED by the City Council of the City of Anacortes, Washington, at a regular, open public meeting thereof this 1st day of June, 2020.

Laurie Gere, Mayor

ATTEST:

Steven D. Hoglund, City Clerk/Treasurer

APPROVED AS TO FORM:

Darcy Swetnam, City Attorney



42 NORTHERN STACKS DRIVE, SUITE 100
MINNEAPOLIS, MN 55421

Re: Dero Parklets -

Parklets are only commercially available from Dero Bike Racks. Dero is the only manufacturer who is making this street furniture at a standard spec with Square Galvanized Steel Pipes for the Parklet structure and railings with a compressed lumber slat walking surface for durability. Dero is the only company making Parklets that are modular in design and have a standardized dimensions. Because of this the Dero Parklet can be moved to different sites, flexible to the needs of your community. While there are parklets made by others, they are all design/build and site specific and cannot be disassembled or easily relocated.

-Paul Buchanan

Paul Buchanan

Dero Bike Racks
Pacific Northwest Representative
26-May-2020

We know bike parking. Inside and out.™

888 337 6729 | FAX 612 331 2731 | WWW.DERO.COM



City Council Agenda Bill

Meeting Date: 6/1/2020 **Agenda Item:** 4a

Subject: Resolution No. 2092 Authorizing Distribution of Tourism Promotion Funds to the City of Anacortes PCED Department for the purchase of parklets to expand restaurant seating to accommodate distancing restrictions as outlined in the Governor's Safe Start Washington plan.

Staff Contact: Don Measamer

Approved for Submittal to Council by	
x	Steve Hoglund, Finance Director
x	Don Measamer, PCED Director

Action Type	
	Ordinance No.
X	Resolution No. 2092

Summary Statement: The City of Anacortes Planning Department submitted an application to fund the purchase of 10 parklets to provide local eateries with additional seating. This will allow 4 seats at 2 additional tables that will accommodate social distancing restrictions as provided for in the Governor's Safe Start Washington Plan. The LTAC reviewed the application and believes it meets the requirements as established in RCW 67.28.1816 and forwards this request to City Council for their approval. According to RCW 67.28.1816(2)(b)(ii), the municipality may award amounts different from the lodging tax advisory committee's recommended amount, but only after satisfying the procedural requirements of RCW 67.28.1817(2).

Background: The Revised Code of Washington (RCW) 67.28.181(2)(a) provides authority for cities to adopt a lodging tax of up to 4% of lodging charges made by hotels and motels in order to attract visitors for both overnight stays and day trips. This is not a regularly occurring event and is allowed for review outside of the regularly scheduled application process according to Goal 2, Strategy 2A, of the Anacortes Tourism Promotion Strategic Plan.

Budget Impact	
Projected total fund available for 2020 (not including previously approved 2020 projects)	\$753,912
Proposed New Project	\$120,000
Revenue Source	Lodging Tax
Budget Account (BARS)	135.240.557.30.41

Previous Council/Committee Action: LTAC recommends approval of the funding for the purchase of 10 parklets to expand distancing at local eateries to accommodate COVID-19 restrictions in the amount of \$120,000.

Competing Viewpoints Considered: N/A

Recommended Motion: I move to approve Resolution No. 2092 Authorizing Distribution of Tourism Promotion Funds to the City of Anacortes PCED for the purchase of 10 parklets to expand seating distancing at local eateries to accommodate COVID-19 restrictions in the amount of \$120,000.

Alternative Actions: Deny Resolution 2092.

Attachments (listed in order presented): Application, Resolution No. 2092

Application

Project Detail

Project name	Streateries
Date(s) of project	2020
Amount of funding requested	120,000.00
Type of qualifying project	☐ Tourism Promotion/Marketing ☐ Operation of a Special Event/Festival designed to attract tourists ☐ Operation of a Tourism Promotion Agency ☐ Operation of a Tourism-Related Facility owned or operated or non-profit organization ☒ Operation and/or Capital Costs of a Tourism-Related Facility owned by a municipality

Applicant Detail

Applicant name	City of Anacortes – Planning Community & Economic Development Department
Type of applicant	☐ Individual ☐ Non-profit corporation ☒ Public agency ☐ Other: enter text.
Federal tax ID #	91-6001772
Contact name	Don Measamer
Mailing address	P.O. Box 547
Email address	don@cityofanacortes.org
Phone	360-299-1942

Project Questionnaire

Describe your project.

In order to accommodate and encourage eating establishments within Anacortes and stay within the social distancing requirements to keep people safe due to the Covid-19 pandemic, the City Planning Department would purchase and install 10 parklets (the City already owns 1 parklet which will be included for this purpose) on the street of each business establishment to allow expanded seating capacity for customers. This will allow the owners of eateries and other businesses to provide residents and visitors the opportunity to eat at their favorite eatery, visit with friends, family and new friends and still stay within the regulations of social distancing caused by the Covid-19 pandemic. The parklets could accommodate up to 2 table tops of 4 individuals each. The City has received requests for 11 parklets to date.

Describe with specificity what aspects of your project you would spend the requested funds on.

Purchase and installation of the parklets (streateries)

10 Parklets: \$116,089.08

Hardware (wheelstops and pylons): \$3,000

Promotion

Describe how you will promote your project to attract tourists.

Each business will promote its new seating accommodations; the City will work with the Chamber of Commerce to promote the use of expanded seating capacity for eating establishments

Describe how you will promote lodging establishments, restaurants, and businesses located in Anacortes.

Businesses will be open to serve the public; each business will promote other businesses; the Chamber of Commerce will promote the new streateries to let the public know the businesses in Anacortes are open and ready to serve.

Budget

Describe the overall budget for your project.

Costs of the parklets: \$116,089.08

Hardware: \$3,000

What percentage of that budget are you requesting from the city?

100%

What would you cut from your proposed project if your application is not fully funded?

Hardware costs

Tourism-Impact Estimate

Provide the following estimates of the number of visitors to Anacortes as a direct result of your project. For recurring events, provide actual data from prior years. Leave blank if prior year data is not available.

	Estimate	Actuals		
	2020	month/year	month/year	month/year
Overall attendance	Enter ###.	Enter ###.	Enter ###.	Enter ###.
Number of people traveling more than 50 miles or more one way from their place of residence or business for the day or staying overnight	Enter ###.	Enter ###.	Enter ###.	Enter ###.
Number of people traveling from another country or state outside of their place of residence or their business	Enter ###.	Enter ###.	Enter ###.	Enter ###.
Number of people staying in PAID accommodations (e.g., hotel, motel, bed-and-breakfast) in Anacortes	Enter ###.	Enter ###.	Enter ###.	Enter ###.
Number of paid lodging room nights resulting from your project (e.g., 25 rooms on Friday and 50 rooms on Saturday = 75 room nights)	Enter ###.	Enter ###.	Enter ###.	Enter ###.

Describe methods you will use to track tourists for the purpose of mandatory reporting.

Sales receipts from businesses

Describe the prior success of your project in attracting tourists.

New project – public facilities to improve business impacted by the Covid-19 pandemic

Describe your target tourist audience (location, demographics, etc.)

City, nation, world-wide tourism and local residents – an effort to provide better opportunity for businesses to accommodate customers in response to the Covid-19 pandemic restrictions

Attachments

Prior recipients for similar proposals must attach examples of ads, promotional materials, reports, or other materials they have generated with prior allocations of lodging tax funds.

List the titles of any attachments you have included with this application:

Please review the attached article from the Urbanist for information on how a project such as this can help businesses stay open. <https://www.theurbanist.org/2020/05/18/the-year-of-car-free->

Certification

- I am an authorized agent of the organization applying for funding.
- If awarded, my organization intends to enter into a Municipal Services Contract with the City; provide liability insurance for the duration of the contract naming the City as additional insured and in an amount determined by the City; and file for a permit to use City property, if applicable.
- I understand that the City will only reimburse those costs actually incurred by the Applicant and only after the service is rendered, paid for if provided by a third party, and a signed Request for Reimbursement form (or other form acceptable to the City) has been submitted to the City, including copies of invoices and payment documentation.
- I understand that the Applicant will be required to submit a report in a format determined by the City.
- I understand that all project activities must be identified in promotional and other business materials as having been funded by the City of Anacortes.
- I understand that once submitted, this application is a public record. The City may post part or all of it on the City website or provide it in response to public records request.

Signature	Don Measamer TYPE NAME IN PLACE OF SIGNATURE IF SUBMITTING ELECTRONICALLY
Printed name	Don Measamer
Title	Director, Planning, Community & Economic Development
Organization	City of Anacortes



DERO
A PLAYCORE Company

42 Northern Stacks Dr, Ste 100,
MINNEAPOLIS, MN, 55421

Tax Registration No 26-303-0026
www.dero.com

(612) 359-0689 * (888) 337-6729

Sales Representative - Paul Buchanan

Contact Name Don Measamer
Contact Phone 360-299-1942

Est. Ship Date 5/18/2020
Delivery terms FOB origin
Payment terms Net 30 days

Delivery Contact
Delivery Phone

Quotation

Page 1 of 2
Number QTE-00078364-4
Date 5/19/2020
Customer PO
Reference Streatory Parklets
Quote valid until 6/17/2020

Sold to:

Anacortes, City of
Accounts Payable
PO Box 410
ANACORTES, WA 98221
USA

Ship to:

Anacortes, City of
2201 37th St
ANACORTES, WA 98221
USA

Catalog No	Description	Ship date	Quantity	Unit	Net Unit	Amount
PARKLET E	Parklet Starter Unit 96"x105" 6" Drop Galvanized Frame	5/19/2020	10.00	EA	4,972.000	49,720.00
PARKLET E	Parklet Add-on Unit 96"x105" 6" Drop Galvanized Frame	5/19/2020	10.00	EA	3,873.000	38,730.00
PARKLET RAILING	Parklet Railing Silver Powder Coat	5/19/2020	10.00	EA	2,858.000	28,580.00
PARKLET E ACCESSORY	Parklet Gap Cover	5/19/2020	20.00	EA	0.000	0.00
PARKLET LEVEL 3 -5"	PARKLET LEVEL 3-5", 3/4" X 5.91, #11T150SA8/OS	5/19/2020	30.00	EA	0.000	0.00

** PRICE INCLUDES ALL HARDWARE **

PARTS WILL BREAK OUT ON ORDER



DERO
A PLAYCORE Company

42 Northern Stacks Dr, Ste 100,
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Est. Ship Date 5/18/2020

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Accounts Payable
PO Box 410
ANACORTES, WA 98221
USA

Ship to:

Anacortes, City of
2201 37th St
ANACORTES, WA 98221
USA

Force Majeure: No Party to this Agreement shall be responsible for any delays or failure to perform any obligation under this Agreement due to acts of God, outbreaks, epidemic/pandemic or the spreading of disease or contagion strikes or other disturbances, including, without limitation, war, insurrection, embargoes, governmental restrictions, acts of governments or governmental authorities, and any other cause beyond the control of such party. During an event of force majeure, the Parties' duty to perform obligations shall be suspended.

To place the order, verify that all billing, shipping, and order information is correct. Then sign and date below and email back to your sales rep or to sales@dero.com. We will e-mail you an order confirmation once your order has been processed.

THE SHIP DATE IS AN ESTIMATE ONLY. We will do everything possible to ship by or before that date but do not guarantee shipment by that date.
PRICING: Quote is good for 30 days. Pricing is subject to change. Orders shipping more than 6 months from date of placement are subject to a minimum 5% escalation fee per year.

CANCELTION: A 20% restocking fee will be assessed to all canceled orders.

TAXES: Sales tax is estimated based on current tax rates. Final sales tax is subject to tax rates at the time of shipment. Please notify us immediately if your order is exempt from sales tax.

Payments can be made by credit card, pre-payment, or Net 30 credit terms may be issued with credit approval.

Customer please specify desired ship date: _____

Signature & Date:

THIS SIGNED ORDER FORM IS ACCEPTED AS A BINDING PURCHASE

Sales Subtotals	Freight	Other Charges	Sales Tax
117,030.00	15,210.00	-25,442.32	9,291.40

TOTAL

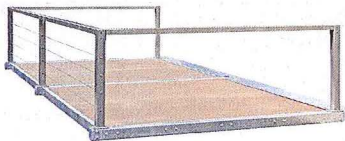
USD

\$116,089.08

DERO PARKLET



Modular Urban Oasis



The Dero Parklet is an innovative way to build public gathering spaces right in the heart of the urban streetscape. Local businesses with limited sidewalk space now have the unique ability to extend their atmosphere and aesthetic to the outdoors. The Dero Parklet's modular design allows each space to be built to suit any vision. With a galvanized steel frame and recycled paper-based fiber composite decking, this little urban oasis has the durability to last through all seasons.



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RESOLUTION NO. 2092

A RESOLUTION AUTHORIZING DISTRIBUTION OF TOURISM PROMOTION FUNDS TO THE CITY OF ANACORTES PLANNING COMMUNITY & ECONOMIC DEVELOPMENT DEPARTMENT FOR THE PURCHASE OF STREET PARKLETS TO ALLOW SEATING EXPANSION FOR LOCAL RESTAURANTS DUE TO COVID-19 RESTRICTIONS

WHEREAS, the below listed agency has been selected by the City to undertake a project designed to advertise, publicize, or distribute information or undertake other activities specifically authorized by RCW 67.28.180 for the purpose of attracting visitors to the City of Anacortes; and

WHEREAS, the City of Anacortes wishes to provide certain monies to this agency, which monies have been collected or will be collected as part of the Motel/Hotel Tax;

NOW, THEREFORE IT IS HEREBY RESOLVED BY THE ANACORTES CITY COUNCIL to authorize the distribution of tourism promotion funds to the following agency, as the official act and deed of the City of Anacortes:

	Project	Grant Recipient	2020 Request	LTAC RECOMMENDS	APPROVED
1	Parklets for Expanded Seating at local eateries	City of Anacortes Planning, Community & Economic Development	\$120,000	\$120,000	

PASSED and **APPROVED** on this 1st day of June, 2020.

CITY OF ANACORTES

By _____
Laurie Gere, Mayor

ATTEST:

Steven Hoglund, City Clerk

APPROVED AS TO FORM:

Darcy Swetnam, WSBA #40530
City Attorney



City Council Agenda Item Summary

Meeting Date: 6/1/2020

Agenda Item Number: 7b

Agenda Item Title: Ordinance 3071 Authorizing Maximum Affordable Housing Sales Tax Credit

Staff Contact(s): Steve Hoglund, Don Measamer

Approved by: Darcy Swetnam, Steve Hoglund

Action Type: Ordinance 3071

Item Summary: RCW 82.14.540 authorizes cities who have adopted a Qualifying Local Tax to obtain the full sales tax credit from the state for use on affordable and supportive housing (as opposed to half the credit without the QLT). The same RCW requires a resolution of intent to obtain the credit, and that the QLT is to be done through a vote of the citizens. All of these criteria have been met to allow the City to obtain the full credit.

Budget Impact

Amount Budgeted:

Proposed Expenditure:

Budget Amendment Required?

Previous Action:

8/26/19: [Resolution 2054](#) stating intent to obtain sales tax credit for affordable housing

11/4/19: [Resolution 2061](#) authorizing tax proposition vote by citizens to authorize a Qualifying Local Tax

2/11/20: Tax proposition [vote passed with 55% approval](#)

Recommended Motion: I move to adopt Ordinance 3071 authorizing the maximum state credit for affordable housing use.

Alternative Actions: Do not adopt ordinance

Attachments In order presented:

- Ordinance 3071

ORDINANCE 3071

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF ANACORTES RELATING TO LOCAL SALES AND USE TAX; AUTHORIZING MAXIMUM CAPACITY UNDER THE PROVISIONS OF RCW 82.14.540 FOR AFFORDABLE AND SUPPORTIVE HOUSING; AND ESTABLISHING IN THE CITY'S GENERAL LEDGER A TRUST FUND TO SUPPORT THE ACCOUNTING FOR THOSE RELATED REVENUES AND EXPENDITURES

WHEREAS, RCW 82.14.540 empowers the legislative authority of a city with the authority to fix and impose an additional sales and use tax as a credit against the tax already payable to the State and shall not result in a tax increase; and

WHEREAS, RCW 82.14.540 requires a resolution of intent to obtain such credit within 6 months of July 28, 2019, and likewise requires legislation to obtain said credit within 12 months of the same date, and

WHEREAS, On August 26, 2019 the Anacortes City Council adopted Resolution number 2054 declaring the Council's intent to adopt legislation to authorize the full sales and use tax credit authorized in RCW 82.14.540, and

WHEREAS, RCW 82.14.540 authorizes a city who is levying qualifying local tax to obtain from the State the full sales tax credit at the rate of .0146, and

WHEREAS, On November 4, 2019 the Anacortes City Council adopted Resolution number 2061 authorizing a voter proposition to the voters of the City of Anacortes, to authorize a 1/10th of 1% sales tax increase, otherwise known as a qualifying local tax, the proceeds of which would be used for affordable and supportive housing purposes as authorized and outlined in RCW 82.14.530, and

WHEREAS, In a special election on February 11, 2020 Anacortes voters approved the qualifying local tax by an approval rate of 55%, and

WHEREAS, RCW 82.14.540 requires an ordinance to be adopted by City Council by July 28, 2020 to authorize the full sales tax credit at the rate of .0146, and

WHEREAS, It is the intent of City Council to collect the full sales tax credit of .0146 and the qualifying local tax requirement has been met to collect said full credit, and

WHEREAS, City Council desires to establish a trust fund in the City's accounting system general ledger into which the funds collected through the qualifying local tax and the full sales tax credit will be deposited into, and spent out of, and said fund will be numbered and will operate consistent with the requirements provided by the BARS manual published by the Washington State Auditor's office.

NOW THEREFORE, BE IT ORDAINED BY THE CITY OF ANACORTES:

Section 1: The full sales tax credit of .0146 is authorized to be collected from the State of Washington, as outlined in RCW 82.14.540.

Section 2: The Finance Director will establish a Trust Fund in the City Accounting System to accommodate the accounting necessary for the qualifying local tax and the supportive and affordable housing tax credit.

PASSED AND APPROVED THIS 1st day of June, 2020.

CITY OF ANACORTES, WASHINGTON

BY: _____
Laurie Gere, Mayor

ATTEST:

Steven D. Hoglund, City Clerk

APPROVED AS TO FORM:

Darcy Swetnam, WSBA #40530
City Attorney



Anacortes City Council

Proposed Agenda Items for the Next Eight Weeks Beginning June 8, 2020

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 and vouchers are 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.

June 8, 2020

June 15, 2020

June 22, 2020

July 6, 2020

July 13, 2020

July 20, 2020

July 27, 2020

August 3, 2020

Upcoming City Council Committee Meetings

The public is welcome to attend City Council Committee Meetings.

- Public Works, Monday, Jun 1, 2020, 5:00 PM, Teleconference
- Port/City Liaison, Tuesday, Jun 2, 2020, 8:30 AM, TBD
- Public Safety, Tuesday, Jun 2, 2020, 10:00 AM, Teleconference
- Fiber, Thursday, Jun 4, 2020, 2:30 PM, Teleconference
- Fiber, Thursday, Jun 4, 2020, 2:30 PM, Teleconference
- Housing Affordability & Community Services, Monday, Jun 8, 2020, 4:00 PM, Teleconference
- Planning, Monday, Jun 8, 2020, 5:00 PM, Teleconference
- Finance, Wednesday, Jun 10, 2020, 5:00 PM, Teleconference
- Community Center / Pool, Thursday, Jun 11, 2020, 3:30 PM, TBD
- Public Works, Monday, Jun 15, 2020, 5:00 PM, Teleconference
- Planning, Monday, Jun 22, 2020, 5:00 PM, Teleconference
