

- Meetings may be viewed on the [City of Anacortes website](#), on the City of Anacortes [YouTube](#) Channel, or on TV [Channel 10](#).
- The public may also watch, listen to, or participate in the meeting live by visiting <https://us02web.zoom.us/j/89255646791> or by telephoning 1-253-215-8782 and entering Meeting ID 892 5564 6791.
- The public is encouraged to comment via email to cityclerk@cityofanacortes.org or via written comment addressed to City Clerk, P.O. Box 547, Anacortes, WA 98221. Public comments received by the [City Clerk](#) prior to 3:00 p.m. the day of the meeting will become part of the record for the meeting, just as if presented in person.
- Complete guidelines for virtual participation in Anacortes City Council meetings are available [here](#). View the quick video example for connecting to the meeting [here](#).



Anacortes City Council
Municipal Building Council Chambers
904 6th Street

November 13, 2023
6:00 PM

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

1. **Call to Order**
2. **Pledge of Allegiance**
3. **Announcements and Committee Reports**
 - a. Finance Committee (Report)
 - b. Housing Affordability and Community Services Committee (Report)
 - c. Planning Committee (Report)
 - d. Public Safety Committee (Report)
 - e. Port / City Liaison Committee (Report)
 - f. Samish Indian Nation Quarterly Meeting (Report)
 - g. Anacortes Museum Advisory Board: Reappointments (Action)
 - h. Historic Preservation Board: Reappointment (Action)
4. **Public Comment**
5. **Consent Agenda**
 - a. Minutes of November 6, 2023 (Action)
 - b. Approval of claims in the amount of \$2,172,428.68 (Action)
 - c. Contract Award: Municipal Court A/V Upgrade Project #23-301-FAC-001 (Action)
6. **Public Hearings**
 - a. Continued Public Hearing: 2024 Revenue Sources, Including an Increase in the Property Tax Levy (Discussion)
7. **Other Business**
 - a. * Downtown Event Venue Discussion (Discussion)
 - b. * 2024 Budget Review - General Governmental (Discussion)

Per Resolution 3051, citizens wishing to comment on items not on the agenda may do so under Public Comment. Citizens wishing to comment on items indicated with an asterisk () may do so as those items are considered by Council during the course of the meeting.*

The City of Anacortes is committed to making public meetings available and accessible to all members of the community.
For assistance with special needs, please contact the City Clerk at 360-299-1960 in advance of the meeting.

- c. Security Agreement with U.S. Commerce Department Economic Development Administration #23-013-FBR-004 (Discussion/Action)
- 8. **Adjournment**

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City Council Agenda Bill

Meeting Date: November **Agenda Item:** 3.g.
13, 2023

Agenda Item Title: Anacortes Museum Advisory Board: Reappointments

Staff Contact(s): MATT MILLER, BRET LUNSFORD

<u>Approved for Submittal to Council by</u>	<u>Action Type</u>
Jennifer Tottenham	Motion
MATT MILLER	

Item Summary: AMC 2.50.030: Members of the Anacortes Museum Advisory Board shall be appointed by the Mayor with the approval of City Council for a term of four years.

Budget Impact:

Previous Action:

Recommended Motion: Move to confirm reappointments to the Anacortes Museum Advisory Board as presented

Alternative Actions:

Attachments (listed in order presented):

1. Anacortes Museum Advisory Board: Reappointments 11.13.2023



City Council Memo

TO: Anacortes City Council
FROM: Matt Miller, Mayor
Bret Lunsford, Director Anacortes Museum
DATE: November 13, 2023
RE: Anacortes Museum Advisory Board Reappointments
Appointed by the Mayor Requiring Confirmation by City Council

Summary Statement:

The following reappointments to the Anacortes Museum Advisory Board are being presented at the regular City Council meeting on November 13, 2023.

[Anacortes Municipal Code Chapter 2.50.030](#) refers to Anacortes Museum Advisory Board terms and states: "The members shall be appointed by the mayor with the approval of the city council for a term of four years."

Anacortes Museum Advisory Board Reappointments:

It is my recommendation that the following reappointments to the Anacortes Museum Board be confirmed by Council:

- Reappointment of Deane Brazas to the Museum Advisory Board, whose current term is expiring. The new 4-year term will expire December 31, 2027.
- Reappointment of Gib Moore to the Museum Advisory Board, whose current term is expiring. The new 4-year term will expire December 31, 2027.
- Reappointment of Pat Dunn to the Museum Advisory Board, whose current term is expiring. The new 4-year term will expire December 31, 2027.
- Reappointment of Tom Kuhn to the Museum Advisory Board, whose current term is expiring. The new 4-year term will expire December 31, 2027.

Recommended Motion:

I move to confirm the reappointments to the Anacortes Museum Advisory Board as presented.



City Council Agenda Bill

Meeting Date: November 13, 2023 **Agenda Item:** 3.h.

Agenda Item Title: Historic Preservation Board: Reappointment

Staff Contact(s): MATT MILLER, BRET LUNSFORD

<u>Approved for Submittal to Council by</u>	<u>Action Type</u>
Jennifer Tottenham	Motion
MATT MILLER	

Item Summary: AMC 18.20.040: Members of the City Historic Preservation Board Shall be Appointed by City Council

Budget Impact:

Previous Action:

Recommended Motion: Move to approve the reappointment to the Historic Preservation Board as presented.

Alternative Actions:

Attachments (listed in order presented):

1. Anacortes Historic Preservation Board Reappointment 11.13.2023



City Council Memo

TO: Anacortes City Council
FROM: Matt Miller, Mayor
Bret Lunsford, Director Anacortes Museum
DATE: November 13, 2023
RE: Anacortes Historic Preservation Board Reappointments
Appointed by City Council

Summary Statement:

The following reappointment recommendations to the Anacortes Historic Preservation Board are being presented at the regular City Council meeting on November 13, 2023.

[Anacortes Municipal Code Chapter 18.20.040](#) refers to Anacortes Historic Preservation Board terms and states: Members of the city historic preservation board shall be appointed by the City Council.

Anacortes Historic Preservation Board Reappointment Recommendation:

- *Reappointment of Bob Ross to the Historic Preservation Board, whose current term is expiring. The new 3-year term will expire December 31, 2026.*

Recommended Motion:

I move to reappoint Bob Ross to the Historic Preservation Board as presented.



Anacortes City Council

Municipal Building Council Chambers
904 Sixth Street

November 13, 2023
6:00 p.m.

PUBLIC COMMENT SIGN IN SHEET

Per Resolution 3051, citizens wishing to comment on items not on the agenda may do so under the Public Comment portion of the agenda. Citizens wishing to comment on agenda items indicated with an asterisk (*) may do so as those items are considered by Council during the course of the meeting. Citizens wishing to speak will please sign in at the back of the Council Chambers prior to the start of the meeting. The Mayor may limit comments to those who have signed in and may limit the time allotted to each speaker to facilitate the orderly progress of the meeting. These rules are intended to promote an orderly system of holding a public hearing or meeting, to give every person who wishes to speak an opportunity to be heard, and to ensure that no individual is embarrassed by exercising his or her right to free speech.

Please print your name legibly so we can recognize you correctly in the minutes. Thank you!

Name	Topic
✓ EVAN SARTON	City Leadership ✓
⊙ Brenda Ramsdell	Tent - Non-Profits ^{ADVANCE SIGN UP}
✓ MEREDITH McEMORE	CREATIVE DISTRICT ✓
(VICE PRES SPORTS ACTION)	EVENTS SPACE
RUSS OLIVIER	
JESSICA KISER (CHAMBER)	
LINDY RENO	
MARTA MCINTOCK	
JOE MALCHAM	
KATIE (FRIEND OF FOREST)	
1- MEREDITH McEMORE	
KATHLEEN CORAN - FURNAGA	
WARD MACKINIST	
MS RAMSDELL	
ROSMARY WALTER	
LESLIE SYMONE	

Continued on back of sheet as needed

Anacortes City Council Minutes - November 6, 2023

Call to Order

Mayor Matt Miller called to order the Anacortes City Council meeting of November 6, 2023 at 6:00 p.m. Councilmembers Jeremy Carter, Ryan Walters, Christine Cleland-McGrath, and Bruce McDougall were present. Councilmembers Anthony Young, Carolyn Moulton, and Amanda Hubik participated in the meeting remotely via Zoom.

Pledge of Allegiance

The assembly joined in the Pledge of Allegiance.

Announcements and Committee Reports

Mayor Miller shared an update on the election day deadline of 8pm to turn in ballots on Tuesday November 7th, that North Star project meeting minutes would be provided to the Council, the commencement of the R Avenue and 30th Street roundabout project, and that City Hall will be closed on Friday November 10th in observance of Veterans Day with an even commemorating veterans to be held at 11am at the Port Transit Shed.

Fiber Committee

Mr. McDougall reported from the Fiber Committee meeting held November 2nd. The topics discussed included an update on 2,150 customer connections, a 43.2% take rate in Guemes View and 46.4% take rate city-wide, and the Economic Development Area project construction beginning in late 2024.

Housing Affordability and Community Services Committee

Ms. Cleland-McGrath reported from the Housing Affordability and Community Services Committee meeting held on October 25th. The topics discussed included a discussion with representatives from the Salvation Army and Anacortes Family Center for cold weather shelters, a possible hot weather shelter at the Anacortes Senior Activity Center, and a Community Development Block Grant conference attendance debrief from Planning, Community, and Economic Development Coordinator, Stephanie Snyder.

Public Works Committee

Ms. Moulton reported from the Public Works Committee meeting held earlier in the evening. The topics discussed included public areas of concern in the parking code, the R Avenue long-term improvement project materials testing contract, and the AMI antenna poles for water meter monitoring.

Lodging Tax Advisory Committee

Mr. Young reported from the Lodging Tax Advisory Committee meeting held on October 26th. The topics discussed included submitted proposals, the strategic plan, and event space in light of the imminent closure of the Port Transit Shed.

Parks and Recreation Committee

Ms. Moulton reported from the Parks and Recreation Committee meeting held on October 25th. The topics discussed included Federal Emergency Management Agency (FEMA) funding, the 2024 budget, the Guemes Channel Trail environmental impact statement, the Washington Park restroom contract, having a police presence in the Anacortes Community Forest Lands during the summer months, and the Depot and Senior Activity Center event lease price levels.

Finance Committee

Mr. McDougall reported from the Finance Committee meeting held October 25th. The topics discussed included flat sales and utility tax revenues and ramifications for budget planning, FEMA replacement funds, and a preview of OpenGov budget reports.

North Star Housing Work Group

Mr. Walters reported from the North Star Housing Work Group meeting held earlier in the afternoon. The topics discussed included bringing additional public entities, including ports, into the search for public property sites that could be developed for additional housing and the Skagit Council of Governments proposal of jurisdictions re-zoning industrial lands to allow residential uses as part of comprehensive plan updates.

Public Comment

Mayor Miller invited the public to comment on any item not on the agenda.

Public comment was given as follows:

Bill Turner of Anacortes addressed the Fidalgo Landing project, asking that information be provided to the city and citizens so that permitting and public input can be facilitated. He also addressed affordable housing in relation to Fidalgo Landing.

Theresa Baker of Anacortes asked about Little Cranberry Lake possibly being opened to a private commercial endeavor that would provide a paddle boarding service, and that if this were the case, the initiative should be open for public comment.

Dan Baker of Anacortes echoed Theresa Baker's comments.

Consent Agenda

Ms. Moulton moved, seconded by Ms. Hubik, to approve the following Consent Agenda items. The motion carried unanimously by voice vote.

a. Minutes of October 23, 2023

b. Approval of claims in the amount of \$1,055,321.12

The following vouchers/checks were approved for payment:

EFT numbers: 1077166 through 107774, total \$974,451.47

Check numbers: 107775 through 107795, total \$76,288.85

Wire transfer numbers: 333782 through 334448, total \$4,580.80

c. Contract Award: Washington Park New Restroom Facility #23-071-PRK-003

d. Special Event Application: Turkey Trot

e. Contract Award: R Avenue Long-Term Improvement Project - Materials Testing #20-127-TRN-006

Public Hearings

Continued Public Hearing: Revenue Sources, Including an increase in the property tax levy

Mayor Miller announced that the continued public hearing on revenue sources remains open and that no public comment had yet been received.

Other Business

Anacortes Waterfront Alliance Update

Recreation Manager, Dustin South, introduced Anacortes Waterfront Alliance Executive Director, Mary Trester, and Program Manager, Elise Murphy, who gave a presentation on their organization's public programs, referring to a slide presentation that was included in the packet materials for the meeting.

Discussion topics included:

- Inclusive provision of services, possible additional facilities for operations, and environmental preservation.

Ordinance 4058: Amending Critical Areas Regulations

City Attorney, Darcy Swetnam, introduced Ordinance 4058: Amending Critical Areas Regulations, referring to a slide presentation that was added to the packet materials for the meeting.

Discussion topics included:

- settlement language of "avoidance" and "disturbance".

BRUCE MCDOUGALL moved, seconded by AMANDA HUBIK, to adopt Ordinance 4058. Vote: Ayes - JEREMY CARTER, ANTHONY YOUNG, RYAN WALTERS, CHRISTINE CLELAND-MCGRATH, CAROLYN MOULTON, BRUCE MCDOUGALL, AMANDA HUBIK. Nays - None. Result: Passed

2024 Budget Review - Public Works

Finance Director, Steve Hoglund, reviewed the 2024 budget calendar and then introduced Public Works Director, Andrew Rheume, who opened the discussion of the 2024 budget review for public works, referring to the [2024 Online Budget Book](#) on the city's website.

Discussion topics included:

- Inclusion of debt service as expenditures, cash flow worksheets, reasons for salary and benefit increases, approval of Full-Time Employee count, explanations of significant budget fund increases or decreases, and engineering services contract.
- Equipment Rental and Replacement Fund - details of the number of vehicles and associated conditions.
- Street Maintenance - funds spent on overlays, saving funds not spent on overlays via code amendment.

Mayor Miller invited members of the audience to comment on this agenda item.

Public comment was given as follows:

Dennis Clark of Anacortes addressed overlay funding, suggesting an increase to \$2.4 million for fund 104 in light of inflation.

Ordinance 4062: An Ordinance Adopting New AMC Chapter 2.08 Regarding Appointive Officers of the City

City Attorney, Darcy Swetnam, re-introduced Ordinance 4062 that would adopt a new Chapter 2.08 of the Anacortes Municipal Code regarding appointive officers of the city, referring to a slide presentation that was added to the packet materials for the meeting.

Discussion topics included:

- Human Resources as an independent department with its own independent director, codifying the structure of city government, corporate best practices, and recent history of the Human Resources

director position.

- Municipal Court judge selection.
- Interim appointment duration, Council notification if the hiring process is expected to be lengthy.
- Council review of candidate application materials.
- Contracting authority of the Council.
- Forms of city government.
- Communications between the branches of government,
- Current political environment in the city.
- Ordinance introduction timing.
- Protecting the city from legal exposure and employee rights.

Mayor Miller invited members of the audience to comment on this agenda item.

Public comment was given as follows:

Marketa Vorel of Anacortes commented on transparency and protection of the democratic process, expressing discomfort with the executive deleting a department head position without consulting the Council, advocating for improved communication between the executive and legislative branches, and supporting limitations on power to the executive as drafted in the ordinance.

Connie Miller of Anacortes asked who has the authority to establish the position of City Administrator. She advocated for the efficiency of empowering the executive to have appropriate autonomy and authority in personnel and staff matters and that there should be further discussion of the matter in another forum.

Rochelle Kealoha of Anacortes expressed support for City Council's efforts to bring forth the ordinance.

Ward MacKenzie of Anacortes echoed the written comments of Denis Law. He then addressed the "gray areas" of democracy that lead to conflict and advocated for cleanup of the code to address it. He expressed disappointment about choosing to bring it before this forum without prior internal discussion.

RYAN WALTERS moved, seconded by CAROLYN MOULTON, to approve ordinance 4062 as amended in 2.08.040.A. from "immediately" to "timely" and in 2.08.040.C. delete "meet informally with the appointed officer". Vote: Ayes - ANTHONY YOUNG, RYAN WALTERS, CHRISTINE CLELAND-MCGRATH, CAROLYN MOULTON, BRUCE MCDOUGALL, AMANDA HUBIK. Nays - JEREMY CARTER. Result: Passed

Adjournment

There being no further business, at approximately 8:50 p.m. the Anacortes City Council meeting of November 6, 2023 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 November 13, 2023 City Council meeting:
[Download this file in OpenDocument spreadsheet format.](#)

Invoice Doc #	Invoice Date	Invoice #	Vendor Full Name	Description	Total Amount	Approval Queue
334500	4/21/2023	14773	RICK'S REFRIGERATION, INC.	SENIOR CENTER MAINTENANCE	\$ 288.59	pwfac
334744	5/18/2023	6638551	FAMILY CARE NETWORK PLLC	PRE-EMPLOYMENT MEDICAL EXAM; VANDERKOOY	\$ 288.00	apd
334655	7/31/2023	3161	WELCH BROTHERS CONSTRUCTION	36-INCH WATER TRANSMISSION LINE EMERGENCY REPAIR	\$ 67,166.52	pw1
334590	8/1/2023	Aug 1 2022	LYNDEN YOGA COLLECTIVE	AUG, SEPT & OCT YOGA CLASSES	\$ 1,125.00	medic
334490	8/7/2023	0304832-IN	REISNER DISTRIBUTOR INC	DEF FLUID	\$ 629.52	dshop
334491	8/31/2023	0307035-IN	REISNER DISTRIBUTOR INC	SUPPLIES FOR STOCK	\$ 1,392.67	dshop
334586	8/31/2023	6002483153	ENDRESS + HAUSER, INC	MAINTENANCE SUPPLIES - PUMP STATIONS	\$ 2,830.73	dwwtp
334501	9/6/2023	1128541-1	FERGUSON ENTERPRISES, INC	SUPPLIES FOR WATER MAINTENANCE	\$ 87,437.08	wdist
334868	9/12/2023	08300536	VERMEER MOUNTAIN WEST	SOUTH FIDALGO TRANSFER: VACUUM EQUIPMENT RENTAL	\$ 4,896.00	dwwtp
334925	9/20/2023	ReimbJohnson	JOHNSON, IVER	LEOFF1 COPAYS	\$ 35.00	hr
334758	9/22/2023	2EV85805P5977370U	COMBAT FIRST AID	MINI FIRST AID KITS FOR LE	\$ 798.83	apd
334506	9/28/2023	360-299-0973-1017915	ZIPLY FIBER	WWTP 9/28-10/27/23	\$ 483.51	dwwtp
334502	9/29/2023	1195869-3	FERGUSON ENTERPRISES, INC	SUPPLIES FOR WATER MAINTENANCE	\$ 119,884.54	wdist
334664	9/30/2023	090087001-0923	KIMLEY-HORN AND ASSOCIATES, IN	PASS LAKE 10-INCH WATERMAIN REPLACEMENT PROJECT - DESIGN	\$ 10,115.00	pw1
334909	9/30/2023	1160	WIDENER & ASSOCIATES	FEMA COORDINATION - FEBRUARY 2020 EVENT - FEMA-4539-DR - SEPTEMBER 2023	\$ 4,972.80	pw1
334907	9/30/2023	1162	WIDENER & ASSOCIATES	FEMA COORDINATION - JANUARY 2022 EVENT - FEMA-4650-DR - SEPTEMBER 2023	\$ 1,989.60	pw1
334452	10/2/2023	122023	ANACORTES CHAMBER OF COMMERCE	ART WALK FOR 98221 GALLERY	\$ 30.00	parks1
334917	10/11/2023	401286983	XYLEM DEWATERING SOLUTIONS	WWTP PUMP STATION BACKUP PUMP RENTAL	\$ 9,006.47	dwwtp
334729	10/12/2023	44983	ZUMAR INDUSTRIES, INC.	SUPPLIES FOR STREET DEPT	\$ 2,344.15	dshop

Invoice Doc #	Invoice Date	Invoice #	Vendor Full Name	Description	Total Amount	Approval Queue
334587	10/16/2023	6002497807	ENDRESS + HAUSER, INC	MAINTENANCE SUPPLIES - PUMP STATIONS	\$ 5,210.77	dwwtp
334869	10/16/2023	B17498122	SHI INTERNATIONAL CORP.	BLUEBEAM CORE - ANNUAL SOFTWARE SUBSCRIPTION - 10/10/23-10/9/24	\$ 5,548.98	infosys
334657	10/20/2023	44301394	TWO RIVERS TERMINAL, LLC	PUMP STATION CHEMICALS	\$ 14,696.75	dwwtp
334582	10/20/2023	9947360374	VERIZON WIRELESS	SCADA COMMUNICATIONS - PUMP STATION 9/21-10/20/23	\$ 1,241.22	dwwtp
334872	10/22/2023	15-95190	CUMMINS, INC.	ANNUAL CUMMINS GENERATOR TESTING AND SERVICING - WWLS #17	\$ 569.42	pw1
334897	10/23/2023	0852	FIDALGO CLEANING	APD CLEANING & SUPPLIES (10/23-11/5)	\$ 800.00	apd
334898	10/23/2023	15-95207	CUMMINS, INC.	ANNUAL CUMMINS GENERATOR TESTING AND SERVICING - WWLS #14	\$ 1,057.20	pw1
334896	10/23/2023	15-95211	CUMMINS, INC.	ANNUAL CUMMINS GENERATOR TESTING AND SERVICING - WWTP	\$ 665.51	pw1
334895	10/23/2023	15-95213	CUMMINS, INC.	ANNUAL CUMMINS GENERATOR TESTING AND SERVICING - FS #1	\$ 664.01	pw1
334894	10/23/2023	15-95215	CUMMINS, INC.	ANNUAL CUMMINS GENERATOR TESTING AND SERVICING - CASTELLEJA	\$ 751.19	pw1
334893	10/23/2023	15-95216	CUMMINS, INC.	ANNUAL CUMMINS GENERATOR TESTING AND SERVICING - 3MG RESERVOIR	\$ 1,002.04	pw1
334892	10/23/2023	15-95218	CUMMINS, INC.	ANNUAL CUMMINS GENERATOR TESTING AND SERVICING - THE POINT	\$ 750.11	pw1
334890	10/23/2023	15-95219	CUMMINS, INC.	ANNUAL CUMMINS GENERATOR TESTING AND SERVICING - WWTP	\$ 559.75	pw1
334889	10/23/2023	15-95221	CUMMINS, INC.	ANNUAL CUMMINS GENERATOR TESTING AND SERVICING - WWLS #18	\$ 1,043.02	pw1
334887	10/23/2023	15-95222	CUMMINS, INC.	ANNUAL CUMMINS GENERATOR TESTING AND SERVICING - SKYLINE CABANA	\$ 1,169.21	pw1
334886	10/23/2023	15-95225	CUMMINS, INC.	ANNUAL CUMMINS GENERATOR TESTING AND SERVICING - WWLS #20	\$ 665.51	pw1

Invoice Doc #	Invoice Date	Invoice #	Vendor Full Name	Description	Total Amount	Approval Queue
334884	10/23/2023	15-95226	CUMMINS, INC.	ANNUAL CUMMINS GENERATOR TESTING AND SERVICING - WWLS #4	\$ 559.75	pw1
334882	10/23/2023	15-95227	CUMMINS, INC.	ANNUAL CUMMINS GENERATOR TESTING AND SERVICING - WWLS #21	\$ 559.75	pw1
334881	10/23/2023	15-95228	CUMMINS, INC.	ANNUAL CUMMINS GENERATOR TESTING AND SERVICING - WWLS #5	\$ 751.19	pw1
334880	10/23/2023	15-95229	CUMMINS, INC.	ANNUAL CUMMINS GENERATOR TESTING AND SERVICING - WWLS #12	\$ 535.85	pw1
334879	10/23/2023	15-95230	CUMMINS, INC.	ANNUAL CUMMINS GENERATOR TESTING AND SERVICING - 1200B AVF	\$ 1,083.53	pw1
334584	10/23/2023	231265	T-SHIRTS BY DESIGN	UNIFORM SHIRTS (ASHLEY WICK)	\$ 249.15	medic
334581	10/24/2023	T726760	CORE & MAIN LP	SUPPLIES FOR WATER MAINTENANCE	\$ 1,051.79	wdist
334583	10/24/2023	T772405	CORE & MAIN LP	SUPPLIES FOR WATER MAINTENANCE	\$ 1,512.76	wdist
334878	10/25/2023	15-95250	CUMMINS, INC.	ANNUAL CUMMINS GENERATOR TESTING AND SERVICING - WWLS #5	\$ 1,241.19	pw1
334877	10/25/2023	15-95251	CUMMINS, INC.	ANNUAL CUMMINS GENERATOR TESTING AND SERVICING - ROCK RIDGE	\$ 1,184.08	pw1
334876	10/25/2023	15-95252	CUMMINS, INC.	ANNUAL CUMMINS GENERATOR TESTING AND SERVICING - CASTLE FJA	\$ 1,184.08	pw1
334874	10/25/2023	15-95257	CUMMINS, INC.	ANNUAL CUMMINS GENERATOR TESTING AND SERVICING - THE POINT	\$ 1,180.62	pw1
334873	10/25/2023	15-95275	CUMMINS, INC.	ANNUAL CUMMINS GENERATOR TESTING AND SERVICING - ROCK RIDGE	\$ 842.63	pw1
334765	10/26/2023	0309895-IN	REISNER DISTRIBUTOR INC	INCINERATOR FUEL	\$ 824.59	dwwtp
334754	10/26/2023	9947973667	VERIZON WIRELESS	WTP SCADA 9/27-10/26/23	\$ 848.67	dwwtp
334585	10/26/2023	INV-000169	PATCEN HEALTHCARE, INC	LARYNGOSCOPE BLADES	\$ 325.58	medic
334915	10/27/2023	11225121	WORLD WIDE TECHNOLOGY, LLC	CABLE FOR CUSTOMER INSTALLS	\$ 1,432.57	fiber

Invoice Doc #	Invoice Date	Invoice #	Vendor Full Name	Description	Total Amount	Approval Queue
334663	10/27/2023	19434	TRANSPORTATION SOLUTIONS INC	APPLICATION SERVICES FOR 2023 RECONNECTING COMMUNITIES & NEIGHBORHOODS GRANT	\$ 9,524.50	pw1
334727	10/27/2023	21863 - 5	H W LOCHNER, INC	PROFESSIONAL PLAN REVIEW CONSULTANT SERVICES - 9/30/23-10/27/23	\$ 4,638.55	pw1
334579	10/27/2023	52789	KRIEG CONSTRUCTION, INC	ASPHALT DISPOSAL - STREET DEPT	\$ 164.04	dshop
334760	10/27/2023	880240	CASCADE COLUMBIA DISTRIBUTION	SODIUM HYPOCHLORITE	\$ 12,263.70	dwtpt
334753	10/28/2023	360-293-4900-0912865	ZIPLY FIBER	APD BAC LINE 10/28-11/27/23	\$ 95.61	apd
334566	10/28/2023	360-293-6427-0218975	ZIPLY FIBER	CITY HALL BACKUP 10/28-11/27/23	\$ 89.19	finance
334577	10/28/2023	360-299-0973-1017915	ZIPLY FIBER	WWTP 11/28-12/27/23	\$ 495.58	dwwtp
334568	10/28/2023	360-299-3674-0214175	ZIPLY FIBER	OPS PHONE LINE: 10/28-11/27/23	\$ 79.70	dshop
334752	10/28/2023	360-299-6615-0615165	ZIPLY FIBER	APD 911 LINE 10/28-11/27/23	\$ 83.01	apd
334654	10/28/2023	9947949449	VERIZON WIRELESS	City Cell Phones 9/29-10/28/23	\$ 11,113.67	finance
334726	10/30/2023	15819	BLADE CHEVROLET, INC	2023 CHEVY BOLT EUV PURCHASE	\$ 32,231.92	pw1
334499	10/30/2023	2008414	MILES SAND & GRAVEL CO.	RESTOCKING CITY BUNKERS	\$ 424.32	dshop
334759	10/30/2023	248 984 6277 5	CASCADE NATURAL GAS CORP.	WTP 9/30-10/27/23	\$ 4,930.59	dwtpt
334497	10/30/2023	300000006951	PUGET SOUND ENERGY INC	STREET LIGHTS: 9/29-10/27/23	\$ 488.08	dshop
334492	10/30/2023	300000290043	PUGET SOUND ENERGY INC	STREET LIGHTS: 9/1-10/2/23	\$ 19,780.58	dshop
334493	10/30/2023	300000325005	PUGET SOUND ENERGY INC	STREET LIGHTS: 9/8-10/6/23	\$ 90.74	dshop
334495	10/30/2023	300000340004	PUGET SOUND ENERGY INC	STREET LIGHTS: 9/29-10/27/23	\$ 89.57	dshop
334888	10/30/2023	941836	LTI, INC.	ROAD SALT DE-ICER	\$ 12,856.70	dshop
334656	10/31/2023	13199	3 KINGS ENVIRONMENTAL, INC.	FORMER WTP DEMOLITION PROJECT: DEMOLITION	\$ 698,661.81	dwtpt
334588	10/31/2023	1376458	LIFE ASSIST, INC	EDNOTRACHEAL/STYLETTES, PARAMEDIC	\$ 792.79	medic
334902	10/31/2023	19676	MESA PRODUCTS, INC.	CASINO SLOUGH DEEP ANODE WELL INSTALLATION	\$ 34,257.92	dwtpt
334901	10/31/2023	2023.10	BAYVIEW CONSULTING, LLC	FORMER WTP DEMOLITION PROJECT: SPECIAL PROJECT MANAGER - OCT 2023	\$ 4,940.40	dwtpt

Invoice Doc #	Invoice Date	Invoice #	Vendor Full Name	Description	Total Amount	Approval Queue
334496	10/31/2023	220025931985	PUGET SOUND ENERGY INC	CHERRY LN & ORCHARD AVE ST LIGHTS: 10/3-10/31/23	\$ 8.90	dshop
334498	10/31/2023	220030712800	PUGET SOUND ENERGY INC	STREET LIGHTS: 10/3-10/31/23	\$ 4.88	dshop
334576	10/31/2023	23-31673	EDGE ANALYTICAL, INC	LAB REPORTS - INFLUENT NITROGEN MONTHLY	\$ 40.80	dwwtp
334766	10/31/2023	23-33203	EDGE ANALYTICAL, INC	WATER ANALYSIS - BACT FINISHED	\$ 19.00	dwwtp
334905	10/31/2023	2331-1210	JANICKI GENERAL CONTRACTING	BEN ROOT SKATEPARK CONSTRUCTION	\$ 446,352.00	parks1
334661	10/31/2023	249625	INFOSEND, INC.	OCTOBER 2023 PROCESSING	\$ 4,163.10	finance
334659	10/31/2023	252246	LAKESIDE INDUSTRIES, INC.	ASPHALT FOR WEST 4TH PROJECT	\$ 25,782.62	dshop
334649	10/31/2023	3100122	UTILITIES UNDERGROUND LOCATION	OCTOBER LOCATE TICKETS	\$ 229.62	dshop
334924	10/31/2023	36404	ORCA INFORMATION, INC	BACKGROUND CHECKS - NEW HIRES	\$ 166.00	hr
334725	10/31/2023	4990	SOFTRESOURCES LLC	ERP SOFTWARE SELECTION - CONSULTING SERVICES - OCTOBER 2023	\$ 9,600.00	admsrv
334904	10/31/2023	9020577002	LANGUAGE LINE SERVICES, INC	TELEPHONE INTERPRETER SERVICES ON COURT DAY	\$ 6.76	court
334769	10/31/2023	B17569791	SHI INTERNATIONAL CORP.	ADOBE ACROBAT PRO	\$ 75.22	infosys
334916	10/31/2023	FB-2248	CITY OF MOUNT VERNON	DARK FIBER	\$ 350.00	fiber
334724	10/31/2023	IN953566	NOANET	MUNICIPAL FIBER NETWORK COORDINATED SERVICES - OCTOBER 2023	\$ 9,808.98	fiber
334455	10/31/2023	RefundRicks	RICKS, BRIAN	WA PARK BOAT REFUND	\$ 12.00	parks1
334871	11/1/2023	052-0010-00	CITY OF ANACORTES	OPS: 10/1-10/30/23	\$ 1,679.68	dshop
334662	11/1/2023	1397292-0043-8	WASTE MANAGEMENT	OCTOBER 2023 CONTRACTED SERVICES	\$ 143,794.95	finance
334750	11/1/2023	200012505505	PUGET SOUND ENERGY INC	WTP 10/1-10/31/23	\$ 77,345.16	dwwtp
334574	11/1/2023	23-31641	EDGE ANALYTICAL, INC	LAB REPORTS - EFFLUENT NUTRIENTS	\$ 99.45	dwwtp
334764	11/1/2023	23-33176	EDGE ANALYTICAL, INC	WATER ANALYSIS - BACT RAW	\$ 63.00	dwwtp
334768	11/1/2023	23-33258	EDGE ANALYTICAL, INC	WATER ANALYSIS - TCR INTOWN NORTH	\$ 133.00	dwwtp
334756	11/1/2023	2402276	WASHINGTON STATE PATROL	BACKGROUND CHECKS; OCTOBER 2023	\$ 66.25	apd
334883	11/1/2023	278829	ENNIS-FLINT, INC, FLINT TRADING DIVISION	STREET SUPPLIES	\$ 518.00	dshop
334589	11/1/2023	2924	OAB ENGINEERING, LLC	STA 3 INTERNET - NOVEMBER	\$ 150.00	medic

Invoice Doc #	Invoice Date	Invoice #	Vendor Full Name	Description	Total Amount	Approval Queue
334722	11/1/2023	320150	DOORMAN COMMERCIAL, LLC	CITY HALL BASEMENT DOOR REPLACEMENT	\$ 5,082.21	pw1
334569	11/1/2023	5068393777	RICOH USA, INC	S/N C86180481 PARKS 8/1-10/31/23	\$ 14.19	parks1
334570	11/1/2023	5068394053	RICOH USA, INC	S/N C86111692 ENG 8/1-10/31/23	\$ 87.70	finance
334571	11/1/2023	5068394189	RICOH USA, INC	S/N C86152062 HR COPIES 10/1-10/31/23	\$ 5.92	hr
334572	11/1/2023	5068394407	RICOH USA, INC	S/N C86078711 LIBRARY FL1 STAFF COPIER 8/1-10/31/23	\$ 785.85	publib
334751	11/1/2023	5068394672	RICOH USA, INC	S/N C86138599 APD FRONT OFFICE COPIES 10/1-10/31/23	\$ 40.92	apd
334749	11/1/2023	5068394828	RICOH USA, INC	S/N C86146548 APD PATROL OFFICE 8/1-10/31/23	\$ 168.19	apd
334743	11/1/2023	6638548	FAMILY CARE NETWORK PLLC	PRE-EMPLOYMENT MEDICAL EXAM: CARTER	\$ 258.00	apd
334494	11/1/2023	OCTOBER	KORTERUD, WAYNE D	OCTOBER 2023 - INDIGENT SCREENING	\$ 415.00	court
334870	11/1/2023	PSWO0155998	N C POWER SYSTEMS CO	2023 ANNUAL CAT GENERATOR TESTING AND SERVICING	\$ 9,547.20	pw1
334926	11/1/2023	ReimbJohnson	JOHNSON, IVER	LEOFF1 COPAYS	\$ 14.00	hr
334767	11/2/2023	0310082-IN	REISNER DISTRIBUTOR INC	PLANT MAINTENANCE SUPPLIES	\$ 134.42	dwwtp
334748	11/2/2023	113807	WALTON BEVERAGE COMPANY, INC	WTP BREAKROOM SUPPLIES	\$ 73.50	dwwtp
334912	11/2/2023	1200567460	HDR ENGINEERING, INC	WASTEWATER TREATMENT PLANT OUTFALL - DESIGN - 8/27/23-9/30/23	\$ 30,317.06	pw1
334592	11/2/2023	231329	T-SHIRTS BY DESIGN	TRAINING JACKETS	\$ 440.64	medic
334762	11/2/2023	533247	PROFORCE LAW ENFORCEMENT	TASERS AND CARTRIDGES	\$ 8,569.90	apd
334757	11/2/2023	8498 30 017 0319913	COMCAST	LIBRARY INTERNET ACCESS 11/9-12/8/23	\$ 185.23	fiber
334922	11/2/2023	9334643047	GRAYBAR ELECTRIC COMPANY, INC	GPON SFP+	\$ 3,898.70	fiber
334763	11/3/2023	2023 A-REFS	SKAGIT VALLEY YOUTH SOCCER	COUNTY SOCCER LEAGUE REF FEES FOR 2023	\$ 1,138.62	pkrec
334648	11/3/2023	ContractWiesz	WEISZ, PAUL	PAYMENT TO PAUL WEISZ FOR REFEREEING 3	\$ 150.00	pkrec
334660	11/3/2023	T887861	CORE & MAIN LP	SUPPLIES FOR WATER MAINTENANCE	\$ 140.03	wdist
334747	11/4/2023	00005W5A83443	UNITED PARCEL SERVICE, INC	UPS SHIPPING CHARGES; WEEK ENDING 11-4-23	\$ 48.63	apd

Invoice Doc #	Invoice Date	Invoice #	Vendor Full Name	Description	Total Amount	Approval Queue
334771	11/6/2023	23-31671	EDGE ANALYTICAL, INC	LAB REPORTS - EFFLUENT METALS & TOC QUARTERLY	\$ 247.35	dwwtp
334910	11/6/2023	23-33370	EDGE ANALYTICAL, INC	WATER ANALYSIS - FLUORIDE BLUE HERON	\$ 31.00	dwwtp
334891	11/6/2023	23-48965	BUDGET TOWING & AUTO REPAIR	TOWING FEES FOR JUNK VEHICLE	\$ 326.40	shopcc
334900	11/6/2023	23-48966	BUDGET TOWING & AUTO REPAIR	TOWING FEES FOR JUNK VEHICLE	\$ 326.40	dshop
334906	11/6/2023	51610759	UNIVAR USA INC	SODIUM HYDROXIDE	\$ 6,078.83	dwwtp
334899	11/6/2023	8933-1	ANACORTES TOWING, LLC	TOWING; APD CASE 23-A08168	\$ 169.73	apd
334728	11/6/2023	November 2023	COMMUNITY ACTION OF SKAGIT CTY	ANACORTES COMMUNITY ACTION OFFICE & CARE SPECIALIST - NOVEMBER 2023	\$ 5,454.55	plan
334770	11/6/2023	OCT23	SKAGIT LAW GROUP, PLLC	PROSECUTION SERVICES - OCT 2023	\$ 6,700.00	attorney
334730	11/6/2023	OP-24Davis5298	DEPARTMENT OF ECOLOGY	WW OPERATOR CERTIFICATION RENEWAL - WD	\$ 135.00	dwwtp
334731	11/6/2023	OP-24Davis8924	DEPARTMENT OF ECOLOGY	WW OPERATOR CERTIFICATION RENEWAL - JD	\$ 135.00	dwwtp
334732	11/6/2023	OP-24Doeble7801	DEPARTMENT OF ECOLOGY	WW OPERATOR CERTIFICATION RENEWAL - SD	\$ 135.00	dwwtp
334733	11/6/2023	OP-24Flores6773	DEPARTMENT OF ECOLOGY	WW OPERATOR CERTIFICATION RENEWAL - OF	\$ 135.00	dwwtp
334734	11/6/2023	OP-24Gatto6479	DEPARTMENT OF ECOLOGY	WW OPERATOR CERTIFICATION RENEWAL - MG	\$ 135.00	dwwtp
334735	11/6/2023	OP-24Gold9554	DEPARTMENT OF ECOLOGY	WW OPERATOR CERTIFICATION RENEWAL - RI	\$ 135.00	dwwtp
334736	11/6/2023	OP-24Hambur9122	DEPARTMENT OF ECOLOGY	WW OPERATOR CERTIFICATION RENEWAL - CH	\$ 135.00	dwwtp
334737	11/6/2023	OP-24Hiles9134	DEPARTMENT OF ECOLOGY	WW OPERATOR CERTIFICATION RENEWAL - BH	\$ 135.00	dwwtp
334738	11/6/2023	OP-24Rains9283	DEPARTMENT OF ECOLOGY	WW OPERATOR CERTIFICATION RENEWAL - JR	\$ 135.00	dwwtp
334741	11/6/2023	OP-24Veal7952	DEPARTMENT OF ECOLOGY	WW OPERATOR CERTIFICATION RENEWAL - AV	\$ 135.00	dwwtp

Invoice Doc #	Invoice Date	Invoice #	Vendor Full Name	Description	Total Amount	Approval Queue
334739	11/6/2023	OP-24Walker6686	DEPARTMENT OF ECOLOGY	WW OPERATOR CERTIFICATION RENEWAL - BW	\$ 135.00	dwwtp
334740	11/6/2023	OP-24Whyte6812	DEPARTMENT OF ECOLOGY	WW OPERATOR CERTIFICATION RENEWAL - HW	\$ 135.00	dwwtp
334742	11/6/2023	OP-24Wynn7198	DEPARTMENT OF ECOLOGY	WW OPERATOR CERTIFICATION RENEWAL - KW	\$ 135.00	dwwtp
334721	11/6/2023	Pay App 11	SUMMITX CONTRACTORS, INC	ACCESS ANACORTES FIBER INTERNET GUEMES VIEW AREA UNDERGROUND CONSTRUCTION	\$ 143,634.21	fiber
334761	11/6/2023	ReimbLindquist	LINDQUIST, BRENT	UNIFORM BOOTS; OFC LINDQUIST	\$ 108.20	apd
334911	11/7/2023	190-1830-00	CITY OF ANACORTES	WWTP 10/1-10/31/23	\$ 6,553.19	dwwtp
334971	11/8/2023	143-0870-05	CAVAZOS, ROBERT	UB Refund Cst #064699	\$ 3,463.63	finance
334972	11/8/2023	145-0390-00	ANACOPPER LLC	UB Refund Cst #064826	\$ 25.46	finance
	Total				\$ 2,172,428.68	



City Council Agenda Bill

Meeting Date: November 13, 2023 **Agenda Item:** 5.c.

Agenda Item Title: Contract Award: Municipal Court A/V Upgrade Project #23-301-FAC-001

Staff Contact(s): Andrew Rheaume

<u>Approved for Submittal to Council by</u>	<u>Action Type</u>
TIFFANY MATSON	Contract Award
TIFFANY MATSON	

Item Summary: City staff seeks City Council consent to award a contract in the amount of \$47,664.08 to Dimensional Communications, Inc. to perform the Anacortes Municipal Court A/V Upgrade Project.

Background:

1. **History:** This contract is needed due to the status of the Municipal Court's audio video system conditions. The sound equipment for the court was installed when the police station was built around the year 2000. Although the sound reinforcement works, it was not designed to meet the current standards of the court that were established during the pandemic. It is a requirement that the court have all hearings available to remote attendees, the current equipment has not held up well and has been unreliable at best. Thus far it has caused interruptions to court hearings, IT staff have made appearances each morning that there is a hearing to troubleshoot any issues that may occur prior to hearings. The existing pieced-together short-term solution for meeting the court's requirements is not standing the test of time and needs a proper installation of equipment that is meant for this application and setting. This will significantly reduce time and resources for troubleshooting, it will offer a better end-user experience for those joining remotely and will provide peace of mind to court staff operating the system.
2. **Key Terms:**
 - Contract is for a firm fixed price of \$47,664.08.
 - The Contractor shall complete the work by December 22, 2023.
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

Dimensional Communications, Inc.

Budget Impact:

Contractor	Dimensional Communications, Inc.
Contract Amount	\$47,664.08
Earmarked Funds	\$50,000.00
BARS #	001.130.512.50.41
Budget Amendment Required?	No
Start Date	Notice to Proceed
End Date	12/22/2023

Previous Action: N/A

Recommended Motion: I move that City Council authorize the Mayor to sign contract 23-301-FAC-001 with Dimensional Communications, Inc. in the amount of \$47,664.08 to perform the Anacortes Municipal Court A/V Upgrade Project.

Alternative Actions: Not award the contract.

Attachments (listed in order presented):

1. 23-301-FAC-001



CONTRACT #23-301-FAC-001
AGREEMENT WITH
DIMENSIONAL COMMUNICATIONS, INC.

This Contract is between the City of Anacortes, Washington, a Municipal Corporation (herein after referred to as "City") and Dimensional Communications, Inc., a private contractor at 1220 Anderson Rd, Mount Vernon, WA 98273 (herein after referred to as "Contractor").

PROJECT
Anacortes Municipal Court A/V Upgrade

1. **Scope of Work:** Contractor shall furnish all materials, equipment and labor to perform the upgrades to the a/v equipment at the Anacortes Municipal Court at 1218 24th Street, Anacortes, WA 98221. Work is detailed in Exhibit A, which is attached hereto and incorporated by reference.
2. **Contract Price:** The Contractor will perform the scope of work above for a firm fixed price of **Forty-Seven Thousand Six Hundred Sixty-Four Dollars and Eight Cents (\$47,664.08)**, which includes \$3,855.18 sales tax at an 8.8% rate. This includes all mobilization, demobilization, labor, materials, standard freight, and administrative overhead 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 December 22, 2023.
5. **Project Management.** Coordination and scheduling of the work, materials, and equipment shall be made with the Project Manager Mac Jackson (360) 299-1961.
6. **Contract Requirements:** As detailed in the General Provisions, Contractor must have a valid contractor license number, insurance, and City of Anacortes business license. **Prevailing Wage Law Applies.** Forms Needed: 1) Proof of Insurance with Additional Insured Endorsements; 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 they are signing with full and complete authority to bind the party on whose behalf of whom they are signing, to each and every term of this Agreement.

Owner:

City of Anacortes

Mayor

Date

Contractor:

Dimensional Communications, Inc.

Date

Contractor License #



CONTRACT #23-301-FAC-001 EXHIBIT A

Scope of Work

Contractor shall provide and install a new A/V system in the Anacortes municipal courtroom. The new system will feature a new audio system and optional video distribution and video conferencing capabilities.

The audio system will be built around a new digital signal processor (DSP) that will ingest all microphone inputs and route them as needed to the speakers in the room, and to the AV Capture All PC. The DSP will also provide control and processing of all audio functions. New microphones will be installed at the judge, defense, witness, podium and prosecution locations that will feature a push-to-mute function for private comments between the parties at those locations. There will also be an ambient microphone placed at the bench that will pick up sound from the room to be included on the recording. This ambient mic will also be muted when any of the mute buttons are activated. One new digital wireless handheld/lavalier combo microphone and systems will be provided to replace the existing wireless systems that are currently operating outside the permitted frequency range. QTY 4 New high quality speakers will be installed in place of the existing speakers, and a new amplifier will be installed to power them. The existing assistive listening system and equipment rack will be re-used.

To control the system, a new touch panel will be provided. The touch panel will feature a custom user interface that will be designed to provide intuitive control of the system features.

Contractor will also provide and install a video distribution system that includes AV over IP encoder/decoders for transport. New HDMI input plates will be installed below each existing LED TV's and at each floor boxes (3). An input will be installed for the clerk's PC. A low voltage controller will be installed at the existing projection screen location to allow for control of the projection screen. The touch panel will be programmed to control the video system.

Item	Quantity	Description
1.	1	QSC TSC-70-G3 7" Touch panel
2.	1	QSC TSC-710t-G3 table top kit
3.	1	Sennheiser EW-D ME2/835-S Set Lavalier/Vocal Combo Wireless Microphone system
4.	1	Sennheiser EW-D Charging Set
5.	1	Sennheiser Wireless Microphone Remote Antenna
6.	4	Audix ATS1LP Desktop Mic Base
7.	4	Audix ADX18 Gooseneck Condenser Microphone
8.	1	Audix ADX60 Boundary Microphone
9.	1	Audix M65 Tabletop Installed Boom Microphone
10.	1	QSC Core 110F audio DSP
11.	1	QSC Scripting and Deployment License
12.	4	JBL Control 24CT Ceiling Speaker
13.	1	Middle Atlantic PDX-915R Power Panel
14.	1	Network switch 24-port POE
15.	1	Biamp AMP-A460H 60w 2-Channel 70v Audio Amplifier
16.	LOT	Cables, Connectors, and Custom Plates
17.	LOT	Installation, Programming, Labor & Training
18.	1-year	DCI Parts & Labor Warranty
19.	1	Video distribution system – Materials, Installation, Programming, Labor, Training, and Warranty

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) (*ONE (1) filed per contractor and each subcontractor per contract*). 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 (*ONE (1) filed per contractor and each subcontractor per contract*). L&I provides the wage forms. ***All costs associated with such fees shall be included in the Contract price as part of the fixed costs of overhead for this Contract, including any anticipated subcontractor filing fees. Any change in the fee by L&I will not be grounds for revision in the Contract Amount. The City will only pay for the actual cost charged by L&I for the filing of the intent and affidavit.***

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://secure.lni.wa.gov/wagelookup/>. 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 City, located at 904 6th Street, Anacortes, WA. Upon request, the City 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. 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 twelve 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 Washington Department of Revenue, Washington Employment Security Department, and the Washington 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 Washington Department of Revenue, Washington Employment Security Department, and the Washington 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.

3. 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:

- a. All liens placed against the project have been released.
- b. For projects over \$35,000, releases from the Washington Department of Revenue, Washington Employment Security Department, and the Washington Department of Labor and Industries have been received.

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 Washington Department of Revenue, Washington Employment Securities Department, and the Washington Department of Labor and Industries, and settlement of any liens filed under Chapter 60.28 RCW, whichever is later.

4. Final Acceptance. Final Acceptance is defined as the date on which the City accepts the Work as complete, as indicated by notice issued by the City. For the purposes of the retainage statute (RCW 60.28.011), "completion of all contract work" is the same as the date of Final Acceptance. The following events must occur before the City will issue Final Acceptance:

- a. The physical Work on the project must be complete and accepted by the Project Manager; and
- b. The Contractor must submit to the City, and secure City approval of, all documentation required by the Contract and required by law, including but not limited to:
 - i. Invoices for all Work;
 - ii. Copies of the "Affidavit of Prevailing Wages Paid" as approved by L&I for the Contractor and all Subcontractors; and
 - iii. Any additional documentation required by the Contract.

5. Penalties for Noncompliance. If Contractor does not provide "Affidavit of Prevailing Wages Paid" to the City, the City may withhold any or all payments until required documentation is received. In addition, failure to provide "Intent to Pay Prevailing Wage" or "Affidavit of Wages Paid" may result in other sanctions as provided by State laws (RCW 39.12.050) and/or Federal regulations (29 CFR 5.12).

6. Subcontracts. The Contractor shall not subcontract the Scope of Work ("Work") unless the Project Manager approves in writing. If the Project Manager requests, the Contractor shall provide proof that the Subcontractor has the experience, ability, and equipment the Work requires. "Subcontractor" means an individual, partnership, firm, corporation, or joint venture who is sublet part of the Contract by the Contractor. Each request to subcontract shall include the following information (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, (v) identification of the percentage of work to be performed by subcontract. Approval of subcontract shall not:

- a. Relieve the Contractor of any responsibility to carry out the Contract,
- b. Relieve the Contractor of any obligations or liability under the Contract and the Contractor's bond,
- c. Create any contract between the City and the Subcontractor, or
- d. Convey to the Subcontractor any rights against the City.

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. Contractor remains fully responsible for obligations, services, and functions performed by its subcontractors to the same extent as if such obligations, services, and functions were performed by Contractor's employees, and for purposes of the Agreement such work will be deemed work performed by Contractor. 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.

If dissatisfied with any part of the subcontracted Work, the Project Manager may request in writing that the Subcontractor be removed. The Contractor shall comply with this request at once and shall not employ the Subcontractor for any further Work under the Contract.

7. Job Safety Requirements Compliance. The Contractor, and its subcontractors of any tier, shall comply with all applicable federal, State, local laws, ordinances, and regulations, as may be amended, for the safety of persons or property while performing any work under the Contract and for the handling and disposal of all hazardous wastes. Industry standards and applicable laws and regulations of authorities having jurisdiction include, but are not limited to: the Washington Industrial Safety and Health Act of 1973 (WISHA); the federal Occupational Safety and Health Acts of 1970 (OSHA); the Resource Conservation and Recovery Act; the Washington Hazardous Waste Management Act; the Department of Labor & Industries; Washington Administrative Code (WAC); the Environmental Protection Agency; and the Department of Ecology governing the generation, storage, treatment, transportation or disposal of hazardous wastes. The Contractor and its subcontractors of any tier shall also comply with all current and future executive proclamations, regulations, requirements and/or related guidance issued by the Office of the Governor of Washington State and Office of the Mayor of the City of Anacortes as it may relate to City of Anacortes projects. Contractor further agrees to indemnify and hold harmless City from damages assessed against City because of Contractor's failure to comply with the Acts and the standards issued thereunder.

8. Chemical Hazard Safety

- a. **Employer Chemical Hazard Communication Rule:** WAC 296-800-170 requires all employers in Washington State to inform and train their employees on the hazards of chemicals in the workplace or in foreseeable

emergencies. For purposes of performance under this Contract, any toxic substance that may be harmful to the end user while being used or stored on City property must:

- i. Be properly labeled with the: (1) identity of the hazardous material; (2) appropriate hazardous warnings; and (3) name and address of the chemical manufacturer, importer or responsible party.
- ii. Be accompanied by a Safety Data Sheet (SDS) which shall be provided to the City Project Manager, or designee. Copies of the Contractor's SDS inventory shall also be located where chemicals are stored.
- b. Contractor shall not introduce or use any new product without the express written permission of the City Project Manager. Contractor shall request permission to use new substances by providing an SDS sheet or label data for all proposed chemicals, and an explanation as to the purpose of the chemical application, method of application, and intended schedule of application. If new products are approved for use, then they shall be:
 - i. Restricted in their applications so as to meet current and local law;
 - ii. Mixed and otherwise handled where an accidental spill will not enter surface or ground water and will not contaminate the soil.
- c. In any emergency affecting the safety of persons or property, Contractor shall act, at their discretion, to prevent threatened injury, damage, or loss. The City's Project Manager has full authority to stop work they deem a safety risk.

9. 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.

10. Invoicing. All invoices shall at a minimum include: Company Name, Invoice Date, Due Date (30 days), Invoice Number, **Agreement Number**, and Price. The Contractor must allow 30 calendar days from receipt of the invoice for payment. ***If requested by the City the Contractor shall provide a cost breakdown of charges.*** 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.

11. 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 City Attorney 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 City Attorney 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.

12. 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.

13. Required Use of Finished Compost Product. If the project includes the use of a product created with "composted material" as defined in RCW 70A.205.015(3) the Contractor must purchase finished compost products from entities that: 1) produce compost locally within Skagit County; 2) are certified by a nationally recognized organization; 3) are permitted by the local health jurisdiction; and 4) produce finished compost products derived from municipal solid waste compost programs while meeting quality standards adopted by the Department of Transportation or adopted by rule by the Department of Ecology. The Contractor will obtain pre-approval from the PM of the proposed compost material vendor and will submit receipts with their invoice(s).

14. 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 their 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 their obligations or responsibilities under the Contract.

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

16. 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. For one year after acceptance of any corrections by the City the Contractor shall be responsible for correcting all defects in workmanship and materials in the corrected work. 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 impact any other legal rights or remedies of the City.

17. Indemnification / Hold Harmless. The Contractor shall defend, indemnify and hold the City, its officers, officials, employees and volunteers harmless from any and all claims, injuries, damages, losses or suits including attorney fees, arising out of or in connection with the performance of this Agreement, except for injuries and damages caused by the sole negligence of the City. However, should a court of competent jurisdiction determine that this Agreement is subject to RCW 4.24.115, then, in the event of liability for damages arising out of bodily injury to persons or damages to property caused by or resulting from the concurrent negligence of the Contractor and the City, its officers, officials, employees, and volunteers, the Contractor's liability hereunder shall be only to the extent of the Contractor's negligence. It is further specifically and expressly understood that the indemnification provided herein constitutes the Contractor's waiver of immunity under Industrial Insurance, Title 51 RCW, solely for the purposes of this indemnification. This waiver has been mutually negotiated by the parties. The provisions of this section shall survive the expiration or termination of this Agreement.

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

F. Other Insurance Provision: The Contractor's Automobile Liability 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 within 10 days of contract execution and before scheduling 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. Failure of the City to demand such verification of coverage with these insurance requirements or failure of the City to identify a deficiency from the insurance documentation provided shall not be construed as a waiver of Contractor's obligation to maintain such insurance.

Verification of coverage shall include:

1. An ACORD certificate or a form determined by the City to be equivalent.
2. Copies of all endorsements naming the City as additional insured, showing the policy number. The Contractor may submit a copy of any blanket additional insured clause from its policies instead of a separate endorsement.
3. Any other amendatory endorsements to show the coverage required herein.
4. **A notation of coverage enhancements on the Certificate of Insurance shall not satisfy these requirements – actual endorsements must be submitted.**

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.

19. 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 printed on any purchase order, quote, invoice, Contractor's website, or otherwise set forth on any release, acknowledgement, confirmation, requisition, work order, shipping instruction, specification and similar document or communication.

20. 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, Anacortes Municipal Code requires that every person engaging in business within the city limits of Anacortes register their business with the state and include a City of Anacortes Endorsement. Businesses from outside city limits with a gross annual income of \$2,000 in Anacortes are also required to obtain a city endorsement. Business licenses and city endorsements can be obtained through the State of Washington Department of Revenue (DOR) Business Licensing Service (BLS) at bls.dor.wa.gov.

21. Standard Title VI / Non-Discrimination Assurances. During the performance of this contract, the Contractor, for itself, its assignees, and successors in interest agrees to the clauses in "Appendix A" and "Appendix E" of the Standard Title VI Assurances (USDOT1050.2A), which are hereby incorporated by reference and made a part hereof.

22. 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 Subcontractors during the performance of this Agreement.

23. 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.

24. 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. If the City exercises its option under this Paragraph, the City shall not be responsible for payment 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.

25. 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.

26. 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.

27. Covenant Against Contingent Fees. The Contractor warrants that they have 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 they have 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.

28. 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.

29. 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; pandemics; 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 of the impediment and its effect on the ability to perform, with such notice to be provided no more than two (2) working days after the force majeure event or reasonable discovery of the event's impact on performance. 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.

30. 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.

31. 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.

32. 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.

33. 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; Indemnification / Hold Harmless; Disputes.

34. 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:

Dimensional Communications, Inc.
James Gallegos
1220 Anderson Rd
Mount Vernon, WA 98273

APPENDIX A

During the performance of this contract, the contractor, for itself, its assignees, and successors in interest (hereinafter referred to as the "contractor") agrees as follows:

1. **Compliance with Regulations:** The contractor (hereinafter includes consultants) will comply with the Acts and the Regulations relative to Non-discrimination in Federally-assisted programs of the U.S. Department of Transportation, Washington State Department of Transportation, as they may be amended from time to time, which are herein incorporated by reference and made a part of this contract.
2. **Non-discrimination:** The contractor, with regard to the work performed by it during the contract, will not discriminate on the grounds of race, color, or national origin in the selection and retention of subcontractors, including procurements of materials and leases of equipment. The contractor will not participate directly or indirectly in the discrimination prohibited by the Acts and the Regulations, including employment practices when the contract covers any activity, project, or program set forth in Appendix B of 49 CFR Part 21.
3. **Solicitations for Subcontracts, Including Procurements of Materials and Equipment:** In all solicitations, either by competitive bidding, or negotiation made by the contractor for work to be performed under a subcontract, including procurements of materials, or leases of equipment, each potential subcontractor or supplier will be notified by the contractor of the contractor's obligations under this contract and the Acts and the Regulations relative to Non-discrimination on the grounds of race, color, or national origin.
4. **Information and Reports:** The contractor will provide all information and reports required by the Acts, the Regulations, and directives issued pursuant thereto and will permit access to its books, records, accounts, other sources of information, and its facilities as may be determined by the Recipient or the Washington State Department of Transportation to be pertinent to ascertain compliance with such Acts, Regulations, and instructions. Where any information required of a contractor is in the exclusive possession of another who fails or refuses to furnish the information, the contractor will so certify to the Recipient or the Washington State Department of Transportation, as appropriate, and will set forth what efforts it has made to obtain the information.
5. **Sanctions for Noncompliance:** In the event of a contractor's noncompliance with the Non-discrimination provisions of this contract, the Recipient will impose such contract sanctions as it or the Washington State Department of Transportation may determine to be appropriate, including, but not limited to:
 - a. withholding payments to the contractor under the contract until the contractor complies; and/or
 - b. cancelling, terminating, or suspending a contract, in whole or in part.
6. **Incorporation of Provisions:** The contractor will include the provisions of paragraphs one through six in every subcontract, including procurements of materials and leases of equipment, unless exempt by the Acts, the Regulations and directives issued pursuant thereto. The contractor will take action with respect to any subcontract or procurement as the Recipient or the Washington State Department of Transportation may direct as a means of enforcing such provisions including sanctions for noncompliance. Provided, that if the contractor becomes involved in, or is threatened with litigation by a subcontractor, or supplier because of such direction, the contractor may request the Recipient to enter into any litigation to protect the interests of the Recipient. In addition, the contractor may request the United States to enter into the litigation to protect the interests of the United States.

APPENDIX E

During the performance of this contract, the contractor, for itself, its assignees, and successors in interest (hereinafter referred to as the "contractor") agrees to comply with the following non-discrimination statutes and authorities; including but not limited to:

Pertinent Non-Discrimination Authorities:

- Title VI of the Civil Rights Act of 1964 (42 U.S.C. § 2000d et seq., 78 stat. 252), (prohibits discrimination on the basis of race, color, national origin); and 49 CFR Part 21.
- The Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, (42 U.S.C. § 4601), (prohibits unfair treatment of persons displaced or whose property has been acquired because of Federal or Federal-aid programs and projects);
- Federal-Aid Highway Act of 1973, (23 U.S.C. § 324 et seq.), (prohibits discrimination on the basis of sex);
- Section 504 of the Rehabilitation Act of 1973, (29 U.S.C. § 794 et seq.), as amended, (prohibits discrimination on the basis of disability); and 49 CFR Part 27;
- The Age Discrimination Act of 1975, as amended, (42 U.S.C. § 6101 et seq.), (prohibits discrimination on the basis of age);
- Airport and Airway Improvement Act of 1982, (49 USC § 471, Section 47123), as amended, (prohibits discrimination based on race, creed, color, national origin, or sex);
- The Civil Rights Restoration Act of 1987, (PL 100-209), (Broadened the scope, coverage and applicability of Title VI of the Civil Rights Act of 1964, The Age Discrimination Act of 1975 and Section 504 of the Rehabilitation Act of 1973, by expanding the definition of the terms "programs or activities" to include all of the programs or activities of the Federal-aid recipients, sub-recipients and contractors, whether such programs or activities are Federally funded or not);
- Titles II and III of the Americans with Disabilities Act, which prohibit discrimination on the basis of disability in the operation of public entities, public and private transportation systems, places of public accommodation, and certain testing entities (42 U.S.C. §§ 12131-12189) as implemented by Department of Transportation regulations at 49 C.F.R. parts 37 and 38;
- The Federal Aviation Administration's Non-discrimination statute (49 U.S.C. § 47123) (prohibits discrimination on the basis of race, color, national origin, and sex);
- Executive Order 12898, Federal Actions to Address Environmental Justice in Minority Populations and Low-Income Populations, which ensures Non-discrimination against minority populations by discouraging programs, policies, and activities with disproportionately high and adverse human health or environmental effects on minority and low-income populations;
- Executive Order 13166, Improving Access to Services for Persons with Limited English Proficiency, and resulting agency guidance, national origin discrimination includes discrimination because of Limited English proficiency (LEP). To ensure compliance with Title VI, you must take reasonable steps to ensure that LEP persons have meaningful access to your programs (70 Fed. Reg. at 74087 to 74100);
- Title IX of the Education Amendments of 1972, as amended, which prohibits you from discriminating because of sex in education programs or activities (20 U.S.C. 1681 et seq).



City Council Agenda Bill

Meeting Date: November 13, 2023 **Agenda Item:** 6.a.

Agenda Item Title: Continued Public Hearing: 2024 Revenue Sources, Including an Increase in the Property Tax Levy

Staff Contact(s): STEVE HOGLUND

<u>Approved for Submittal to Council by</u>	<u>Action Type</u>
GREG FRANCIOCH	Public Hearing
STEVE HOGLUND	

Item Summary: Continued public hearing on revenue sources from the October 23rd meeting.

Budget Impact:

Previous Action:

Recommended Motion:

Alternative Actions:

Attachments (listed in order presented):

1. Budget overview to Council

Tax Revenues

- The City's 3 largest tax revenue streams:
 - Property Tax - Lid Lift
 - Sales Tax - decreasing trend
 - Utility Tax - decreasing / flat trend
- These 3 revenue streams year to year make up roughly 75% of the City's annual tax collections

Property Tax

- ▶ Levy Lid Lift of .3624 millage was approved by 67.74% of voters in the April 25th Special Election.
- ▶ This brings the new millage rate for 2024 to 1.34335.
- ▶ The estimated assessed values that millage will be applied against is 6.25B

Budget year	Assessed value	Levy	Millage
2024 estimated	6,258,633,649	8,407,536	1.34335
2023 actual levy:	5,758,266,074	5,648,034	0.98095
2022 actual levy:	4,758,505,751	5,523,241	1.16071
2021 actual levy:	4,213,585,262	5,385,680	1.27817
2020 actual levy:	3,985,572,170	5,296,453	1.32891

Property Tax

- ▶ Historically City Property tax increased at an average of 2.4% per year
 - ▶ 1% increase from council action plus new construction added to the tax rolls
- ▶ The April 2023 special election set the new millage at 1.3434 per \$1000 in assessed value
- ▶ This will cost an additional \$272 in annual property tax for a 750K house.
- ▶ The funding will provide an additional 8 Firefighters and 5 Police Officers.

Assessment:	750,000	750
Anacortes Levy Pre Lid Lift	0.9809	735.68
Anacortes Levy Post Lid Lift	1.3434	1,007.55
Annual Difference:		271.88
Monthly Difference:		22.66

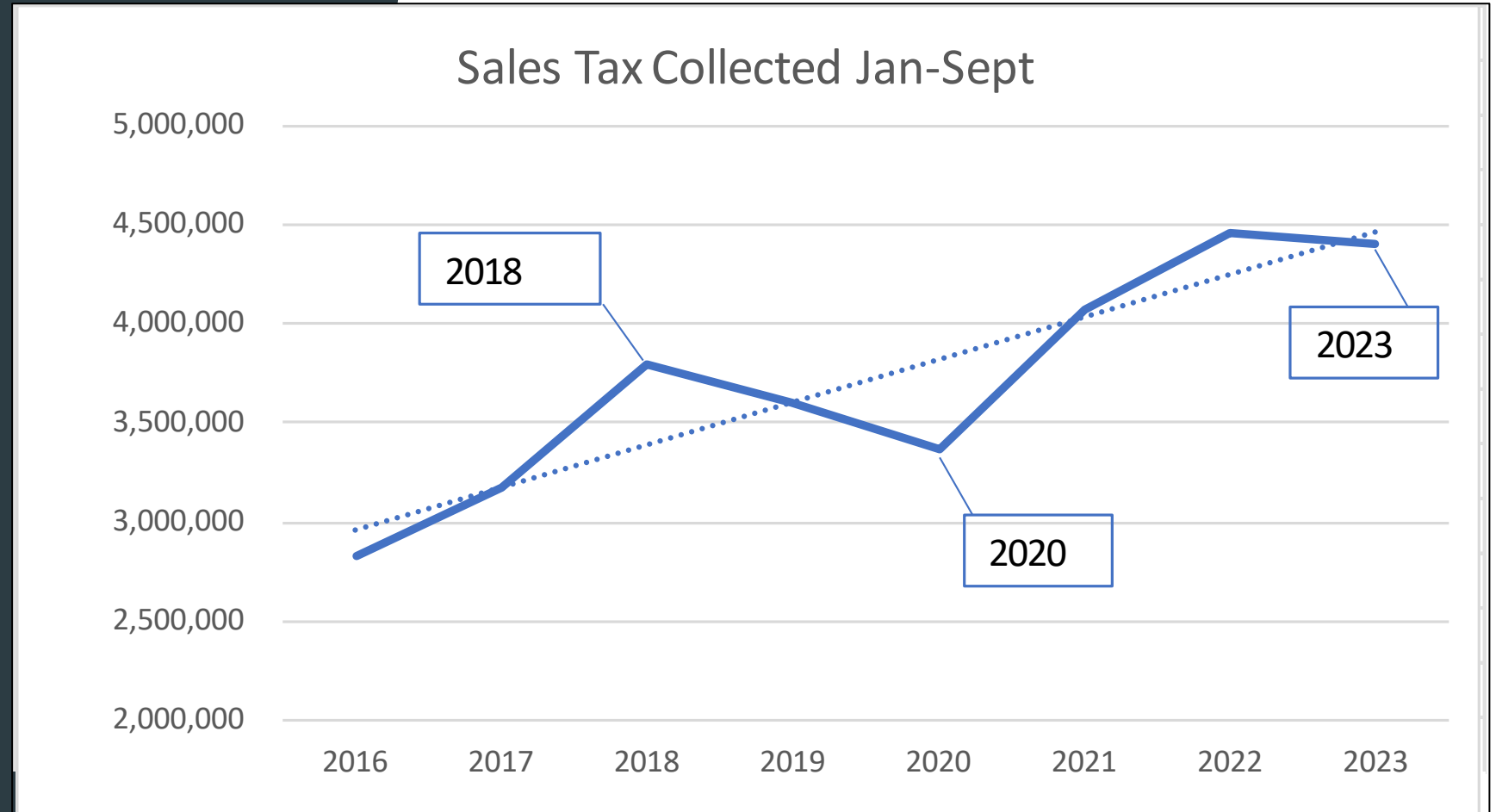
Sales Tax

- ▶ Retail Sales Tax, includes out of town sales when delivery is to an Anacortes address.
- ▶ Includes online sales.
- ▶ 2018 spike from high school construction project, making the drop in 2019 expected.
- ▶ Drop in 2020 was due to Covid.

	2017	2018	2019	2020	2021	2022	2023
January	298,921	391,598	420,175	400,099	396,463	430,965	454,978
February	373,446	417,159	421,673	423,337	437,146	536,144	493,366
March	278,816	348,395	353,636	346,823	365,464	404,203	418,439
April	270,333	336,990	287,158	307,729	364,730	410,901	407,381
May	356,187	437,549	422,952	335,461	498,122	557,907	499,200
June	358,896	435,146	369,676	275,574	471,508	493,751	417,866
July	376,437	472,366	437,794	391,368	507,387	547,968	538,024
August	440,609	482,490	454,723	439,209	518,037	559,209	618,620
September	414,095	478,476	429,701	447,841	513,138	519,441	552,843
October	429,664	480,657	472,714	477,759	500,010	539,090	
November	413,760	439,992	458,568	510,712	486,642	531,069	
December	427,580	405,194	412,861	431,157	444,329	502,643	
Total	4,438,743	5,126,010	4,941,631	4,787,068	5,502,976	6,033,290	4,400,716
Jan-Sep History:	3,167,739	3,800,168	3,597,487	3,367,440	4,071,995	4,460,488	4,400,716
YTD Change from prior year		20.0%	-5.3%	-6.4%	20.9%	9.5%	-1.3%

Sales Tax

- ▶ Sales Tax has a 8.3% annual increase when trend is reviewed from 2016 - 2022
- ▶ In 2023 sales tax receipts are 1.3% below prior year.
- ▶ That is a 9.6% decrease against the trend.



Trendline: 8.3% year over year growth 2016 - 2022

2018 High School construction project

2020 Covid recession

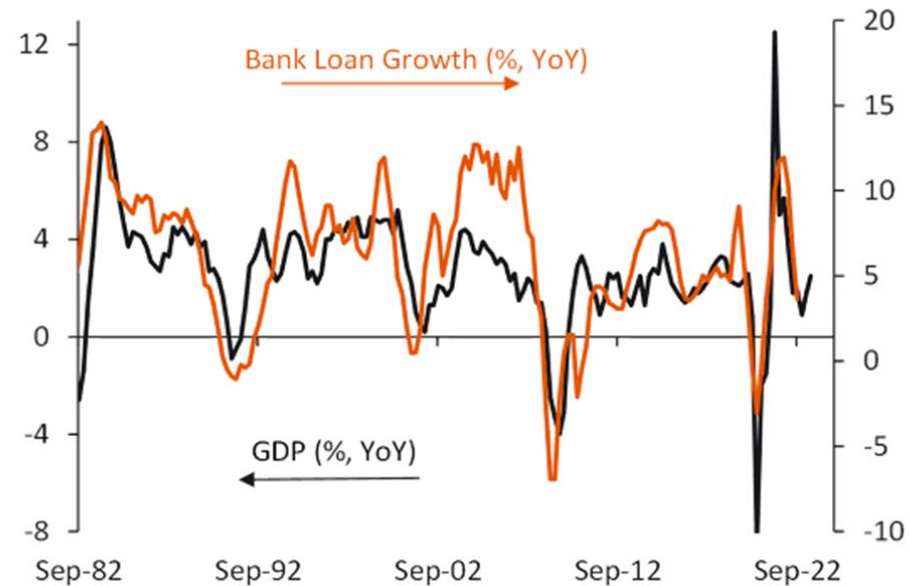
2023 Down 1.3% compared to PY; down 9.6% compared to trend

Sales Tax Projection

- ▶ We know the Construction industry will generate less sales tax in 2024.
- ▶ As of August there were 56% fewer new construction building permits issued than in 2022, and 62% fewer than in 2021.
- ▶ Interest rates hikes have increased the cost of borrowing and slowed bank loan growth.
- ▶ A pessimistic view on sales tax seems reasonable.

	Jan - Aug	2020	2021	2022	2023
Type of Construction					
bsfr	Single family	39	46	39	16
bmfr	Multi family	1	9	3	1
bcomm	Commercial	3	1	6	4
	Total Permits	43	56	48	21

Slower loan growth leads to slower economic growth



Sales Tax Projection

- ▶ Based on historical sales tax collections as of August the City has typically collected 63.7% of the years total
- ▶ This is a \$604,441 decrease in revenue projections.

	Receipts	% of Total
Jan	454,978	7.6%
Feb	493,366	16.1%
Mar	418,439	22.9%
Apr	407,381	29.3%
May	499,200	37.7%
Jun	417,866	45.4%
Jul	538,024	54.3%
Aug	618,620	63.7%
Sep	552,843	72.8%
Oct		
Nov		
Dec		
	4,400,716	
	6,044,412	Projected 2023 Total
	<u>5,439,971</u>	90% of 2023, Aug receipts
	<u>604,441</u>	

Utility Tax

- ▶ Made up of tax charged on Private utilities: Natural gas, electricity, phone service, cable TV service.
- ▶ Natural gas and electricity costs are starting to decrease.
- ▶ Public Utility tax is increasing at a slower due to capital defeasance and water conservation.
- ▶ Public UT is set at a 3.5% increase per the City utility rate policy.
- ▶ Private UT is projected at a 5% decrease based on trend.

	Utility Tax	
	Public	Private
Jan	170,830	261,361
Feb	159,401	252,759
Mar	171,804	237,685
Apr	174,614	265,299
May	184,006	201,403
Jun	181,358	179,151
Jul	183,652	165,304
Aug		
Sep		
Oct		
Nov		
Dec		
	1,225,665	1,562,962
2023 projection:	2,135,354	2,459,712
2024 Budget	2,210,092	2,336,726

Other Revenues

- ▶ The Liquor and Criminal Justice revenues go into the General fund.
- ▶ Motor Vehicle Fuel Tax (MVFT) and Multimodal go into the Road Maintenance Fund.
- ▶ MRSC provides a Shared Revenue Calculator that is pretty accurate.
- ▶ 2024 projections are less than 2023 projections.
- ▶ A result of fuel costs increasing, which drives demand down.
 - ▶ MVFT is not a percentage charge of the cost of the fuel, but a charge per gallon.

State Shared Revenues		
	2024	2023
Liquor Profits	136,051	136,782
Liquor Excise	130,285	122,657
Criminal Justice - Population	6,848	6,437
Criminal Justice - Special Prog	24,327	22,708
Gas Tax (MVFT)	308,502	325,416
Increased MVFT	20,182	20,383
Multimodal Distribution	23,066	23,244
	649,261	657,627



City Council Agenda Bill

Meeting Date: November 13, 2023 **Agenda Item:** 7.a.

Agenda Item Title: Downtown Event Venue Discussion

Staff Contact(s): RYAN WALTERS, ANTHONY YOUNG, CHRISTINE CLELAND-MCGRATH

Approved for Submittal to Council by **Action Type**

Jennifer Tottenham

Discussion

RYAN WALTERS

ANTHONY YOUNG

CHRISTINE CLELAND-MCGRATH

Item Summary: The Port of Anacortes Transit Shed is used as an event venue for a number of community events each year. After years of discussion, the Port of Anacortes determined in 2021 that it would discontinue use of the Transit Shed as an event venue by the end of 2023 in order to return it to marine industrial use. That looming deadline leaves the City and our community organizations few options for a replacement venue.

In recent months, several temporary event venue options have been proposed, including (1) a pole building on the plaza at The Depot; (2) a large seasonal or permanent tent on the plaza at The Depot; (3) a large seasonal or permanent tent on the parking lot east of the new wing of the Majestic Hotel; and (4) the first floor of the Phillips Building at 319 Commercial Ave.

Councilmembers Young, Cleland-McGrath, and Walters have requested this agenda item to facilitate an initial City Council discussion of these various options for providing a venue for community events, and potentially any other options that have not yet been presented. The attachments describe the type of tent that is under consideration at either The Depot or the Majestic hotel. Each of the options, but especially the option adjacent to and potentially operated by the Majestic Hotel, requires discussion, planning, lodging tax approvals, and contracts.

Budget Impact:

TBD

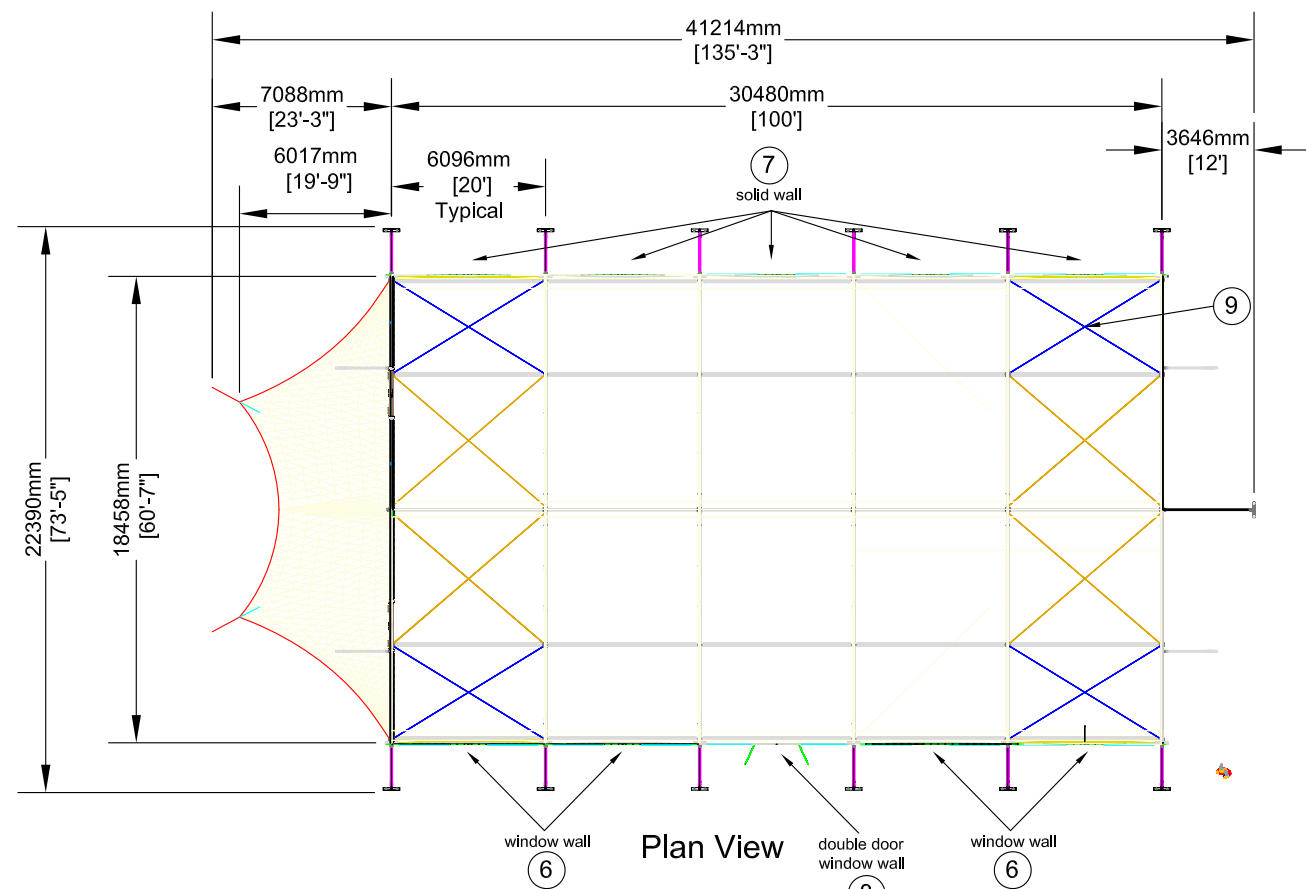
Previous Action: N/A

Recommended Motion: N/A

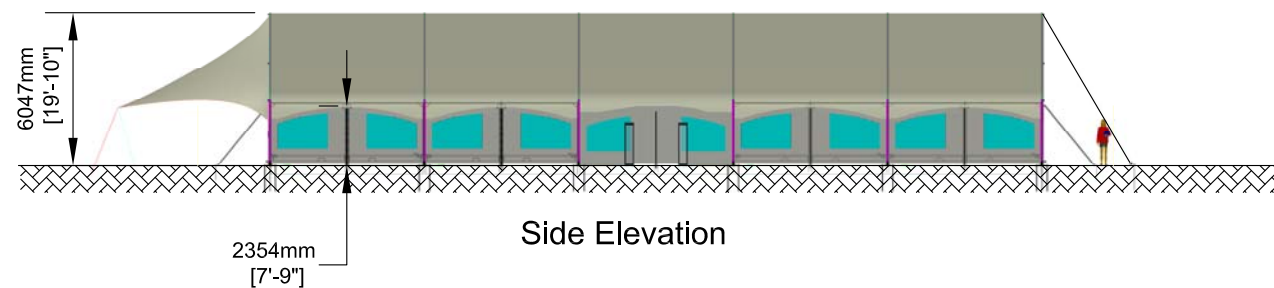
Alternative Actions: N/A

Attachments (listed in order presented):

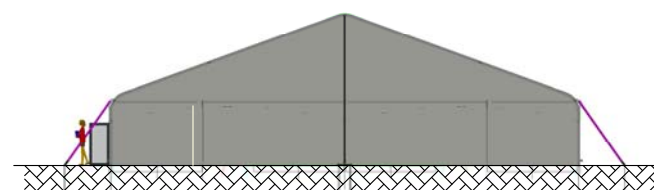
1. SR0136 TS60 x 100 with 1 Xtend End
2. Tentnology HD Flooring
3. Quotation_60'x100' tspan w. flooring, shipping,
4. Port of Anacortes _ Transit Shed Sample Layouts
5. Transit Shed Layouts
6. Depot Room Layout
7. Phillips Building
8. PPC ideas - Anacortes Structure with decor
9. City Meeting Space 11132023
10. Public Comment - Jessica Kiser - Chamber of Commerce



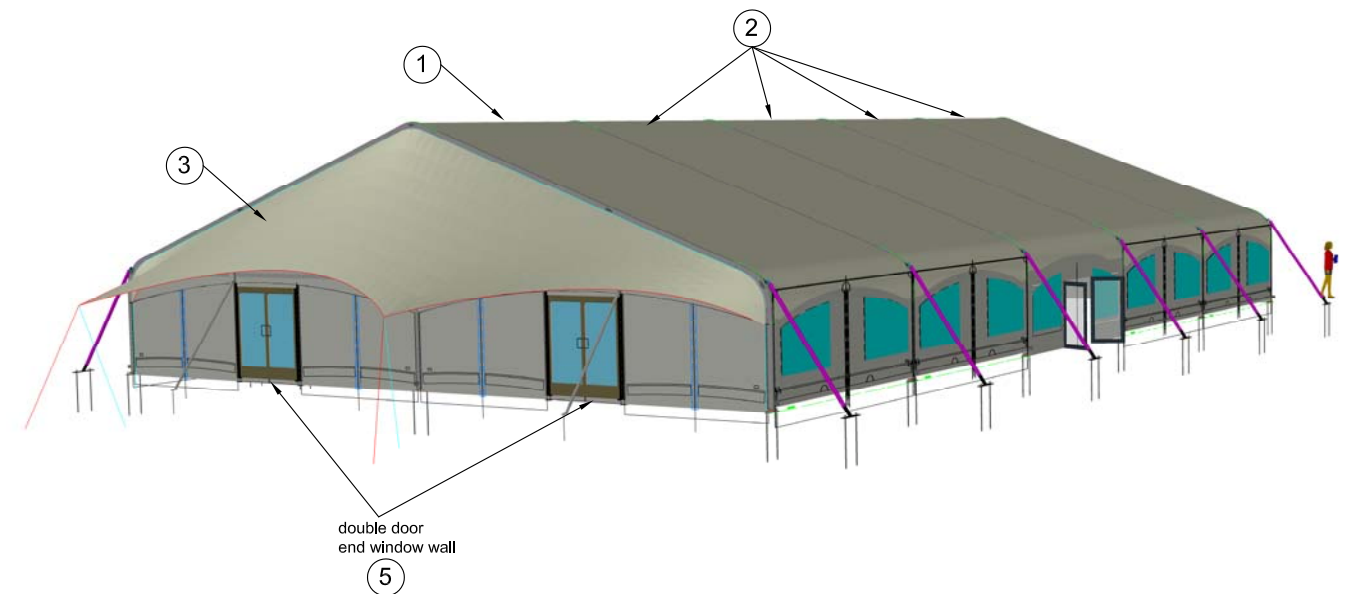
Plan Area:(111m² x 5) + 64m² = 619m² [6663ft²]
(Bay x 5) + Xtend



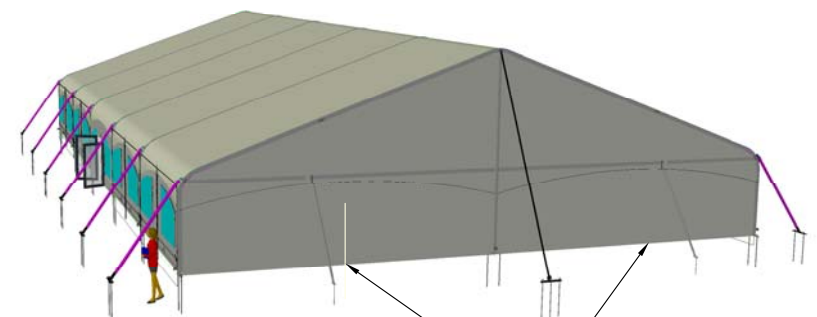
Side Elevation



End Elevation



Perspective View



ITEM #	PART #	QTY.	Um	DESCRIPTION	WEIGHT
1	53.10.060	1	1	TS 60 BASIC MODULE	2,415
2	53.10.061	4	1	TS 60 ADD-ON MODULE	4,066
3	30.25.860	1	1	KIT END TS 60 XTEND BTM TRACK	255
4	30.25.660	2	1	WALL KIT END TS 60 STND	311
5	30.25.735	2	1	KIT DOOR FRAME TS60 STND END WALL	791
6	30.25.602	4	1	WALL KIT SIDE TS WINDOW	440
7	30.25.600	5	1	WALL KIT SIDE TS STND 98 IN	550
8	30.25.739	1	1	KIT DOOR FRAME TS 60 WINDOW END WALL	403
9	30.16.175	1	1	TS 60 CABLE BAY KIT	62
Total lbs		SR0136		TS60 X100 with 1 Xtend End	9,291

This structure meets or exceeds the following: Design Wind IBC-2012 70 MPH Basic wind speed; NBC 2005, Section 4.1.7; DIN 4112 Wind Pressure; Snow load is not considered; Fire - ULC S109, Calif. Fire Marshall, M2 ;NFPA 701 User Note: This structure is designed for temporary use. Tent integrity is a direct function of installation quality. Follow installation instructions, adding stakes and guy lines as conditions require. Do not exceed design parameters or local ordinance for public assembly. Stakes & guying indicated on this drawing may or may not be appropriate for soil & site conditions. When in doubt, consult local engineer. Do not scale from drawing. DIMENSIONS SHOWN IN MILLIMETRES UNLESS STATED OTHERWISE. **CLIMBING ON TENT CAN RESULT IN INJURY OR DEATH**

E:\A_Product\AAMasterEngineer\Custom\SR0136 TS60 X 120 w 1 EXTEND\ SR0136.dwg Printing: Sep 29, 2023-11:11

tentnology co.

15427 66th Avenue Surrey B.C. Canada V3S 2A1

Tel: (604) 597-8368 Fax: (604) 597-8749 e-mail: tent@tentnology.com

T60 x 100 with 1 Xtend End

Project:	Scale: NTS	Sheet No: 1 of 1
Dwg By: KM	Date: 28SEP2023	File: SR0136
Ck'd By:	App'd:	



Portable Flooring

Elevated Modular Floors 20.21.154

- Compensates for minor ground fluctuations
- Strong enough to support structures
- Interchangeable with other modular flooring
- Uses same legs, braces and railing as several brands of existing modular flooring
- 4x faster installation than modular flooring

Quick Installation

- Installation up to 4 times faster
- Lay down before your tent and drive a forklift on it
- Panel length allows for appropriate ground contouring

Floor Tool Hook 20.21.157

Recommended tool for ease of moving

Floor Tool Key 20.21.158

Required tool for locking

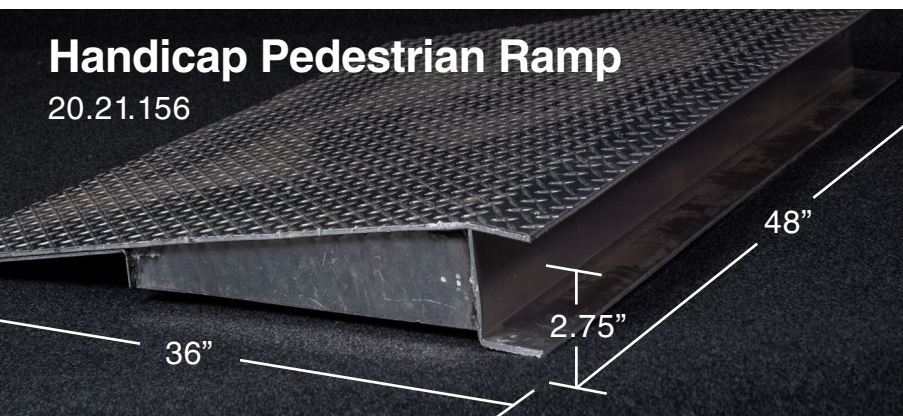
The patent pending slide-lock flooring system easily slides together. There are no hinges to break or pieces to be inserted, just slide and lock.

The floor is 2.75" thick with steel reinforced 4' x 4' sections.

One of the primary benefits of this product is that it is light weight with a 4' x 4' panel weighing slightly over 48 pounds. The load capacity will easily accommodate tents and structures. Installation of this flooring can be flat at ground level or elevated to accommodate structural needs.

Handicap Pedestrian Ramp

20.21.156



Environmentally constructed product made from 50% recycled material! Equally important, it is 100% completely recyclable.

E:\Sales Drawings\bound book\new sales product info\accessories\Tentnology HD Flooring.pdf

Quote ID **87451**
Effective Date Sep 27, 2023
Expiration Date Oct 27, 2023
Requested In-Hand Date
Sales Rep Suzanne Warner

Payment Terms PREPAYMENT
Freight INCO Terms DDP
Ship Via GROUND 7-10 DAYS

Billing Address

MAJESTIC INN AND SPA
419 COMMERCIAL AVENUE
ANACORTES, WA 98221
USA

Shipping Address

MAJESTIC INN AND SPA

Contact RUSS OLIVIER
Email rolivier@majesticinnandspa.com

Phone 360-299-1400
Fax

Item#	Qty	Product description	Price		Net Price	
			Unit	Total	Unit	Total
53.10.060	1	Ts 60 Basic Module	26,847.00	26,847.00	26,847.00	26,847.00
53.10.061	4	Ts 60 Add-On Module	9,005.00	36,020.00	9,005.00	36,020.00
30.25.600	5	Wall Kit Side Ts Stnd 98 In	1,069.00	5,345.00	1,069.00	5,345.00
30.25.602	4	Wall Kit Side Ts Window	1,193.00	4,772.00	1,193.00	4,772.00
30.60.570	1	Set-Up Kit Tspan - Basic	1,328.00	1,328.00	1,328.00	1,328.00
30.73.850	1	Earth Anchors Ts 60 Basic Module	822.00	822.00	822.00	822.00
30.73.851	4	Earth Anchors Ts 60 Add-On Module	356.00	1,424.00	356.00	1,424.00
30.25.739	2	Door Frame Kit Ts 60 Window End Wall	5,216.00	10,432.00	5,216.00	10,432.00
30.25.740	1	Door Frame Kit Ts Window Side Wall	4,990.00	4,990.00	4,990.00	4,990.00
30.25.660	2	Wall Kit End Stnd Ts 60	1,712.00	3,424.00	1,712.00	3,424.00
30.25.865	1	Kit End Ts60 Xtend Portico	18,231.00	18,231.00	18,231.00	18,231.00
30.25.750	1	Earth Anchor Kit Ts 50 60 Xtend Portico	558.00	558.00	558.00	558.00
99.00.001	1	Freight Ground Local (Does Not Include Flooring)	2,300.00	2,300.00	2,300.00	2,300.00
99.01.001	1	Installation Supervisor	2,000.00	2,000.00	2,000.00	2,000.00
CLIENT SUPPLIED LODGING FOR 1 NIGHT & FOOD						
20.21.154	6,000	Floor Modular 48 X 48 X 2.75" (Tool Req'd)	8.00	48,000.00	8.00	48,000.00
20.21.155	3	Floor Ramp Handi-Cap Alum Diamond Plated	530.00	1,590.00	530.00	1,590.00
20.21.157	1	Floor Tool Hook For 4Ft X 4Ft X 2.75 In	109.00	109.00	109.00	109.00
20.21.158	1	Floor Tool Key For 4Ft X 4Ft X 2.75 In	140.00	140.00	140.00	140.00

Subtotal: **168,332.00**

Grand Total: **168,332.00**

TAX ID : 45-3065731

USD

Quotation ID : 87451(Continued)

- Important1: All fabric products are white color unless specified otherwise on the item line of this order.
- 2. Quoted prices are continually subject to review due to material cost fluctuations.
 - 3. Freight costs may not have been included in this quote and will be added on sales order if applicable.
 - 4. Client must request and coordinate special deliveries with Tentnology in writing. Additional freight charges may apply. Client must inform Tentnology if delivery is residential, and/or if special handling services are required, i.e. tailgate.

CLIENT TO PROVIDE;
- FORKLIFT ON SITE TO UNLOAD SHIPMENT
- 6 EXPERIENCE CREW

Signature

standard terms and conditions attached
Thank you for your business



Quotation Terms & Conditions

"Seller" means Tentnology® Co., "Buyer" means Purchaser as indicated within the Billing Address on this Quotation. This Quotation - Terms & Conditions shall form part of the Quotation and its provisions shall apply to all product orders.

Payment Terms:

- A. Standard Products - Buyer agrees to pay Seller 1.5% per month compound interest on any unpaid balance over 30 days.
- B. Customized Products - Buyer agrees that full payment is required in advance to confirm order and such payment is non-refundable.

Late Payment:

In the event of Late Payment, the Buyer hereby agrees that Full Payment becomes immediately due and payable.

Discounts:

Buyer agrees that any discount granted by the Seller at the time of entering into the Sales Order is entirely dependent upon the Buyer making prompt payments per terms of this Sales Order. In the event the Buyer fails to make prompt payments as agreed, the Buyer hereby agrees that any such discount is void, and the invoice price payable will revert to the full invoice value without discount. The Buyer further agrees that interest at a rate of 1.5% compounded monthly shall become due and payable on any outstanding balances.

Check your Shipment:

For Buyer's protection, Buyer shall check all cartons against Bill-of-Lading before signing for shipment. If there is any shortage or damage, Buyer is required to have the carrier's driver make a notation on the shipping receipt. Buyer must then initiate claim for loss or damage with carrier without delay. Buyer must ensure carrier inspects products and advises of any specific claim procedures which the Buyer must adhere to. Tentnology® will assist with claims as necessary, but Buyer agrees to provide Bill-of-Lading with notation of loss or damage clearly marked by the carrier to commence the claim process. Seller is not responsible for damage caused to goods once on transit.

Shipping:

Seller is not responsible for damage caused to product during shipping. Seller's liability ceases when Buyer receives Bill-of-Lading from carrier and has signed to confirm receipt of products in good order. In the event Seller ships an order via freight collect, the Buyer is solely responsible for freight damage and payment of any freight costs or shortages directly to the delivering carrier.

Cancellations:

Buyer shall not cancel orders once Seller has received signed Sales Order/Invoice and commenced production. Seller reserves the right to add proportionate charges for any change-orders or variations to the product order requested by the Buyer.

Returns:

Buyer shall not return products without prior written approval/ RMA (Returns Manufacturer Authorization) number from the Seller. In the event Buyer requests permission to return products, Buyer must supply Sales Order/Invoice date and RMA number along with reason for return. Buyer must ensure letter of explanation accompanies all authorized returns. Authorization does not imply credit. Seller shall inspect products promptly and determine the extent of its responsibility, if any. Buyer must return problem product within 60 days of original ship date. In the event Seller determines the products returned are not Seller's responsibility, Buyer agrees to pay Seller the assessed minimum 25% restocking charge. Seller will not accept unauthorized returns.

Liability Statement:

Buyer hereby acknowledges that Buyer is a sophisticated purchaser. Buyer shall exonerate, discharge and agrees to protect and save harmless and indemnify Seller from any and all liability for claims for loss, damage, injury or other casualty to persons or property caused or occasioned by Buyer's negligence in or by reason of the installation, use, operation, repair and/or modification of the product, including failure to read instructions or warning labels. In the event Buyer specifies product be manufactured using non-standard fabric or other product elements (as deemed by the Seller), Seller shall be deemed to be acting as contractor only for the Buyer's designed product and Buyer hereby waives any claim against Seller for any failure of such non-standard product due to the non-standard material, its application or performance.

Weather:

Since weather is unpredictable, Buyer must utilize good judgment, common sense and knowledge of local conditions with respect to the installation instruction guidelines. Buyer is responsible for anticipating severity of local weather, for timing and method of construction or installation, appropriateness of product for the intended site, and any evacuation or disassembly details. Buyer hereby acknowledges he is aware of specified design wind and snow load per product drawing and shall take such steps necessary to ensure design loads shall not be exceeded. Tent shall be dismantled in advance of winds exceeding design. A successful event is a safe event, from assembly to take-down. Unless this product has Tentnology snow load rating specified on its drawing, exposure to weight of snow may cause sudden collapse with potential harm to life & property. Tent shall be dismantled in the event of imminent snowfall or user shall prevent snow accumulation, removing snow as it falls.

Installation Instructions:

Buyer must evaluate each installation site and determine securing and anchoring method and devices appropriate for the local conditions. Some soils require different staking or securing than may be provided with the product. Seller highly recommends Buyer engages in thorough training of its Tent Operators. Seller's user manual can impart all the functions of a product, the rules for using them and suggestions for their use. Seller's video instructions illustrate excellent graphic examples of operating techniques. The Buyer must follow the instructions given under the condition specified or illustrated in the user manual in order to achieve satisfactory results. However, field situations, site conditions, weather and local experience may mandate other methods. In addition, instructional aids are not a replacement for the interactive process of hands-on training provided by the Seller's experts. Along with techniques for safe product use, the Seller's trainer may provide valuable information and suggestions on using the product under the Buyer's unique local conditions. Buyer shall be responsible to contact Seller to arrange for such training.

Equipment:

Unless specified as standard and included, typically anchorage is not included because it is often site-specific. Any additional equipment or materials required (e.g. Special anchorage) shall be at the sole expense of the Buyer.

Permits & Licenses:

Buyer shall be responsible for obtaining any and all permits required for the installation or use of the products.

Buyer/Guarantor Acknowledgment:

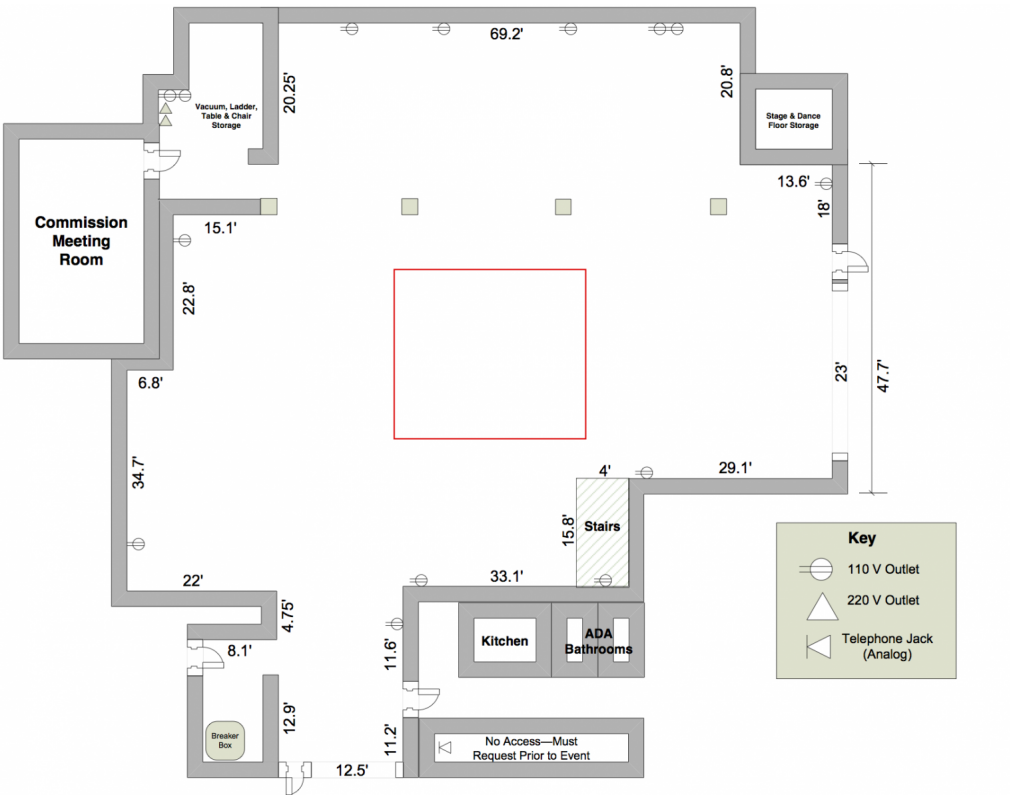
In the event the Seller requires a guarantor and in consideration of the Seller selling the product to the Buyer, the undersigned hereby covenants to pay or cause to be paid and to do or cause to be done all of the covenants, promises and agreements contained in this Sales Order - Terms & Conditions and the Sales Order/Invoice on the part of the Buyer and hereby adopts each and every covenant herein of the Buyer as its own.

RENTAL VENUES

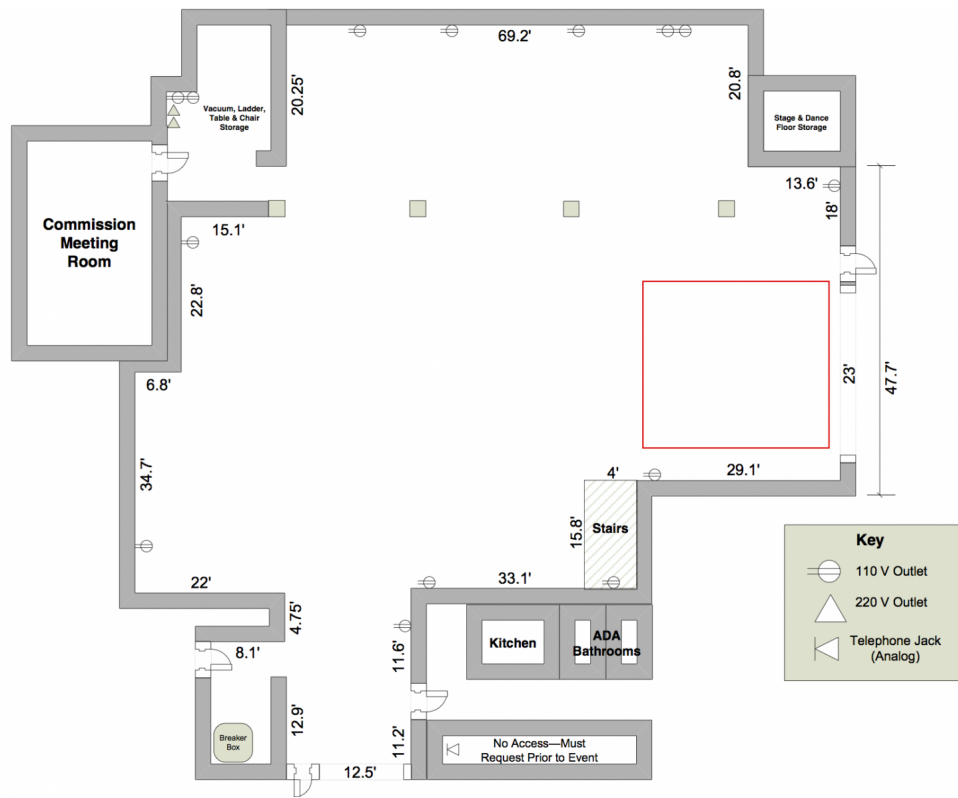
Transit Shed

Seafarers' Memorial Park

Dance Floor Plan A



Dance Floor Plan B



TRANSIT SHED

[Availability Calendar](#)

[Equipment](#)

[Sample Layouts](#)

Transit Shed

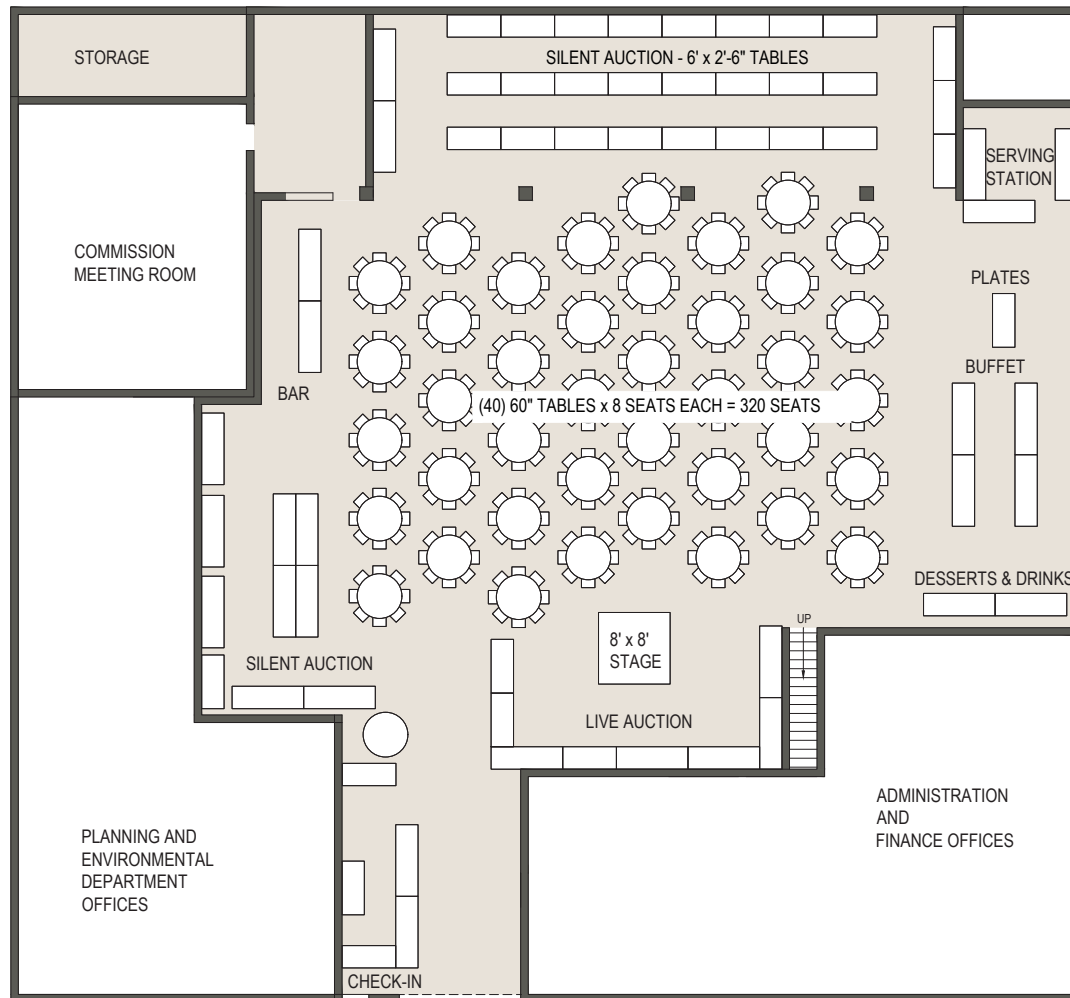


Transit Shed



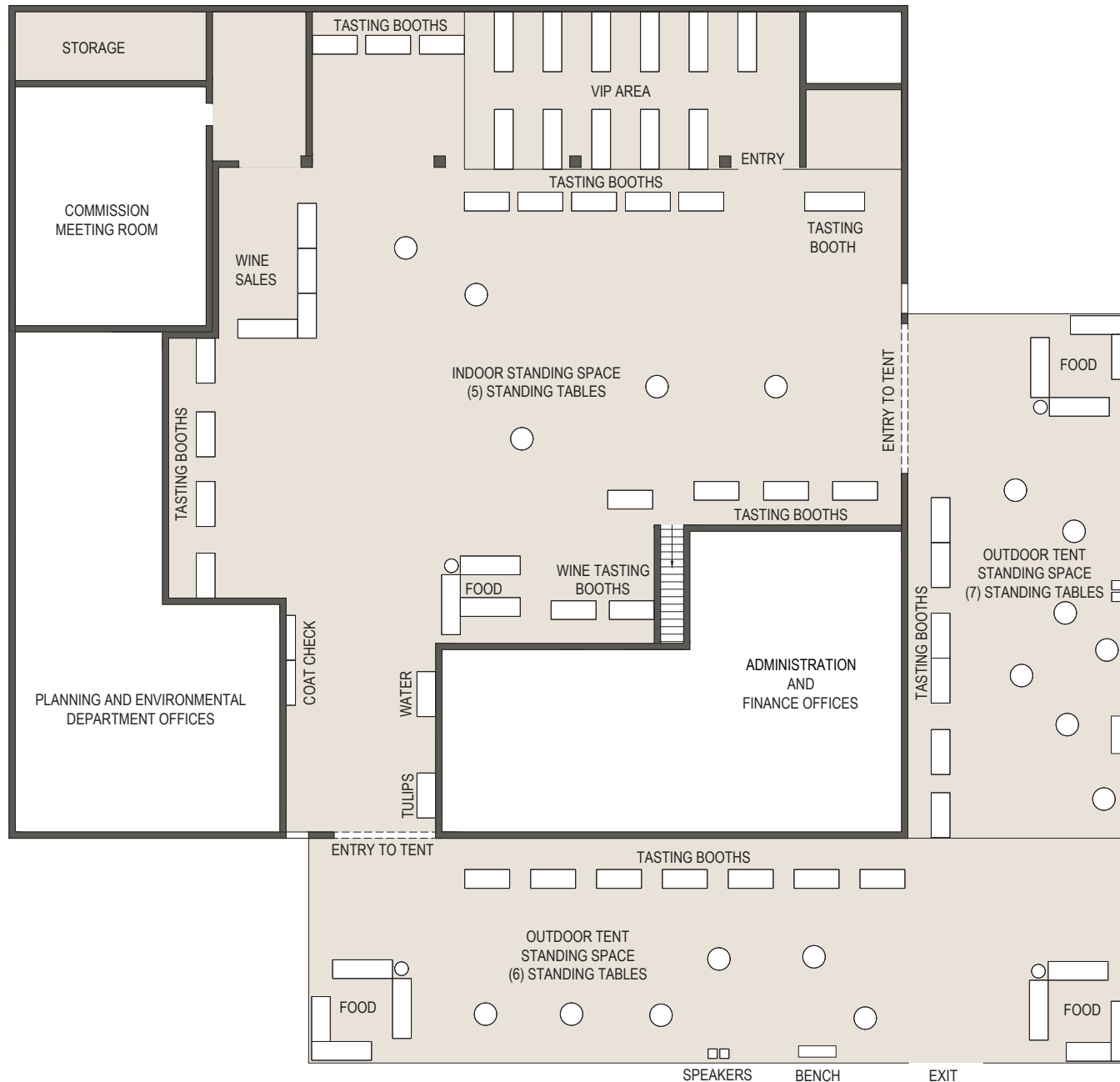
- Conflicts with industrial maritime activity
- Limited parking
- Insufficient bathrooms
- Poor heating
- No catering facilities
- Does not meet current code requirements
- Some events require additional space

Transit Shed: Sports Auction



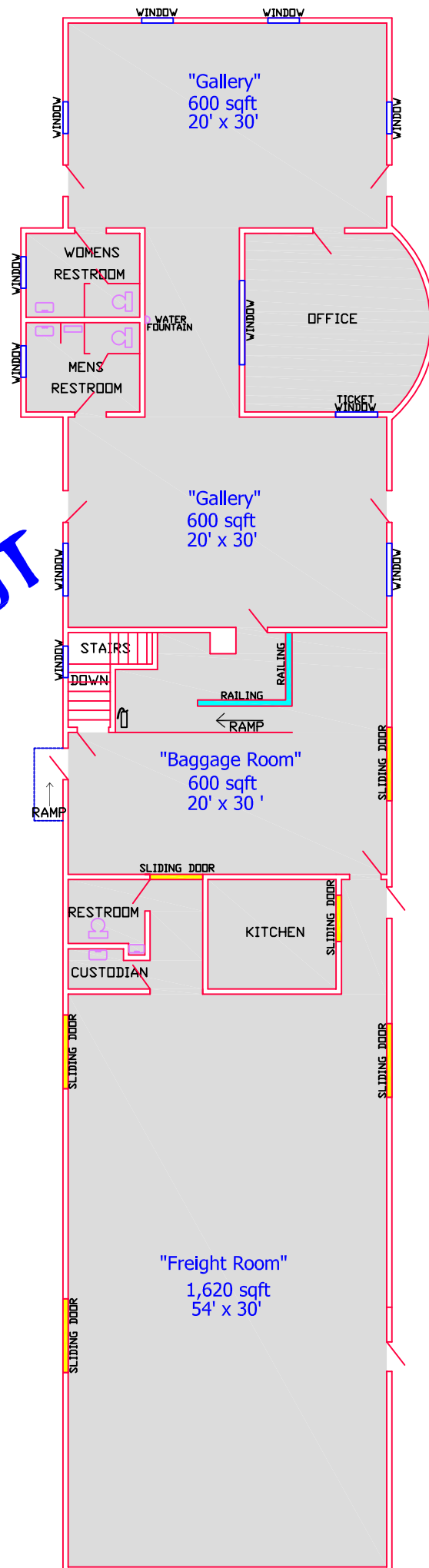
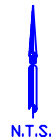
- 8000 SF of usable space
- Maximum 320 seats with stage and servery
- Intensive use
- No catering facilities

Transit Shed: Wine Festival



- 13400 SF of usable space
- 5400 SF of rented tent space
- Poor heating
- Required port-a-potty rentals
- No catering facilities

THE DEPOT ROOM LAYOUT



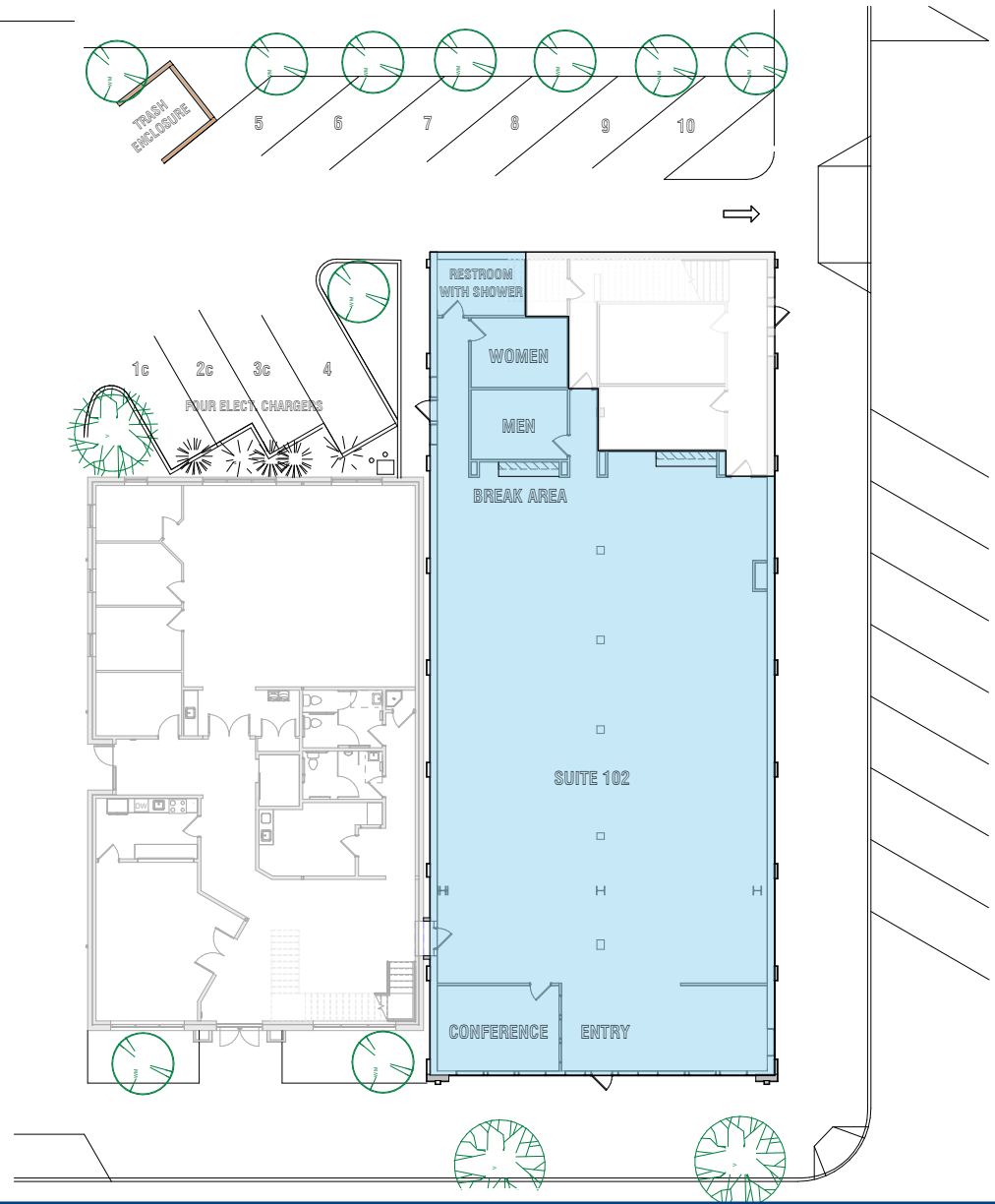
Anacortes Professional Center

317 Commercial Avenue

SUITE 102
5,060 SQUARE FEET
25.50% NNN



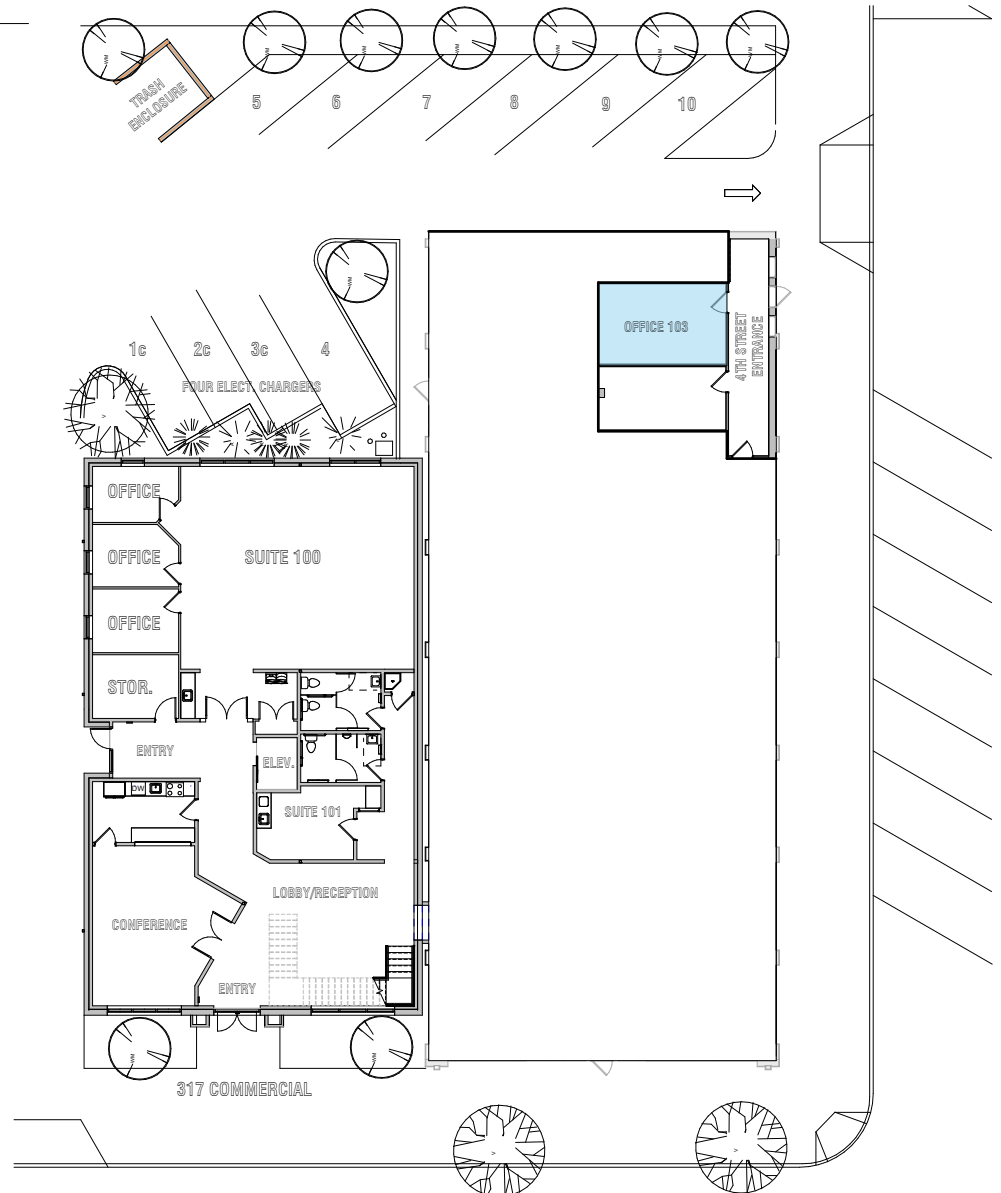
317 COMMERCIAL



Anacortes Professional Center

317 Commercial Avenue

SUITE 103
220 SQUARE FEET
1.11% NNN OF SOUTH BUILDING
(GROSS LEASE)



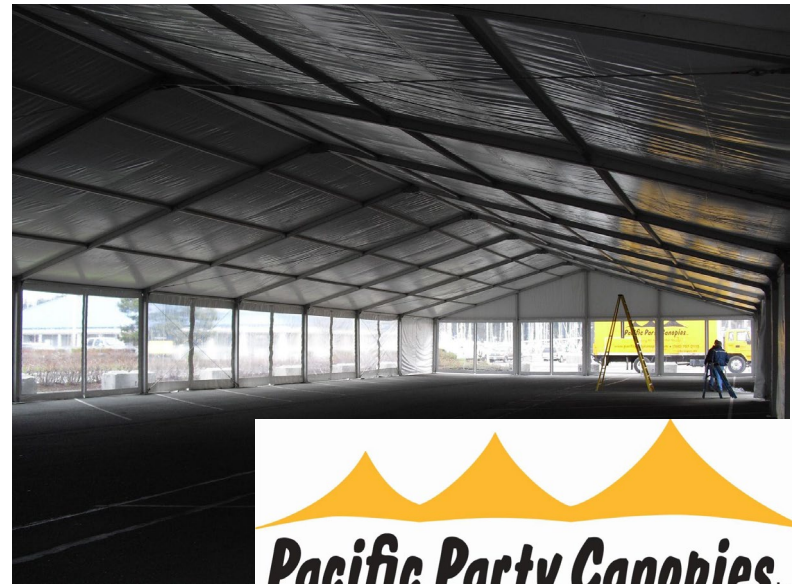


Temporary Structure Tenting to fit all your needs



60'x Structure

Interior/
Exterior
of the
tent with
clear,
and solid
sidewall



60'x Structure



Clear Roof Panels
Doors
Mixture of Solid and
Clear sidewall





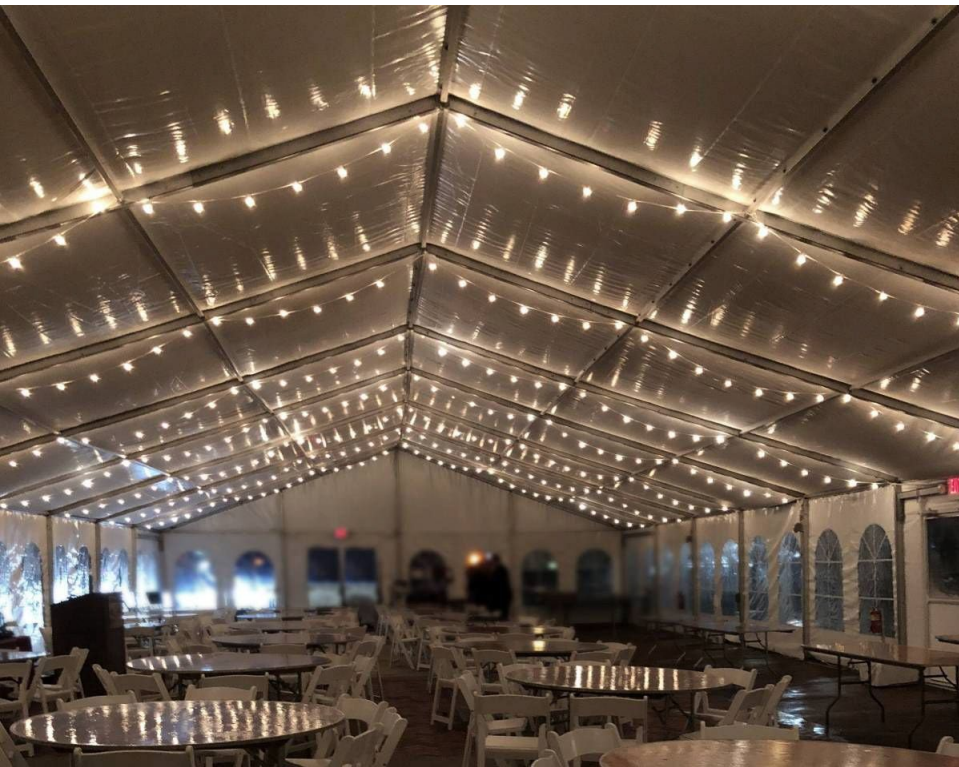
Lighting and Drape



Pacific Party Canopies^{Inc}

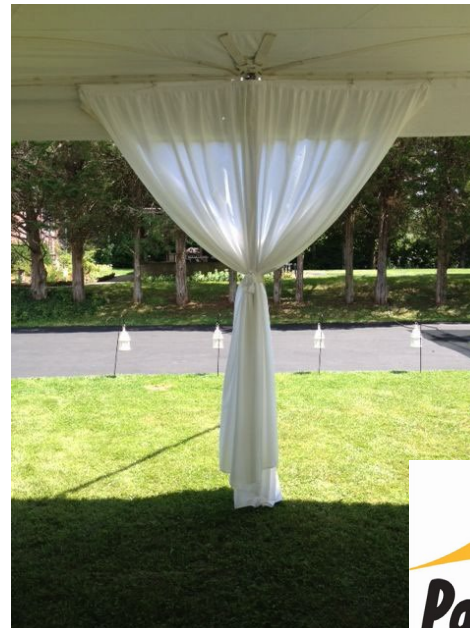
Your Event Rental Experts

Page 62 of 109



Lighting
String Light
Chandeliers
Tent Washes





Drape
Full Ceiling
Treatments
Runs of Drape
Pole Drape



Your Event Rental Experts

Drape & Chandeliers

Runs of bold fabric

Separation of space with
drape

Unique Chandeliers





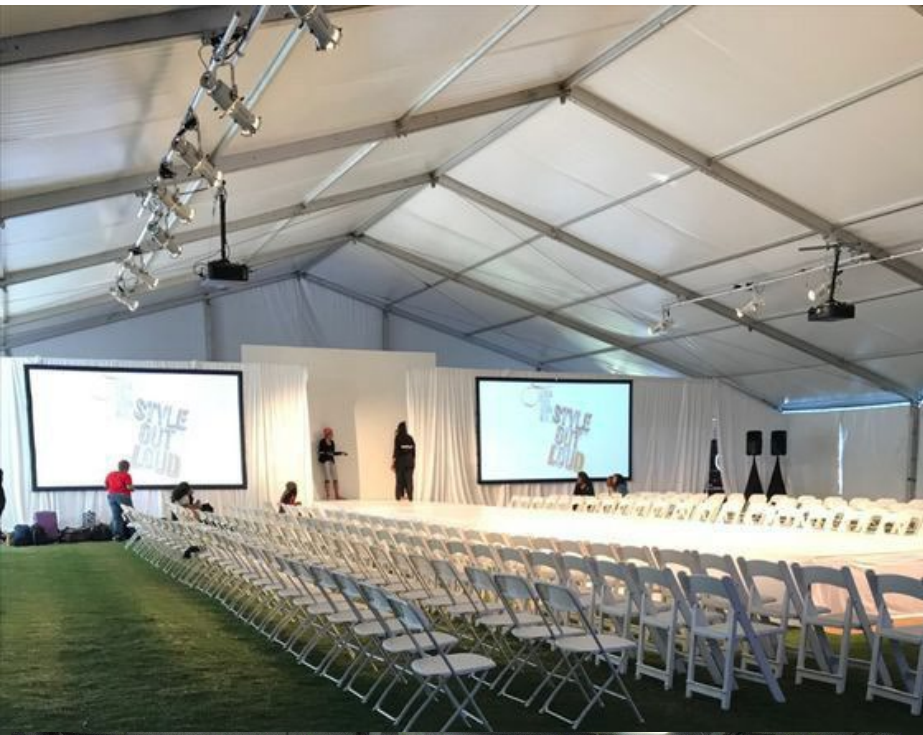
Unique Uses
Sports Bar
Showcasing Childrens Art
work for Auctions



Pacific Party Canopies^{Inc}

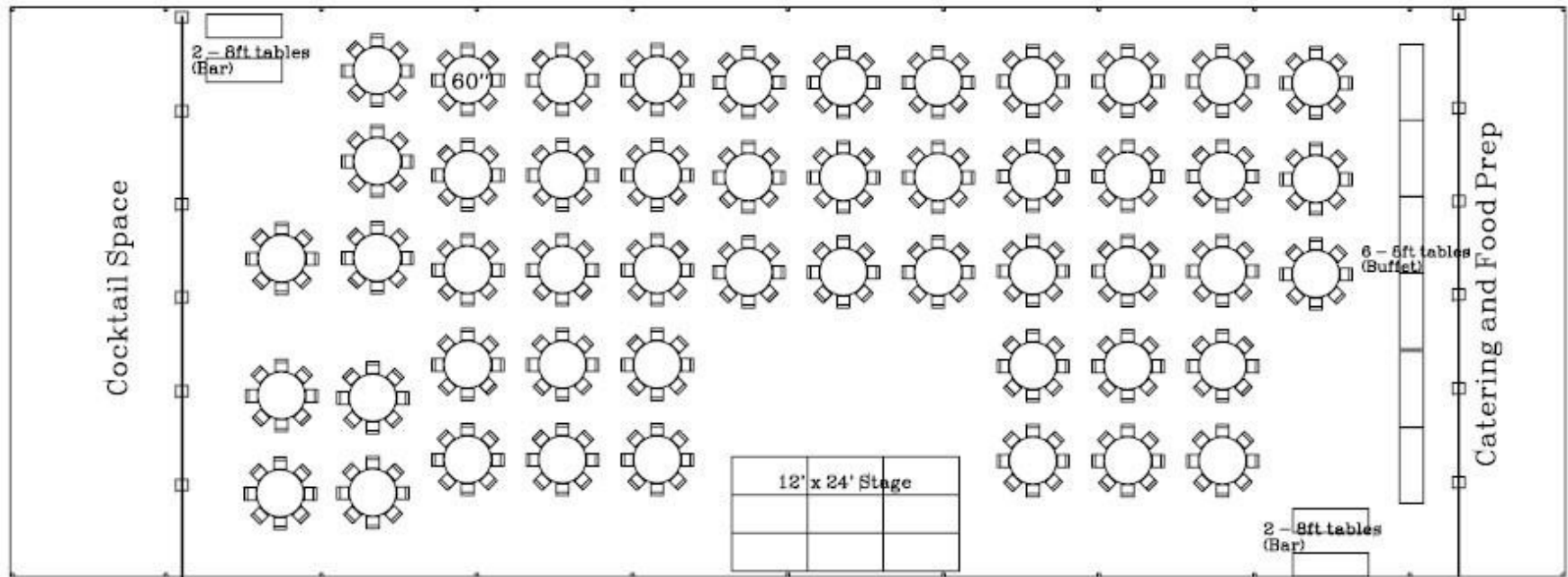
Your Event Rental Experts
Page 66 of 109

Multi-Use Space Runways Trade Shows Auctions



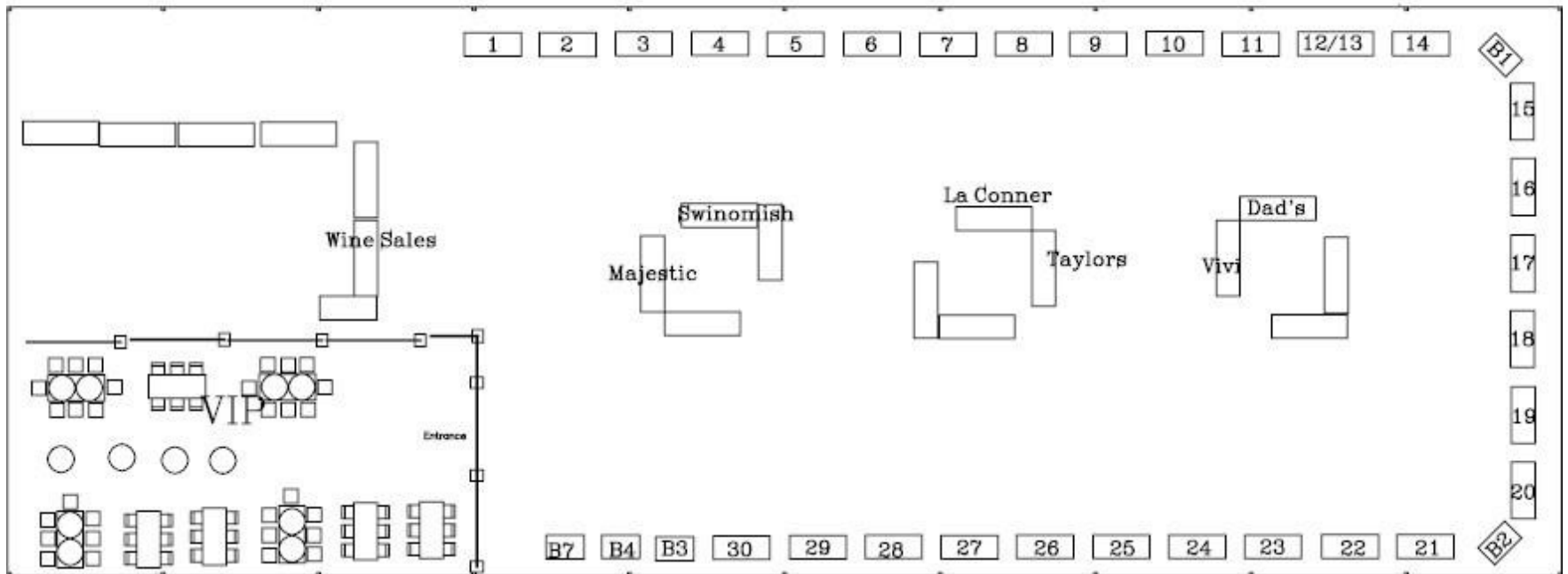
Auction - Cocktails, Sit Down Dinner, Buffet, Stage, Dance Floor, Catering Space

City of Anacortes
60' x 184' Structure Tent
Seating for 400

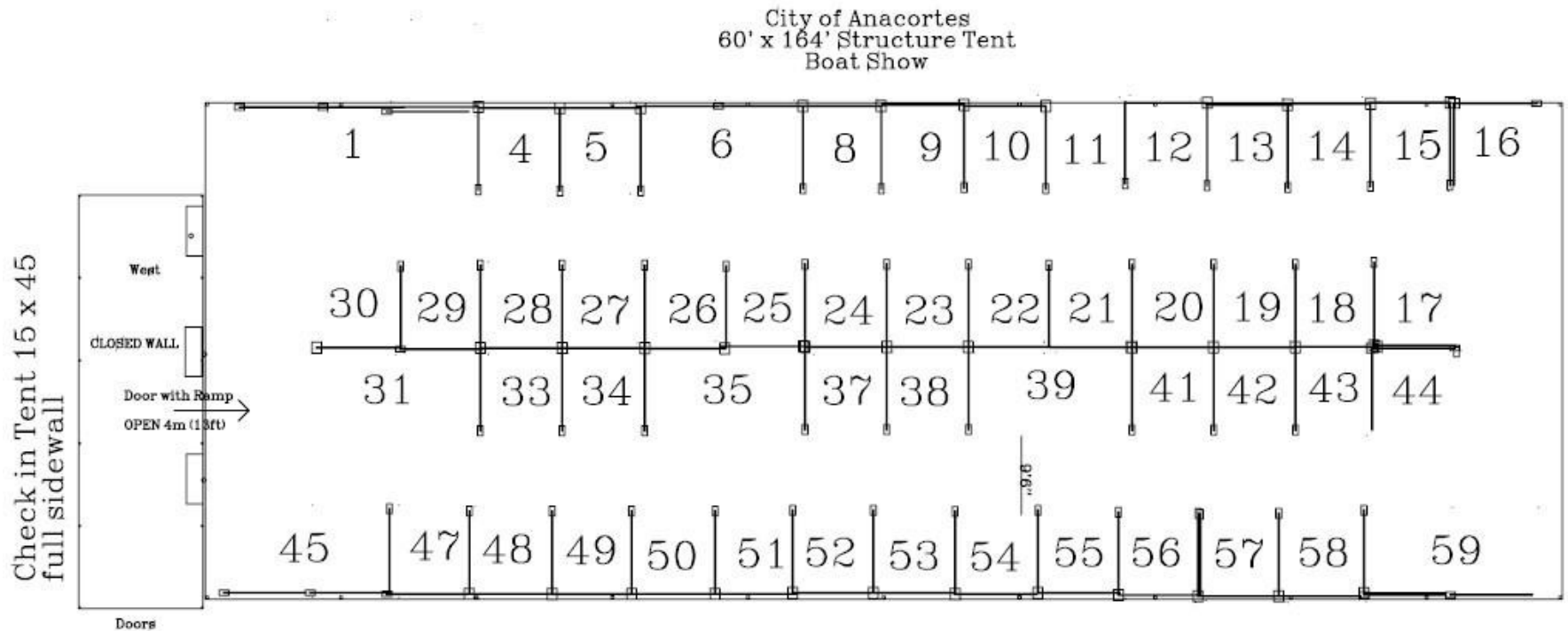


Wine Festival

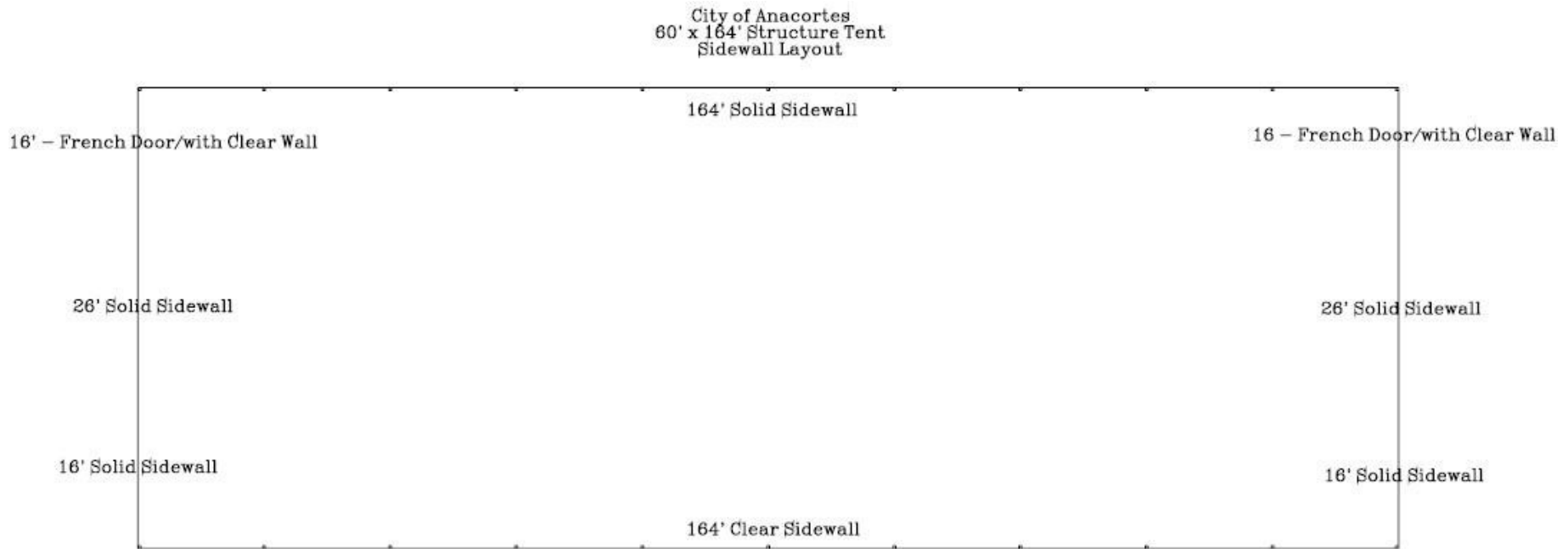
City of Anacortes
60' x 164' Structure
Spring Wine Festival



Boat Show - Client to add additional tenting



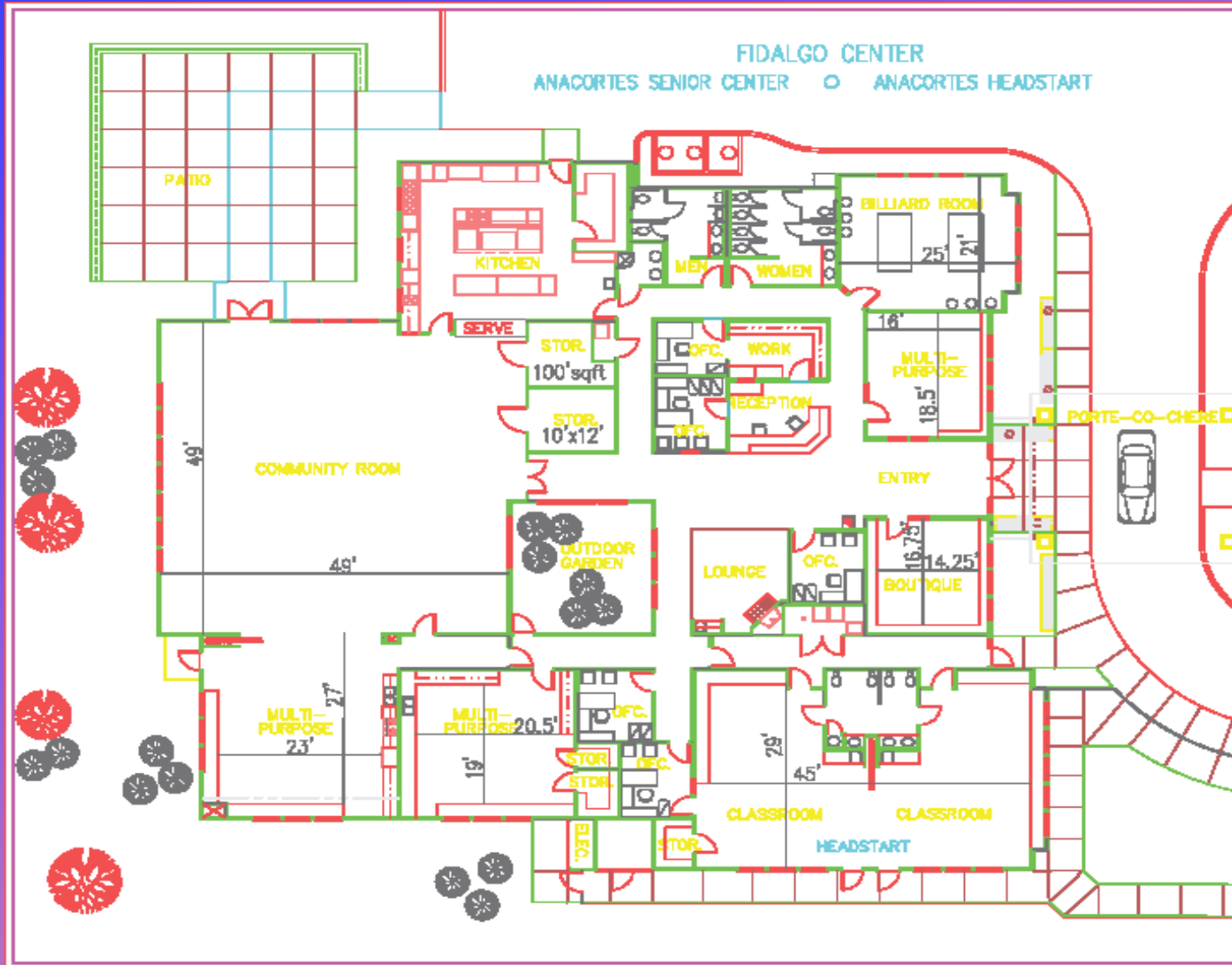
60' x 164' Structure, Sidewall and Door Layout



Rental Cost for 1st and 2nd month - Tent, Doors, Sidewall

Qty	Description	1 month rental Per item	1 month rental total cost	2nd Month Rental	2 month rental total cost
1	60' x 164' Structure Tent	\$30,900.00	\$30,900.00	\$10,300.00	\$10,300.00
10	5m Solid Sidewall	\$144.00	\$1,440.00	\$96.00	\$960.00
12	5m Clear Sidewall	\$231.00	\$2,772.00	\$154.00	\$1,848.00
4	4m Solid Sidewall	\$123.00	\$492.00	\$20.50	\$82.00
2	Clear Door Wall	\$231.00	\$462.00	\$154.00	\$308.00
2	French Doors	\$968.00	\$1,936.00	\$322.68	\$645.36
	Total with out delivery and tax		\$38,002.00		\$14,143.36

Anacortes Senior Activity Center Meeting Space



Great Room = 2,401 SF
Kitchenette = 621 SF

Depot Arts Center

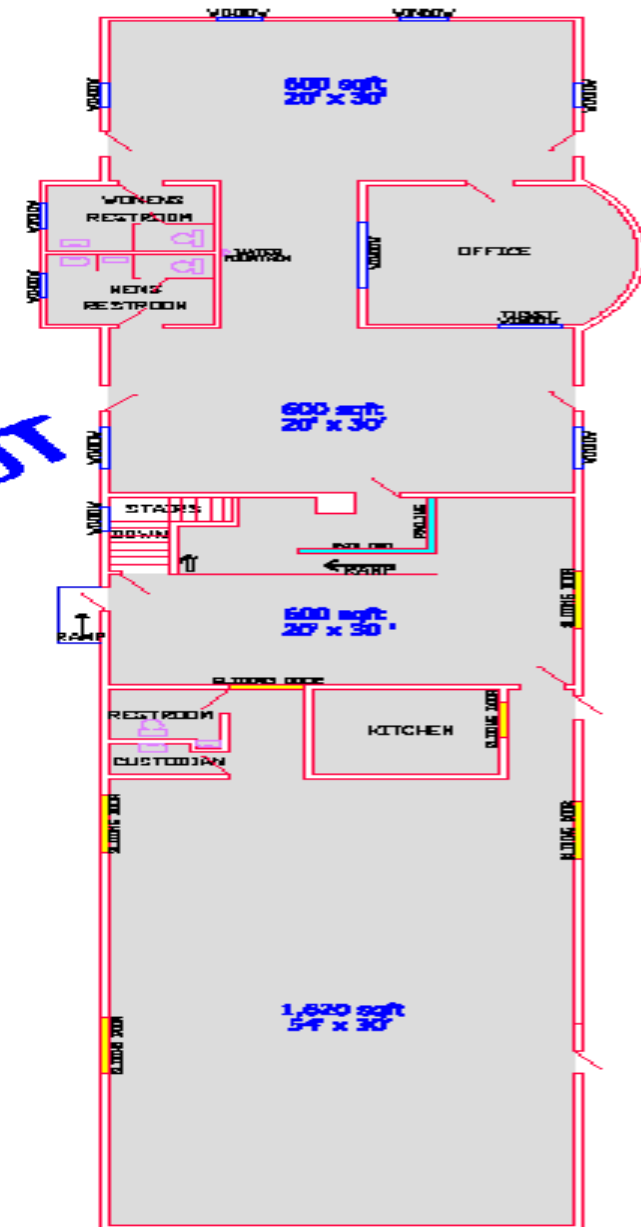
+

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○

Freight Room = 1,620 SF

THE DEPOT ROOM LAYOUT



Events 2024

+ Event Name	Organization	Date	Location	Notes +
Uncorked	Chamber	3/9/2024	Depot Tent	w/Farmers Market
Youth Sports Auction	Anacortes Youth Sports	3/23/2024	Depot Tent	
Elk Foundation Gala	Rocky Mt Elk Foundation	3/23/2024	Museum of Flight	
Hospital Gala	Island Hospital Foundation	4/27/2024	Swinomish Casino	
Senior Center Gala	Senior Center Foundation	5/18/2024	Swinomish Casino	
Fine Arts Show	Anacortes Arts Festival	8/1/24-8/5/24	Depot	w/Farmers Market
Beer on the Pier	Chamber	10/5/24--10/6/24	Depot Tent	w/Farmers Market
Rotary Gala	Anacortes Rotary	10/19/2024	Somewhere else	
Friends of the Forest Gala	Friends of the Forest	11/2/2024	???	emailed for info
Anacortes Schools Foundation Gala & Dinner	Anacortes Schools Foundation	11/30/2024 or 12/12/2024	???	emailed for info
Anacortes Schools Foundation Holiday Fair	Anacortes Schools Foundation	11/30/2024 or 12/12/2024	???	emailed for info

11.13.23 City Council meeting

Current Event Center points –

- The Transit shed is about 8000sf inside and can hold up to 600 people per session.
 - With up to 2 sessions per day. (A mix of 60 seated for eating area, 540 standing in the main areas with bistro tables.)
- We still hire Pacific Party & Canopy to rent additional tenting for another 2200sf, for registration and seated dining.
- Food trucks are able to park on the lot without blocking traffic or workforce.
- Some on-site restrooms for volunteers and staff, and room for port-a-potties on the lot.
- Parking issues.
- \$0 cost as they trade for sponsorships.
- Tourism draw – Pier, dock, marina, skyline, all things that draw in tourism.
- We already compete with 3-6 other brew festivals in our region that are on our scheduled weekend. They can go to a beer festival ANYWHERE. What made Anacortes special is the view of the water. We need the guest to be able to walk outside of the event center and see the marina or the waterfront to be able to draw them here.

Integra building points –

- I appreciate that BOP and UNCORKED were mentioned in this presentation, but neither of those events would fit in this small space. It is about ¼ of the size needed, no power outlets on the first floor, carpeting wall-to-wall for a beer or wine festival, parking issues downtown, Lack of view of the water.
- 3400 sf at \$25 - \$85,000. Plus upgrades to the space to include outlets.
- Limited space for tenting outside the main area for registration or an eating area.
- Unfortunately, with the six pillars in the middle of the first floor, the seating would be reduced to about 150 people in order for them to see the stage. We already have event centers in town that we could use for that size of an event. So this building would be competing with the Majestic and AMP center.
- Unfortunately, a brick building is not a tourism draw.

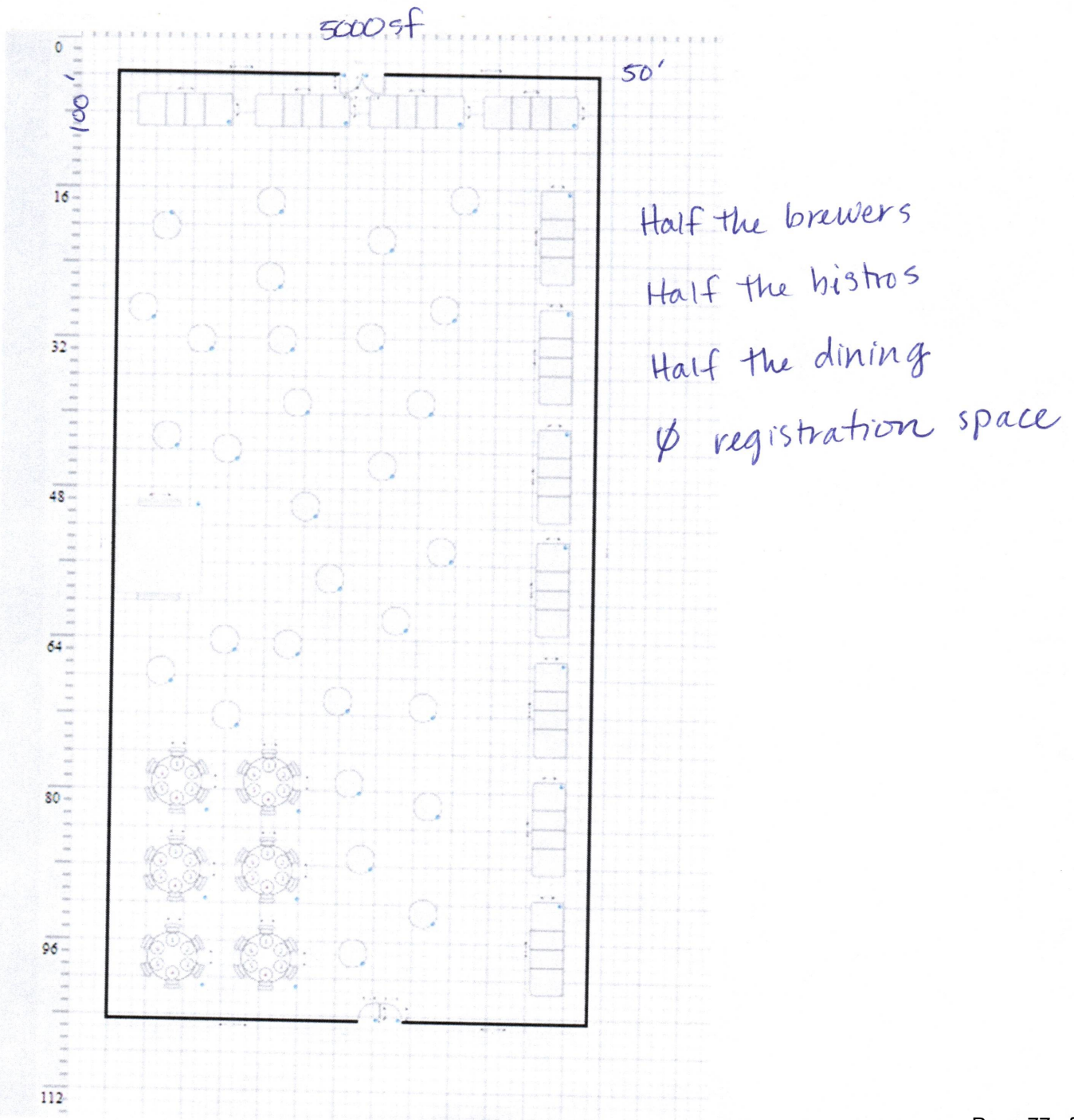
The Majestic Points –

- The Majestic only has room for a 100'x50' tent = 5000sf.
- The Majestic would be difficult to have food trucks on 5th street for BOP because it would directly block people from their homes. Therefore, we would be reduced to only having catering at our events.
- Limited space for tenting outside the main area for registration or an eating area.
- Parking issues downtown.
- It would allow for easy in-house catering at the Wine Festival, along with 2 other caterers as well.
- The Majestic has the option of the outbuilding in the sperate house to store our event things.
- The Majestic can do the set-up and take-down of the tables and linens to save time.
- The ground is graded and would need investment in order to have the sealed tent flooring.
- We would have access to a large drain for dumping excess alcohol.
- Unfortunately, a fancy hotel parking lot is not a tourism draw.

The Depot points – For a pole building or a framed tent.

- Depot calendar is almost full for 2024, but wide open for 2025 or after.
- I have booked out our Chamber events from 2025 to 2027.

- The Depot lot can allow for a tent the same size as the building at 150'x50' tent = 7500sf and STILL allow for a 20' drive area on the east side of the tent for access to the farmer's market storage.
- The Depot lot is already level, has room for food trucks, vendors, and allows for load and unload.
- There is space for us to rent an additional tent for registration and an eating area.
- Parking is available in the Marina and gravel lot.
- The Famers market was interested in using the tent on the weekends without events. As well as partnering up for BOP to add customers to both events and possibly use their food trucks.





City Council Agenda Bill

Meeting Date: November 13, 2023 **Agenda Item:** 7.b.

Agenda Item Title: 2024 Budget Review - General Governmental

Staff Contact(s): STEVE HOGLUND

<u>Approved for Submittal to Council by</u>	<u>Action Type</u>
STEVE HOGLUND	Discussion
STEVE HOGLUND	

Item Summary: The draft 2024 budget review of the non-Public Works department, referred to as General Government, consisting of the City's administrative departments, Public Safety, and cultural departments, including the Library, Museum, Parks, and Cemetery.

Budget Impact:
Various

Previous Action: October 9 Mayors budget message and Public works CFP review, October 16 General Government CFP review, October 23 public hearing on revenues, and November 6 review of Public Works budgets.

Recommended Motion: NA

Alternative Actions: NA

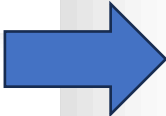
Attachments (listed in order presented):
1. Council Gov Budget 11.13.23

Governmental Activities

Budget Overview

November 13, 2023

The budget views at Right will be reviewed tonight, and can be seen on the City Finance – Budget website



Home › Your Government › Departments › Finance › Budget

City Budget

2024 Budget

[Online Budget Report](#)

Filters	Views
All Funds	
Salaries & Benefits	
General Fund	
HR	
IT	
Fiber	
Muni Court	
Public Defense	
Planning	
Legal	
Police	
Fire/EMS	
Museum	
Parks - 101	
Parks - 102	
Parks - 107	
Parks - 108	
Parks - 113	
Library	
Legislative	
Executive	
Finance	

Staffing overview

FTE REQUEST IN THE 2024 BUDGET			
Assistant City Attorney			1
Wage	107,185	107,185	
Bene's	41,723	41,723	
	148,908	148,908	
PD Officers			5
Wage	78,711	393,555	
Bene's	48,840	244,200	
	127,551	637,755	
Firefighter/Paramedics			8
Wage	93,797	750,376	
Bene's	45,156	361,248	
	138,953	1,111,624	
Total Gov Staff Increase			
Wage		1,251,116	
Bene's		647,171	
		1,898,287	
Utilities Engineer			1
Wage	98,089	98,089	
Bene's	40,283	40,283	
	138,372	138,373	
Grand Total City Staff		2,036,660	

- The City Attorney and Finance reviewed the issue that came up last week re: City Council approving an FTE count for the budget.
- We could find no statutory requirement for that approval.
- The City is consistent in budget preparation in being transparent about the FTE requests.
- For the 2024 draft budget, the FTE requests are illustrated at left.
 - 13 of the 15 are directed by the levy lid lift.
- RCW 35A.11.020 directs that the legislative body “fix the compensation and working conditions of such officers and employees”
- RCW 35A.12.020 also provides that “the compensation of appointive officers shall be prescribed by ordinance”
 - Wage schedules for appointive officers and employees with the Budget Ordinance to meet the requirements of these 2 statutes.

Administrative Services

Budget Overview

November 13, 2023



HR & LR Overview

Employee Group	Contract Expiration Date	2024 Base Wage Increase	Current Staffing	2024 Staff Changes
IAFF Local 1537	12/31/2025	1/1/2024 2.0% 7/1/2024 2.0%	26 +3 levy funded	+8 Levy Lid Lift (3 of 8 positions filled)
Fraternal Order of Police- Commissioned	12/31/2024	1/1/2024 2.0% 7/1/2024 2.0%	24 + 1 conditional offer	+5 Levy Lid Lift
Fraternal Order of Police- Non- Commissioned	12/31/2024	2.5%	4	
Teamsters Local 231	12/31/2025	3.0%	112	
Management/Non Union	NA	3.0%	67	+1 Asst. City Attorney +1 Utility Engineer



HR & LR Budget

- **Budget Highlights**
 - Implementation of NeoGov recruitment software
 - Public Safety Recruitment
 - Civil Service Assessment Centers
 - Collective Bargaining – Police
 - \$20K DEI Training
 - \$5K MSDS Database

Information Systems & Technology

Funding Methodology

- Funding generated through node costs assigned for equipment connected to the City's network and cell phones.
- Cost per node is \$2021.31/year. This cost includes replacement charges





Information Systems & Technology

Budget Highlights

- RFP for ERP Replacement (Soft Resources)
- Microsoft Windows Operating System & Office 365 \$114k
- EDEN \$92k
- Open Gov \$49k
- Laserfiche \$41k
- Security Audit with Penetration Testing 38k
- Managed Detection & Response Service \$38k

ACCESS Anacortes Fiber Internet

- **Budget Highlights**
- EDA Construction Contract
- \$450k of Fiber Technicians salaries and wages charged to capital
- NOC expense 140k

**Connect
locally.**

access
ANACORTES FIBER INTERNET



Anacortes Municipal Court

Budget Highlights

- Evaluating impact of SB 5536 aka the “Blake Fix” on caseload- projecting 250 new cases each year
- Interlocal with Skagit County coming to provide indigent defense review for those in custody



Office of the Public Defender

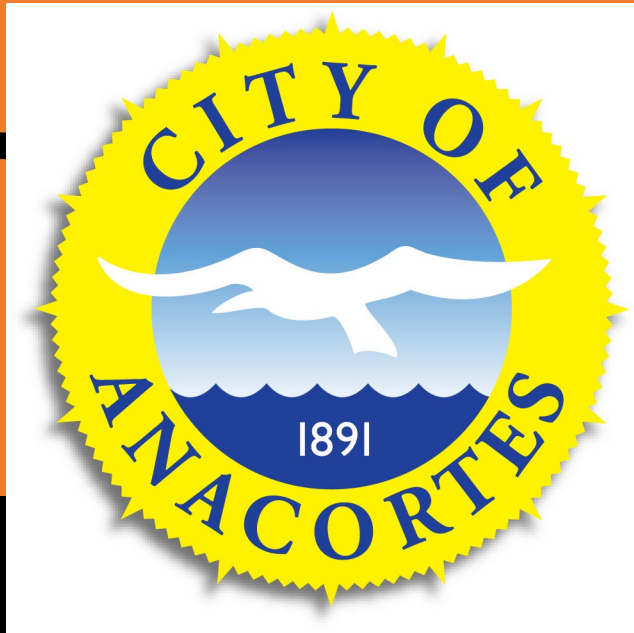
- **Budget Highlights**
- Evaluating impact of SB 5536 aka the “Blake Fix” on caseload
- Revised conflict/overflow attorney contract rates to align with industry
- Defender Data case management system
- Awarded 30K grant from Office of Public Defense



Planning / Building / Economic Development

Budget Overview

November 13, 2023





Legal Budget Review

2024 change – in-house prosecution

- Rationale:
 - Blake Decision – Previous felonies heard in Superior Court will now be gross misdemeanors in municipal court
 - Anticipated 200-250 additional cases
 - Additional support for APD
 - Support for City Attorney workload
- Budget Impact:
 - 2023: \$95,400 for prosecution services (monthly flat fee plus hourly support)
 - Request three months of overlap between contract prosecutors and staff for training and continuity
 - Cost allocation:
 - 75% legal (general fund)
 - 7% water
 - 7% sewer
 - 7% storm
 - 4% sanitation

Police Department
Budget Overview
November 13, 2023





FIRE & EMS

2024 Operating Budget

• **\$9,702,968**

- Overall increase of \$1,568,344 or 19% from 2023
 - 1.2 Million in personnel costs
(8 New FTEs)
 - \$221,000 increase in Interfund Services
 - \$283,000 increase in billing write-offs
 - Beyond these 3 items there is a net decrease from the 2023 amended budget.

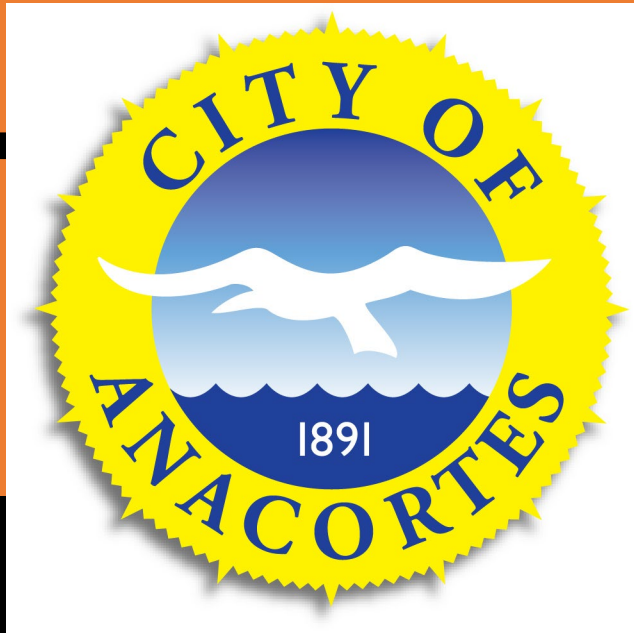
Museum Department
Budget Overview
November 13, 2023



Parks and Recreation

Budget Overview

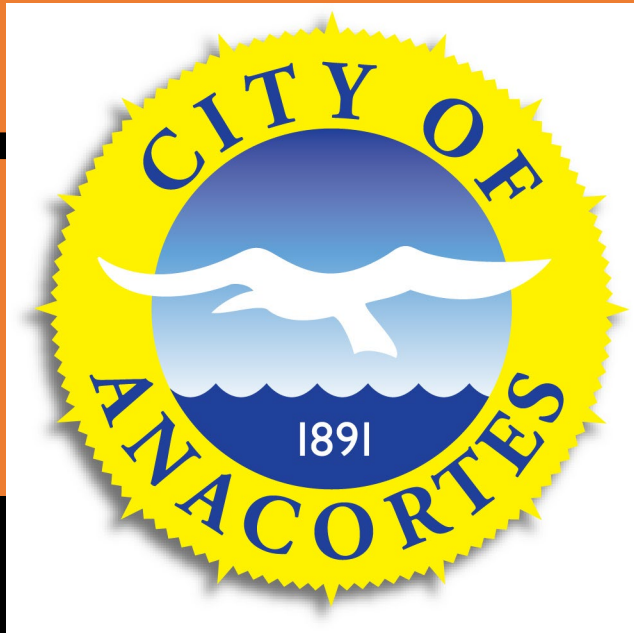
November 13, 2023



Library

Budget Overview

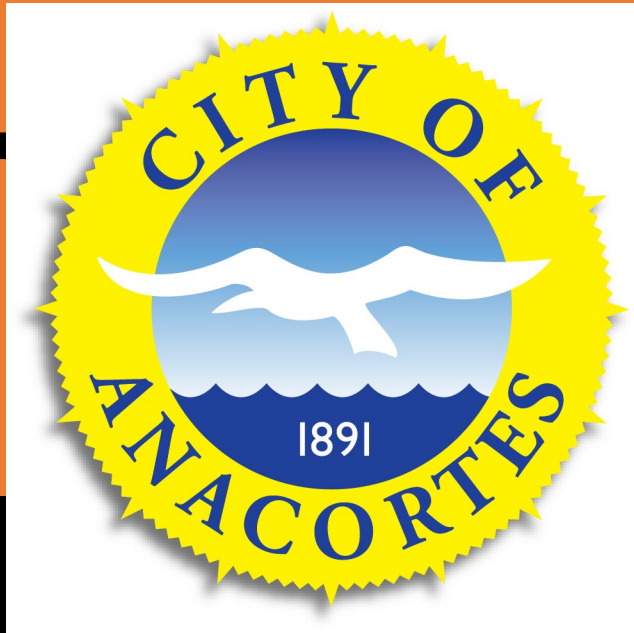
November 13, 2023



Legislative, Executive, Finance

Budget Overview

November 13, 2023





City Council Agenda Bill

Meeting Date: November 13, 2023 **Agenda Item:** 7.c.

Agenda Item Title: Security Agreement with U.S. Commerce Department Economic Development Administration #23-013-FBR-004

Staff Contact(s): Emily Schuh, JAMES LEMBERG

<u>Approved for Submittal to Council by</u>	<u>Action Type</u>
TIFFANY MATSON	Contract Award
TIFFANY MATSON	

Item Summary: City staff seeks City Council authorization for Mayor Miller to execute a Security Agreement that gives the U.S. Department of Commerce Economic Development Administration (EDA) a secured interest in the City's fiber optic network assets that will be purchased with proceeds from a \$2.25 million grant from the EDA.

Background: The City entered into a grant agreement with the EDA that will provide approximately \$2.25 million of funding for the City's fiber optic project. The EDA requires its grant recipients to give the EDA a secured interest in any capital asset(s) that are constructed with EDA grant funds. The secured interest allows the EDA to ensure that the capital asset is used for the purposes articulated by the grant recipient in its grant application.

The EDA will also require that the City prepare and file a Uniform Commercial Code (UCC) Form UCC-1. This will have the effect of publicly announcing the EDA's secured interest in the portion of the City's fiber optic network assets purchased with EDA grant proceeds.

Key Terms:

1. The secured interest continues for the asset's useful life stated in the Security Agreement.
2. The Security Agreement states a useful life of ten (10) years for the asset that will be purchased with grant proceeds.

Budget Impact:
N/A

Previous Action: N/A

Recommended Motion: I move that City Council authorize the Mayor to execute a Security Agreement with the U.S. Department of Commerce Economic Development Administration which will give the EDA a ten-year secured interest in the fiber optic network assets purchased with proceeds from the EDA grant.

Alternative Actions: Not authorize the Mayor to execute the Security Agreement, which will result in the City not receiving the \$2.25 million EDA grant for the City's fiber optic project.

Attachments (listed in order presented):

1. 23-013-FBR-004
2. 23 1113 Council Slides EDA Security Agreement

SECURITY AGREEMENT - MACHINERY AND EQUIPMENT
between
the City of Anacortes
and
U.S. Department of Commerce, Economic Development Administration

This Security Agreement is entered into on November 14, 2023, by and between the United States Department of Commerce, Economic Development Administration (EDA) (the “Secured Party”) whose address is 915 Second Avenue, Room 1890, Seattle, Washington, 98174, and the City of Anacortes, a Washington municipal corporation (the “Debtor”) whose address is 904 6th Street, Anacortes, Washington, collectively the “Parties”;

WHEREAS, Debtor applied to, received and accepted from Secured Party a grant in the amount of \$2,253,731.00 pursuant to a Financial Assistance Award (the “Award”), entered into by the Parties on January 13, 2022 as amended on March 13, 2023 and bearing EDA Project No. 07-01-07745; and

WHEREAS, The Award and the application filed by Debtor requesting said Award includes a description of the proposed project (the "Project"); and

WHEREAS, pursuant to the Award certain machinery and equipment has been deemed necessary to carry out the Project and a portion of the Award amount is to be used to purchase the machinery and equipment, which will be located in Anacortes, Washington; and

WHEREAS, the Federal interest in the machinery and equipment must be protected in accordance with EDA regulation 13 CFR § 314.9; and

WHEREAS, the Award provides the purposes for which the Award amount may be used and provides inter alia, that Debtor will not sell, mortgage or otherwise use or alienate any right to, or interest in the Project including any machinery and equipment purchased with any of the Award proceeds, or use the Project or the machinery and equipment for purposes other than and different from those purposes set forth in the Award and the application made by Debtor, such alienation or use being prohibited under the Award terms and conditions and applicable regulations; and

NOW THEREFORE, Debtor hereby grants to Secured Party a purchase money security interest in all machinery and equipment purchased with any proceeds of the Award including, but not limited to, the machinery and equipment described in “Exhibit A” attached hereto and made a part hereof and any machinery and equipment acquired by the Debtor, with proceeds from the Award, subsequent to the execution of this Agreement along with all substitutions, replacements, additions and accessions to said machinery and equipment (the “Collateral”).

The security interest herein granted shall terminate and be of no further force and effect ten (10) years from the date of this Agreement, which period of years has been established as the useful life of said Collateral.

Default in the performance by Debtor of any of its obligations identified in the Award or default under any agreement evidencing any of said obligations is a default under this Agreement which will entitle Secured Party to compensation. The amount of compensation due to Secured Party shall be a percentage of the fair market value of the Collateral at the time of default equal to the percentage of Award funds used to purchase said Collateral, as further described in 13 CFR § 314, as may be amended from time to time.

Upon such default, Secured Party, its successors or assigns, may declare all obligations herein recited immediately due and payable and Secured Party shall have available all remedies of a Secured Party under applicable law. Secured Party, in its sole discretion, may allow a period of time for curing a default prior to requiring compensation. This cure period is only permitted when stated by the Secured Party in writing.

Debtor further warrants, covenants, represents, and agrees as follows:

- (a) That Debtor is, or is to become, the owner of the Collateral, and has or will have when the Collateral is acquired the right to convey a security interest in it to the Secured Party. The Collateral is, or will be when acquired, free and clear of all liens, claims, charges, encumbrances, taxes, and assessments.
- (b) That the Collateral will not be sold, transferred, rented, leased, pledged, made subject to a security agreement or removed from the location set forth in Exhibit A without the written consent of Secured Party and that Collateral will not be misused, or abused, wasted or allowed to deteriorate, except for ordinary wear and tear from its intended use.
- (c) That the Collateral shall remain in Debtor's possession or control at all times at Debtor's risk of loss and that the Collateral and all books and records relating to the Collateral shall be available at all times for inspection by Secured Party or its authorized representative(s).
- (d) Debtor will not permit or cause the Collateral to become affixed to real estate as fixtures.
- (e) That Debtor will keep and maintain such records as are necessary to reflect and identify the Collateral and will deliver to Secured Party such lists, descriptions and designations of the Collateral as Secured Party may from time to time request.
- (f) That Debtor will sign and execute, upon request of Secured Party, any financing statement or other document or procure any documents, and pay all costs necessary to protect the EDA security interest against the rights or interests of third persons.
- (g) That Debtor will protect the title and possession of the Collateral and will pay promptly when due and before becoming delinquent, all taxes and assessments now existing or hereafter levied or assessed against the Collateral or any part thereof, and will keep the Collateral insured, if insurable, to its full insurable value, against loss or damage by fire, windstorm and theft and any other hazard(s) reasonably expected to occur in the physical location of the Collateral or any hazard(s) as may be reasonably required from time to time by Secured Party.

(h) Upon the occurrence of a default, the Secured Party may apply to any court of competent jurisdiction for the appointment of a receiver to take charge of the Collateral and to secure the rents, issues and profits from it for the benefit of the Secured Party.

(i) Debtor hereby specifically waives all rights of appraisement and rights of redemption where available by applicable law. Debtor hereby further waives all rights to marshaling of Debtor's assets including the Collateral and if Secured Party elects to sell the Collateral in parts or parcels separately, the EDA security interest shall continue in full force and effect until all portions of the Collateral have been sold by the Secured Party.

(j) Secured Party may, at its option, remedy any default without waiving same, or may waive any default without waiving any prior or subsequent default. No waiver by Secured Party shall be effective unless in writing.

(k) Debtor agrees that any notice given or required to be given pursuant to this Security Agreement by either Party shall be sufficient when mailed, postage prepaid to the respective addresses shown above.

(l) Debtor agrees to execute, perfect and record this security interest in accordance with applicable law and 13 CFR § 314.9 so that a Secured Party first priority lien remains perfected at all times in the Collateral. This is usually accomplished by simultaneously executing this Agreement and a Financial Statement (UCC-1) which is then perfected under state law to create a lien in the Collateral in favor of the Secured Party. Debtor agrees to refile timely continuances, when required. Debtor must submit adequate evidence, acceptable to the Secured Party, that the federal interest has been protected under applicable law. Debtor agrees that if Debtor fails to maintain the first priority lien in the Collateral as required in this paragraph, the Secured Party may do so and Debtor shall reimburse the Secured Party for all costs incurred by the Secured Party.

(m) This Agreement may not be modified or amended except by a written instrument executed by the Parties. If any provision should be held unenforceable or void, then such provision(s) shall be deemed severable from the remaining provisions and shall in no way affect the validity of this Agreement.

IN WITNESS WHEREOF, the Parties have hereunto set their hands and seal on November 14, 2023 for this Security Agreement - Machinery and Equipment associated with EDA Project No. 07-01-07745.

DEBTOR: City of Anacortes

EXECUTED BY: _____

TITLE: Matt Miller, Mayor

EXHIBIT A
Page 1 of 2

Description of Items:

The Project deploys an optical fiber medium over which communications traffic is transported between a network core and the edge of customer premises.

The Project materials are noted in the table below:

MATERIAL	UNIT OF MEASURE	QTY	COST
Underground conduit	foot	176,000	\$230,560.00
Underground vaults	each	918	\$185,991.60
Fiber optic cables	foot	361,250	\$113,181.00
Fiber optic splices cases	each	61	\$30,400.37
Fiber optic splitters	each	96	\$14,996.00
Above-ground cabinets	each	2	\$16,150.00
Outdoor fiber distribution closures	each	400	\$86,200.00
Miscellaneous underground & aerial hardware	lot	1	<u>\$38,478.95</u>
subtotal			\$715,957.92
Sales tax (8.8%)			<u>\$63,004.30</u>
TOTAL			<u><u>\$778,962.22</u></u>

Location of the Collateral:

The Project is located within the City of Anacortes in the State of Washington, depicted as Sections 1, 2, 3, and 4 on the graphic on Page 2 of this Exhibit.

EXHIBIT A
Page 2 of 2

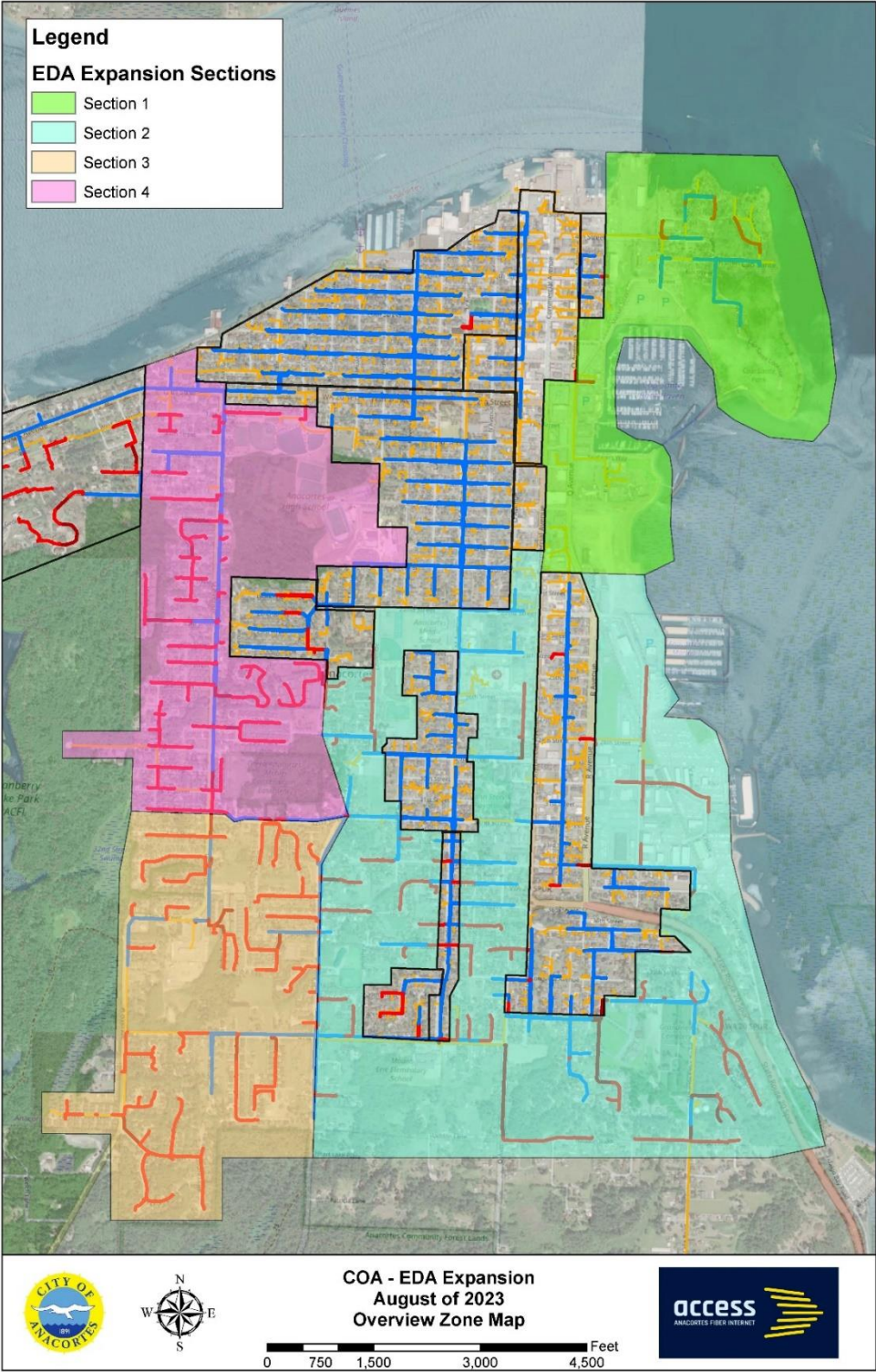


EXHIBIT B
STATEMENT OF USEFUL LIFE OF COLLATERAL

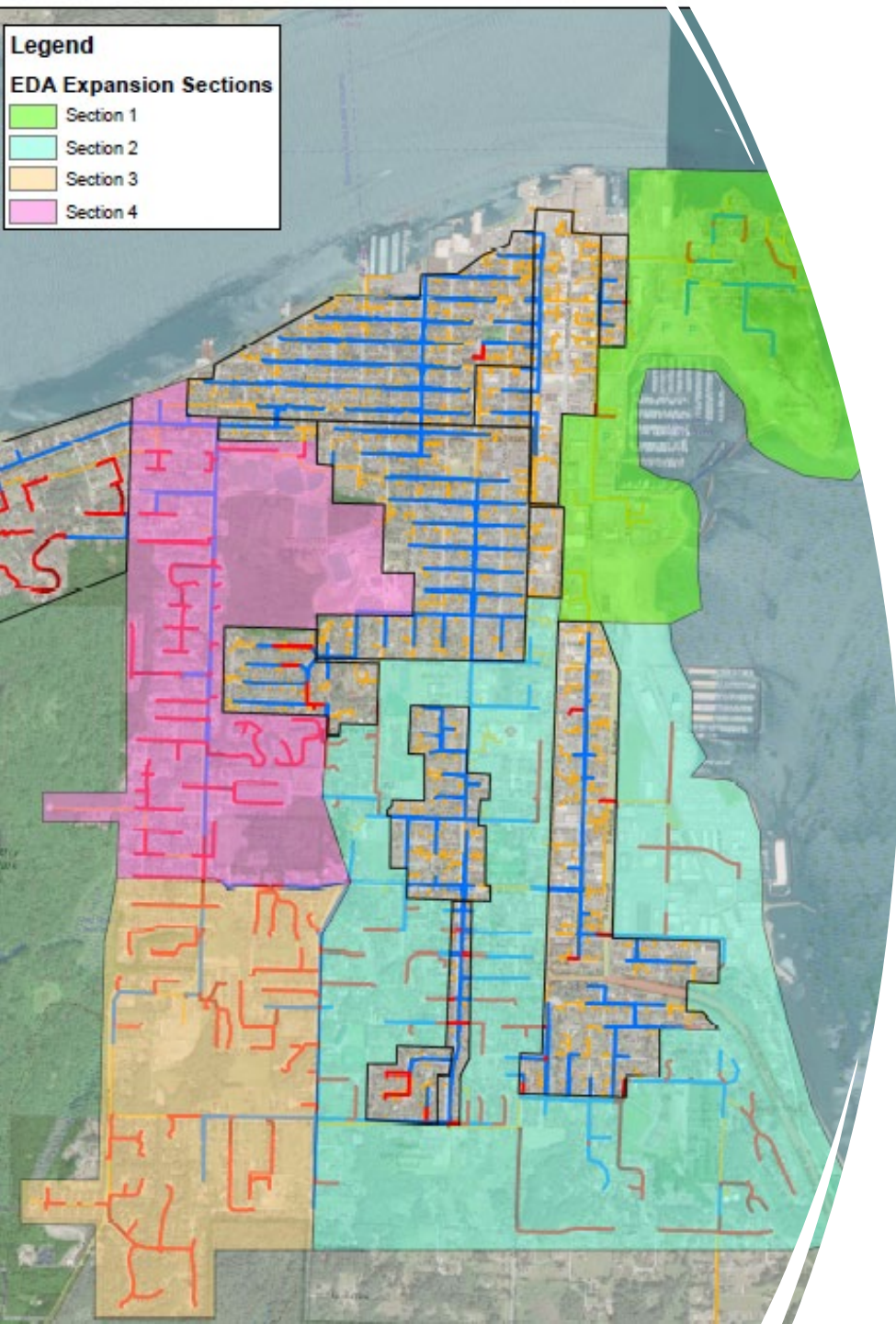
I, Matt Miller, declare that:

1. I am the Mayor of the City of Anacortes and I have reviewed the information provided by the vendors of the machinery and equipment listed as Collateral by the “Debtor” in Exhibit A of the “Security Agreement – Machinery and Equipment” and corresponding UCC-1 form(s) or equivalent form(s) for EDA Project No. 07-01-07745. The sum of the Collateral listed in Exhibit A is \$778,962.22.
2. Based upon the information available to me, the useful life of the Collateral, described in the “Security Agreement – Machinery and Equipment” including Exhibit A, and the UCC-1 form(s) or equivalent form(s), is ten (10) years.
3. I make this declaration with the understanding that it will be relied upon and used by the EDA in connection with this transaction, and will be appended to the “Security Agreement – Machinery and Equipment,” associated with EDA Project No. 07-01-07745 which bears the notarized signature of Matt Miller, Mayor.

Date: _____
_____ Matt Miller, Mayor

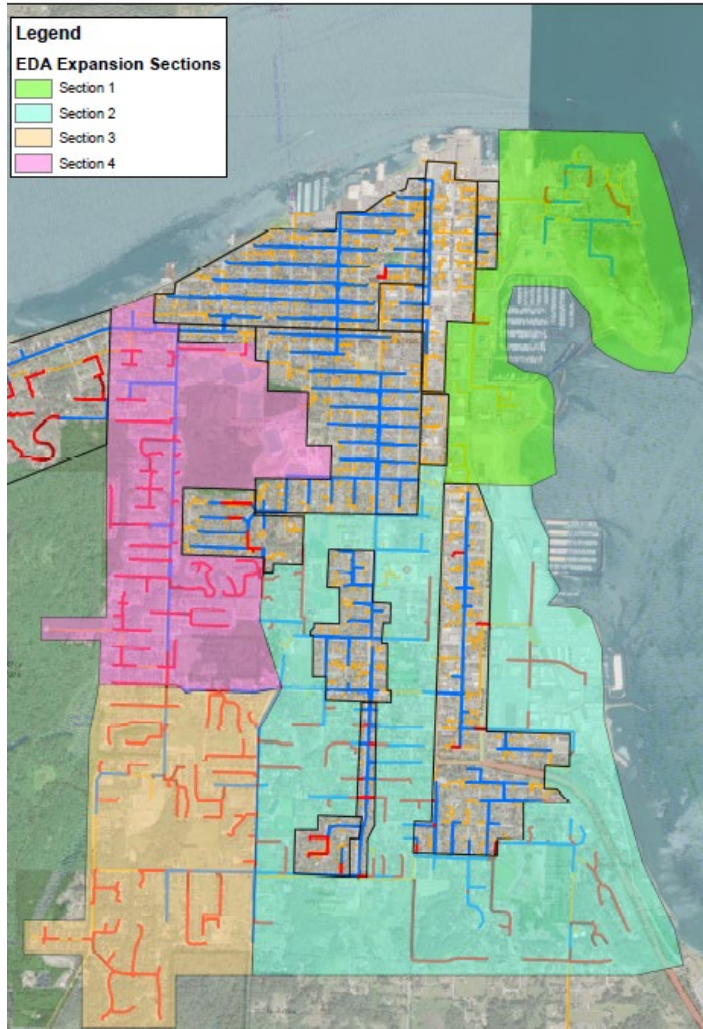


EDA Security Agreement
November 13, 2023



EDA Service Area

- City obtained \$2.25M Grant from US Dept of Commerce Economic Development Administration and \$.5M Grant from Skagit County
- Passes 1815 premises
- Materials Contract under contract
- Construction ITB near finalization pending design update
- Construction 1st qtr 2024 – 2nd qtr 2025
- Customer installations in late 2024



Security Agreement

- Designated as a Specific Award Condition
- Seeking City Council authorization for Mayor to execute Security Agreement with the US Dept of Commerce Economic Development Administration
- Agreement gives EDA a secured interest in City's fiber optic network assets that are purchased with grant funds for 10 years



Contact Us.

360-588-8300

broadband@cityofanacortes.org