



Anacortes City Council
Municipal Building Council Chambers
904 6th Street

October 28, 2019
6:00 p.m.

***Revised* PRELIMINARY AGENDA**

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

1. **Call to Order**
2. **Pledge of Allegiance**
3. **Announcements and Committee Reports**
 - a. Planning Committee
4. **Public Comment**
5. **Consent Agenda (Action)**
 - a. Minutes of October 21, 2019
 - b. Approval of Claims in the amount of: \$505,722.03
 - c. Contract Award: ONTs and Fiber Accessories #19-166-FBR-001
 - d. Contract Award: Water Treatment Plant Filter Media #19-081-WTR-002
 - e. Street Fair Application: Halloween Downtown Trick or Treat Event
6. **Public Hearings**
7. **Other Business**
 - a. * Resolution 2060: Resolution of Inclusion (Action)
 - b. Contract Award: Senior Center Metal Roof Installation #19-066-FAC-001 (Action)
 - c. * Affordable Housing Revenue Sources (Discussion)
 - d. * Resolution 2061: Special Election Ballot for Qualifying Local Tax for Affordable and Supportive Housing (Discussion/Possible Action)
 - e. * Memorandum of Understanding: Update to Collective Bargaining Agreement by and between the City of Anacortes and IAFF 1537 (Action)
 - f. * Ordinance 3056: Amending Section 1.30.070 (A) and (B) of the Anacortes Municipal Code and Adding New Section 1.30.080 of the Anacortes Municipal Code Regarding Numbering, Recording, and Executing Contracts for Residential and Business Class Internet Services (Discussion/Possible Action)
 - g. * Resolution 2064: Resolution Opposing Initiative Measure No. 976, an Initiative Seeking to Repeal Authority to Impose Certain Vehicle Taxes, Change Vehicle Valuation Laws, and Limit Motor Vehicle License Fees to \$30.00 (Discussion/Possible Action)
8. **Adjournment**

Per Resolution 2044, 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.*



Anacortes City Council

Proposed Agenda Items for the Next Eight Weeks Beginning October 30, 2019

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

October 30, 2019

Special Meeting: 6:00 p.m. Shoreline Master Program Update Open House

November 4, 2019

- Public Hearing: Ordinance 3057: Amending the 2019 – 2024 CFP Budget (Discussion/Possible Action)
- Public Hearing: Ordinance ____: 2019/2020 Budget Mid-biennial Review and Modification (Discussion)
- Ordinance 3055: Amending the 2019/2020 Biennial Budget - 3rd Quarter Budget Amendment
- Parks and Recreation Comprehensive Plan (Discussion)
- Waste Management Recycling Update (Discussion)
- Ordinance 3053: Regulating the Distribution of Single-use Carryout Bags by Retail Establishments (Discussion/Possible Action)
- Memorandum of Understanding: Fidalgo Water System (Discussion)

November 12, 2019

- Ordinance ____: 2019/2020 Budget Mid-biennial Review and Modification (Discussion/Possible Action)
- Resolution ____: Setting the City's Year 2020 Property Tax Regular Levy Increase (Action)
- Ordinance 3052: Updating AMC Chapter 12.50, Street and Alley Vacation (Discussion)

November 18, 2019

- Solid Waste Collection Schedule Review (Discussion)
- Resolution 2062: Updating Unified Fee Schedule for Updated Sewer Rates and Updated General Facilities Charges (GFCs) for Water and Sewer (Discussion/Possible Action)
- Contract Award: Anacortes Municipal Broadband Installation – CBD, Pilot 1, Pilot 2 #19-181-FBR-001 (Discussion/Possible Action)

November 25, 2019

December 2, 2019

December 9, 2019

December 16, 2019

December 23, 2019

Upcoming City Council Committee Meetings

The public is welcome to attend City Council Committee Meetings.

- Planning, Monday, Oct 28, 2019, 5:00 PM, Main Conference Room, City Hall
- Public Works, Monday, Nov 4, 2019, 5:00 PM, Main Conference Room, City Hall
- Port/City Liaison, Tuesday, Nov 5, 2019, 8:30 AM, Port of Anacortes
- Planning, Tuesday, Nov 12, 2019, 5:00 PM, Main Conference Room, City Hall
- Skagit County Law & Justice Council, Wednesday, Nov 13, 2019, 8:15 AM, Mount Vernon
- Finance, Wednesday, Nov 13, 2019, 5:00 PM, Main Conference Room, City Hall
- Public Works, Monday, Nov 18, 2019, 5:00 PM, Main Conference Room, City Hall

Our mission is to maintain and improve the quality of life reflecting community expectations through a focus on public participation and employees-mayor-council teamwork.



Anacortes City Council

Municipal Building Council Chambers
904 Sixth Street

October 28, 2019
6:00 p.m.

PUBLIC COMMENT SIGN IN SHEET

Per Resolution 2044, 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
MADRONA, LLC, 18° 4' 0" PROJ	Proced
MIKE PEARCE	MADRONA LLC, 18° 4' 0" PROJECT
Laura Spehar	① 7-A
Dana THURBER	② PROCLAMATION
MATT STEVENSON	③ "
Ronald Fernandez	Moratorium
Ellen Jewell	"
Sarah Pedersen	④ Resolution 2060
Laurence Rockwell	⑤ Resolution 2060
Keiko McCracken	⑥ Resolution 2060
Susan Rodas	A.H.A. - Resolution 2060
Brian Clark	AHA -
Sharron Stringer	Support for Janzen
Rene Janzen	Fidalgo Flats
Rev Kylo	
Liz Lovelett-	
Corne Salukwo	

Continue on back of sheet as needed

City Council Minutes – October 21, 2019

Mayor Laurie Gere called to order the Anacortes City Council meeting of October 21, 2019 at 6:00 p.m. Councilmembers Eric Johnson, Ryan Walters, Brad Adams, Carolyn Moulton, Bruce McDougall and Matt Miller were present. Councilmember Anthony Young was absent.

Mr. Adams moved, seconded by Mr. Johnson, to excuse the absence of Mr. Young who was ill. The motion carried unanimously by voice vote.

The assembly joined in the Pledge of Allegiance.

Announcements and Committee Reports

Recognition of Community Service by Jim Falk: Mayor Gere honored Jim Falk for his protection and stewardship of the Ship Harbor Interpretive Preserve (SHIP) and many other projects in the community. The mayor presented Mr. Falk with a certificate of appreciation and displayed the sign that would be posted at the entrance of the Preserve.

Public Works Committee: Mr. Adams reported from the committee meeting earlier in the evening. He indicated that the group discussed the senior center roof contract which would be considered later on the agenda, street conditions, the south Fidalgo water system, and the potential impact of Initiative 976 on road maintenance funding.

Mr. Miller reported from the Tourism Promotion Area Workgroup meeting earlier in the day and said a proposal on that topic would come back to City Council for action by the end of the year.

Public Comment

Doug Thurber, PO Box 159, called Council's attention to a radical international environmental group called Extinction Rebellion which has a local membership. He said the group's website indicates they are not violent but they are disruptive. Mr. Thurber said the group had applied chalk graffiti to sidewalks around City Hall that had to be washed off by city staff. He urged prosecution of any illegal activity engaged in by Extinction Rebellion members.

Brian Wetcher, 814 26th Street, called attention to the October 11, 2019 Thurston County Superior Court decision regarding the Environmental Impact Statement (EIS) of the Tesoro xylene project and vessel traffic impacts that must be considered in that EIS. Noting the proposed plastic bag ban that would be considered later on the agenda, Mr. Wetcher discussed the role of xylene as a raw material for plastic including plastic bags and said it was a schizophrenic approach to environmental protection to produce xylene but ban plastic bags. He suggested the city would do better to protect the environment by actively opposing the Tesoro xylene plant and asked Council to reverse its previous position in support of the plant.

Barbara Baker, 3717 R Avenue, expressed the alarm her neighbors felt about the condition of 37th Street after decades of deferred maintenance. She called the state of the road a safety concern. Ms. Baker said the road was now effectively a one lane road with no safe place for children to walk. She said the neighbors would like to talk about other funding sources outside of established pavement management program to repair the street sooner than two to five years out. Ms. Baker asked the city to consider safety and not just roadway condition when it prioritized streets for maintenance. Mayor Gere advised that a traffic counter and speed recorder had been installed at the location earlier in the day.

Consent Agenda

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

- a. Minutes of October 14, 2019
- b. Approval of Claims in the amount of: \$313,854.13
- c. Street Fair Applications: Christmas Tree Lighting Event & Lions Club Christmas Parade

The following vouchers/checks were approved for payment:

EFT numbers: 94958 through 95011, total \$140,058.83

Check numbers: 95012 through 95053, total \$170,857.18

Wire transfer numbers: 257490 through 257594, total \$534.60

OTHER BUSINESS

Resolution 2062: Updated Sewer Rates and Updated General Facilities Charges (GFCs) for Water and Sewer

Finance Director Steve Hoglund invited Council to resume discussion of this topic last considered at the October 7, 2019 regular City Council meeting. He reviewed his slide presentation from the prior meeting. Mr. Hoglund presented a summary of the number of utility accounts by water service size; his summary was added to the packet materials for the meeting. He responded to councilmember questions about which capital projects were included in the GFC calculations, the potential to phase in an increase in GFCs, and the number of projects that incur GFC charges each year. Mr. Miller and Mr. Adams requested future discussion of phasing in any GFC increase. Mr. Miller requested that future resolutions adopting a revised Unified Fee Schedule clearly indicate which portions of the UFS were being changed by that resolution.

Mayor Gere invited members of the audience to comment on this agenda item. No one present wished to address the Council.

Mr. Walters repeated his prior request for a white paper providing a narrative of how the proposed GFCs were developed. Mayor Gere said staff would prepare an explanation to help Council arrive at a decision and bring the matter back for consideration at a future meeting.

Ordinance 3055: Amending the 2019/2020 Biennial Budget - 3rd Quarter Budget Amendment

Mr. Hoglund introduced Ordinance 3055 for a first reading. He explained that projects proposed for both the third quarter 2019 budget amendment and the mid-biennial budget adjustment included projects that would be eligible for impact fee funding if those projects were included in the Capital Facilities Plan. Mr. Hoglund outlined the schedule for public hearings and subsequent Council action on both the CFP update and the budget adjustment on November 4, 2019. He then reviewed each line item of proposed Ordinance 3055. Mr. Hoglund then previewed a series of slides outlining proposed amendments to the CFP; his slides were added to the packet materials for the meeting. He responded to councilmember questions about use of REET vs. impact fees for various capital projects.

Mayor Gere invited members of the audience to comment on this agenda item. No one present wished to address the Council.

Ordinance 3053: Regulating the Distribution of Single-use Carryout Bags by Retail Establishments

Mr. Walters introduced draft Ordinance 3053 for a first reading. He summarized the rationale for and structure of the ordinance, referring to the agenda bill description of the three ways in which the ordinance differed from the Washington State model ordinance. Mr. Walters reported on comments from local retailers and the grocery

store association. Mr. Johnson noted that the Washington Food Industry Association suggested that local plastic bag bans recognize that state law prevails over local law; he suggested adding that to the Anacortes ordinance.

Mayor Gere invited members of the audience to comment on this agenda item, in the order in which they had signed up prior to the meeting, and asked speakers to limit their comments to three minutes given the large number of people who wished to speak.

Wayne Huseby, 3318 W 2nd Street, spoke in favor of a plastic bag ban. He urged Council to adopt ordinance language more consistent with the state model ordinance, including a charge for paper bags.

Vince Henley, 4306 Shelby Court, said he was not against plastic bag ban but said the ordinance language requiring reusable bags to be washable was not enforceable. Mr. Henley said he would support the ordinance if it included a mechanism for increasing sanitatiness and hygiene of reusable bags.

Holly Chisa, representing the Northwest Grocery Association and the Washington Food Industry Association, said those retailers support the statewide legislative proposal to ban plastic bags. She said the Anacortes draft language did not align with the state model ordinance. Ms. Chisa argued that small retailers should not be exempted and that a fee should be charged for paper or thicker plastic bags offered by retailers in lieu of single use plastic bags.

Doug Thurber referred to his testimony on this topic at previous City Council meetings and said it was pretty serious business to ban something that 90% of people use. He urged Council find out if local retailers would switch to thicker, washable plastic bags in lieu of the light plastic film bags. Mr. Thurber displayed a long list of other single use plastic bags that the ordinance would not regulate. He objected to the \$1/bag fee the ordinance would require retailers to charge for thicker plastic bags.

Carol Sullivan, identifying herself as the Skagit Bring Your Own Bag Lady, described her work in support of “bring your own bag” ordinances in Skagit County and reported that visitors from elsewhere in the state expressed surprise that Skagit County did not already have such ordinances because it was now common in other cities to have to pay for bags. Ms. Sullivan urged Council to pass a bring your own bag ordinance that would charge an 8 cent fee for paper bags offered at the point of sale in lieu of single use plastic bags.

Gary Hagland, 2211 37th Court, distributed to councilmembers an article regarding the public health risks of banning plastic bags; the article was added to the packet materials for the meeting. Mr. Hagland elaborated on points made in the article and urged looking closely at public health risks before banning bags. He reported that local retail clerks had told him they were sometimes afraid to touch bags that customers brought in and said he was not in favor of the plastic bag ban.

Jack Arrington, 5009 Croatian Way, reported that he often picks up litter along the beach and had never had to pick up a single use plastic bag though he had picked up lots of bottles, cans, other plastics and dog waste. Mr. Arrington said other shoppers’s reusable bags were not always clean and he didn’t envy the retail clerks who have to handle them. Mr. Arrington said he was against special rules for special groups and abhorred the concept of government picking winners and losers in any endeavor.

Don Black, 5012 Kingsway, said he recycles he plastic bags and is proud of it. Mr. Black urged Council to model and educate the community to take personal responsibility for their single use plastic bags: to reuse or recycle them and not litter.

Randy Burgess, 4118 R Avenue, owner of Ace Hardware, said the his store had voluntarily not distributed plastic bags since 2000, offering paper and reusable bags for free instead. Mr. Burgess said he did not like the idea of having to charge for reusable bags. He said that since switching, Ace distributed to customers maybe

20% of the bags it used to and that many customers choose no bag at all. Mr. Burgess said he supported the bag ban but disagreed with exempting small stores from the Anacortes bag ban and with requiring retailers to charge for alternative bags.

John Strathman, Guemes Island, spoke in favor of the bag ban. He cited many other jurisdictions that have passed such bans and discussed different types of bans or taxes. Mr. Strathman said that if a fee is collected for shopping bags, bag consumption is reduced significantly, otherwise customers just switch to whatever style of bag is offered at no cost. He reported his own sample data collected outside retail stores in Everett, Edmonds and Mukilteo, each of which has a bag ban but only Everett charges for paper bags; he said his data was consistent with published data which shows that charging for bags is what changes consumer behavior.

Marie Burnett spoke in favor of the plastic bag ban and spoke to the dangers of microplastics in the environment.

Grace Hill, 1308 34th Street, a senior at Anacortes High School and president of the high school Green Club, reported that the club had picked up a lot of plastic bags by the side of the road. Ms. Grace said she represented the student body in support of a plastic bag ban, on plastics of all thicknesses, in all stores of all sizes, and requirement for a fee for paper bags to discourage their use as well. Ms. Hill reported that in a day and a half the Green Club officers had collected 178 signatures from middle and high school students in support of a ban that met the criteria she had described.

Siggy Janzen, 34th Street, said she grew up in Germany where retailers had never offered customers free bags of any type and no plastic bags at all. She said it was not an issue for German shoppers. Ms. Janzen added that German shoppers had not suffered adverse public health effects from universal use of personal reusable bags.

Brian Wetcher, 814 26th Street, reminded that reducing plastic bags is not just for reducing litter, it is to reduce pollution at the base of the marine food chain.

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

Mr. Walters said that based on the public comments, he would redraft the ordinance with 10 cent paper bag fee and without the exemption for stores under 10,000 SF, then bring both drafts back to Council for consideration on a future agenda.

Interim Ordinance 3054 Declaring an Emergency and Adopting a Moratorium on the Acceptance of Certain Land Use Applications in the R4 Zone

City Attorney Darcy Swetnam introduced Ordinance 3054 for first reading and summarized the rationale, content and procedures for adopting the interim ordinance. Her slide presentation was added to the packet materials for the meeting. Mr. Miller asked staff to report back on whether any current or known applications would be affected by the ordinance.

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

Mike Pearl, 1617 O Avenue, asked the rhetorical question what prompted the moratorium, then asked how many people in the audience were at the meeting due to interest in the proposed 25-unit apartment building at 18th Street and O Avenue. [The majority of the audience raised their hands.] Mr. Pearl said he appreciated the moratorium but that those present were concerned about the specific project already proposed. He listed aspects of the project that were of concern to him and his neighbors.

Siggy Janzen, 34th Street, owner of properties in the R4 zone, indicated that property owners now don't know what to expect to be able to do with their properties. Ms. Janzen said that the zoning changes were destroying neighborhoods.

Tina Kertis said that the proposed 25-unit project was destroying the city and didn't fit in the area; she suggested it would be better suited to downtown or on R Avenue. Ms. Kertis expressed support for low cost housing but said the proposed 25-unit apartment building at 18th Street and O Avenue was not low cost housing. She said there were too many changes happening and she didn't like it.

Sharron Stringer had signed up to speak but said she would submit her comments to councilmembers in writing instead.

Ronald Fernandez, 1501 15th Street, referenced a paper he had sent to mayor and City Council reanalyzing the 2017 residential concepts survey data that had been used in developing the bonus height provisions in the development regulations adopted by Ordinance 3040. Mr. Fernandez summarized his findings and concluded that it was not true that hundreds of people supported the bonus height provision and that only a few people actually supported it.

Ellen Chevalier had signed up to speak but declined to do so.

Linda Harris, 1120 17th Street, said the proposed 25-unit apartment building at 18th Street and O Avenue was not appropriate or beneficial to the neighborhood. Ms. Harris said just because it is legal and permitted doesn't mean it needs to be or should be built. Ms. Harris cited examples of redevelopment already underway in the neighborhood to provide a more viable type of affordable housing.

Jeanne Olmsted noted that the wording of the moratorium said "west of O Avenue" but the map in the materials did not match that description; she asked that the wording be changed to match the map. Ms. Olmsted read from her prepared comments objecting to the height of the proposed 25-unit apartment building at 18th Street and O Avenue and requesting more extensive options for public input.

Sandra Shimkus, 1019 22nd Street, said that the proposed 25-unit apartment building at 18th Street and O Avenue would increase traffic on O Avenue which was already a hazard for pedestrians and bicyclists on that roadway.

Patty Carp, 2706 J Avenue, expressed concern about the proposed 25-unit apartment building at 18th Street and O Avenue because would change the character of a residential neighborhood. Ms. Carp also said off street parking should be required by the permitting process.

Mary Jo McArdle, 1514 N Avenue, suggested that the proposed moratorium should be broadened to stop any further multifamily development of this bulk and scale in the R4 zone, regardless of height. Ms. McArdle said development regulations adopted earlier in the year were not consistent with the Comprehensive Plan goals and policies. She asked that those documents be harmonized.

Gabriel Olmsted referred to his long history of working with affordable housing providers to develop appropriately scaled workforce housing. He recalled the emphasis on character of the community and scale during the comprehensive plan development as well as the need for affordable workforce housing. Mr. Olmsted said it was hard to speak against affordable housing he'd been working on for so long but the project proposed at 18th Street and O Avenue was not guaranteed to be affordable.

Cynthia Richardson, 315 V Avenue, observed it was not easy to meet the state requirements to plan for expected growth without having some disruption of what town looks like today. She said the zoning code rewrite tried to provide a wide variety of ways to meet those regulations and to provide for more variety of housing sizes as well

as affordable housing. Ms. Richardson noted that the R4 zone had allowed apartments for at least 40 years but few had been built because such projects hadn't penciled out, but now they might so neighborhoods may see some changes. Regarding the moratorium under discussion, Ms. Richardson suggested extending it to the entire R4 zone in this area. She also suggested there was a need to require that even a regular height building would not be a massive structure filling an entire block.

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

Mr. Walters moved, seconded by Mr. McDougall, to adopt Ordinance 3054 as presented.

Mr. Adams moved, seconded by Mr. Johnson, to amend the motion to apply to the entire R4 zone west of the Commercial zone.

Vote on the amendment: Ayes – Adams, McDougall and Johnson. Nays – Walters, Moulton and Miller. Mayor Gere voted aye to break the tie. The motion to amend carried 4 to 3.

Vote on amended motion: Ayes – Adams, Moulton, McDougall, Miller, Johnson and Walters. Motion carried.

Ordinance 3056: Amending Section 1.30.070 (A) and (B) of the Anacortes Municipal Code and Adding New Section 1.30.080 of the Anacortes Municipal Code Regarding Numbering, Recording, and Executing Contracts for Residential and Business Class Internet Services

Ms. Swetnam introduce Ordinance 3056 for a first read. She summarized the rationale for changing the current contracting code to exempt certain contracts for fiber service and the specific proposed changes to the code. Ms. Swetnam's slide presentation was added to the packet materials for the meeting. She invited councilmember feedback.

Ms. Swetnam responded to councilmember questions about why individual customer contracts were needed, whether fiber customer contracts should be made available with other city contracts on the city's website, and whether such agreements would be recorded. Mr. Johnson asked that definitions for dark fiber, residential internet service and business class internet service be added to the code.

Mayor Gere invited members of the audience to comment on this agenda item. No one present wished to address the Council.

Contract Award: Senior Center Metal Roof Installation #19-066-FAC-001

Ms. Swetnam requested City Council consent to award a contract in the amount of \$257,504.86 to Esary Roofing and Siding Co. Inc. to perform the Senior Center Metal Roof Installation project. She summarized the procurement history for this seasonally sensitive project. Her slide presentation was added to the packet materials for the meeting.

Councilmembers expressed concern about the price of the contract and wondered about opting for a composition rather than a metal roof or contracting for repairs only and then rebidding the project in 2020. Mayor Gere and councilmembers determined to delay action until the next meeting and requested that staff investigate and present alternatives at that meeting.

There being no further business, at approximately 9:13 p.m. the Anacortes City Council meeting of October 21, 2019 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 October 28, 2019 City Council meeting:
[Download this file in OpenDocument spreadsheet format.](#)

Invoice Doc #	Transaction Date	Invoice #	Vendor Full Name	Description	Total Amount	Approval Queue
257735	11/30/2018	3757629	CARDINAL HEALTH 110, INC.	PHARMACEUTICALS	\$ 84.29	medic
257736	4/17/2019	4178917	CARDINAL HEALTH 110, INC.	PHARMACEUTICALS	\$ 668.83	medic
257890	6/24/2019	13550	WASHINGTON FIRE CHIEFS	ADMIN CONFERENCE REGISTRATION	\$ 425.00	medic
257847	8/6/2019	64321	CODE PUBLISHING COMPANY	CODIFICATION SERVICES - 7/8/19	\$ 143.16	legal
257807	8/6/2019	28601	PACIFIC SECURITY	SECURITY GUARD SERVICE FOR JULY 2019	\$ 577.50	court
257686	8/23/2019	6129888024	THOMSON REUTERS - WEST	PUB DEF LIBRARY	\$ 954.82	court
257937	8/30/2019	1200	HERRIGSTAD ENGINEERING PS	SURVEYING ASSISTANCE - 11TH ST. VACATION	\$ 1,780.00	parks1
257811	9/11/2019	APSB-COA-2019-1	APSB COMMUNITY SOLAR, LLC, C/O GLACIER ENERGY	APD SOLAR ENERGY PAYMENT	\$ 1,685.70	finance
257834	9/12/2019	71762B-X	UNDERWOOD & ASSOCIATES, LLC	WWTP RESTROOM UPGRADE - DESIGN	\$ 8,714.50	dwtp
257737	9/16/2019	4617006	CARDINAL HEALTH 110, INC.	PHARMACEUTICALS	\$ 20.16	medic
257738	9/20/2019	4634695	CARDINAL HEALTH 110, INC.	PHARMACEUTICALS	\$ 327.36	medic
257845	9/25/2019	AS-79483	CUMMINS, INC.	LIBRARY GENERATOR PURCHASE - START UP	\$ 3,931.57	pw1
257684	9/26/2019	28008	WESTERN SYSTEMS REFUSE &	PINS- #552	\$ 151.51	dshop
257844	9/27/2019	0160440	GEOENGINEERS, INC.	ON-CALL ENVIRONMENTAL SERVICES CONSULTANT - WA PARK DOCK 6/22-8/23/19	\$ 2,942.00	parks1
257923	9/27/2019	0160441	GEOENGINEERS, INC.	ON-CALL ENVIRONMENTAL SERVICES CONSULTANT - GUEMES CHANNEL TRAIL REPAIR	\$ 3,746.00	parks1
257843	9/28/2019	9839008534	VERIZON WIRELESS	City Cell Phones 8/29-9/28/19	\$ 10,414.99	finance
257885	9/30/2019	64850	CODE PUBLISHING COMPANY	CODIFICATION SERVICES - PENDING ORDINANCE ALERT	\$ 32.61	legal
257886	9/30/2019	64814	CODE PUBLISHING COMPANY	CODIFICATION SERVICES - ANNUAL WEB HOSTING FEES JULY 2019-JULY 2020	\$ 1,200.00	legal
257922	9/30/2019	I-33497	MOUNT VERNON CARPET	CITY HALL REMODEL PROJECT - FINANCE/FIBER FLOORING	\$ 12,062.58	pw1
257846	9/30/2019	29858	REICHHARDT & EBE ENGINEERING	SHIP HARBOR & SR20 INTERSECTION - 9/1/19-9/20/19	\$ 4,416.78	pw1
257897	9/30/2019	1555	SKAGIT COUNCIL OF GOVERNMENTS	STAFFING SERVICES FOR GROWTH MANAGEMENT ACT SUPPORT - 7/1-9/30/19	\$ 1,304.10	plan
257913	10/1/2019	112-6470-00	CITY OF ANACORTES	SPRAY PARK WATER 9/1-9/30/19	\$ 1,404.58	parks1
257815	10/1/2019	984	PORT OF ANACORTES	DOCK RENTAL - QD24	\$ 34.97	pkrec
257816	10/1/2019	989	PORT OF ANACORTES	DOCK RENTAL - QD-25	\$ 33.95	pkrec
257817	10/1/2019	8292	PORT OF ANACORTES	MOORAGE - QUARTERLY - SPACE QD-01A	\$ 66.80	pkrec

Invoice Doc #	Transaction Date	Invoice #	Vendor Full Name	Description	Total Amount	Approval Queue
257818	10/1/2019	985	PORT OF ANACORTES	DOCK RENTAL - QD-21	\$ 34.97	pkrec
257819	10/1/2019	986	PORT OF ANACORTES	DOCK RENTAL - QD-22	\$ 34.97	pkrec
257820	10/1/2019	983	PORT OF ANACORTES	DOCK RENTAL - QD-19	\$ 34.97	pkrec
257821	10/1/2019	987	PORT OF ANACORTES	DOCK RENTAL - QD-20	\$ 34.97	pkrec
257925	10/1/2019	GB00100301	TRANSAMERICA LIFE INS CO	OCTOBER, LEOFF LONG-TERM CARE INSURANCE	\$ 523.07	hr
257746	10/2/2019	20001665	WASHINGTON STATE PATROL	WSP BACKGROUND CHECK FOR REC VOLS	\$ 165.00	pkrec
256977	10/3/2019	October	SKAGIT LAW GROUP PLLC	PROSECUTION SERVICES OCTOBER 2019	\$ 6,120.00	legal
257646	10/4/2019	15299163	HD FOWLER COMPANY INC	HOSE CLAMP X 3	\$ 66.25	dwtpt
257938	10/7/2019	1219	HERRIGSTAD ENGINEERING PS	TRAIL EASEMENT LEGAL DESCRIPTION = WYNE	\$ 360.00	parks1
257915	10/7/2019	0551270063	HONEY BUCKET	TOILET RENTAL AT MT. ERIE PARK 10/7 TO	\$ 119.50	parks1
257734	10/7/2019	928	KNB FIRE	INSTALLATION OF POWERLOAD ON 2	\$ 2,608.80	medic
257739	10/8/2019	4686285	CARDINAL HEALTH 110, INC.	PHARMACEUTICALS	\$ 182.47	medic
257495	10/8/2019	220013297498	PUGET SOUND ENERGY INC	CASINO DRIVE UNDER TWIN BRIDGES 9/7-10/7/19	\$ 74.50	wdistcc
257896	10/8/2019	710	SKAGIT COUNTY PUBLIC HEALTH	NUTRITION SERVICES @ ANACORTES SENIOR ACTIVITY CENTER - 3RD QTR	\$ 9,180.00	admsrv
257829	10/8/2019	28104	WESTERN SYSTEMS REFUSE &	JOYSTICK CAN CONTROLS- VEH #512	\$ 919.21	dshop
257895	10/9/2019	001-447982	PISTON SERVICE OF ANACORTES	BELTS FOR INFLUENT PUMPS	\$ 698.64	dwwtp
257931	10/9/2019	1154635597	WILSON DDS, NICHOLAS J	DENTAL SERVICES, 10/8/19, LEOFF1 RETIREE	\$ 239.00	hr
257640	10/10/2019	200024889996	PUGET SOUND ENERGY INC	WTP INTAKE ELECTRICITY 9/11-10/9/19	\$ 1,030.98	dwtpt
257615	10/10/2019	188719	SCOTT RICHARDS INSURANCE, INC	ADD TWO 2019 CHEVY TAHOE'S	\$ 261.00	finance
257616	10/10/2019	188722	SCOTT RICHARDS INSURANCE, INC	ADD 2019 NISSAN FRONTIER	\$ 56.00	finance
257618	10/10/2019	188721	SCOTT RICHARDS INSURANCE, INC	ADDING 2019 GMC AND 2019 CHEVY	\$ 257.00	finance
257689	10/10/2019	191409	T-SHIRTS BY DESIGN	WORK SHIRTS	\$ 935.91	wdist
257754	10/11/2019	ReimbNations	NATIONS, JACQUELINE	TRAINING PER DIEM; HOMICIDE INVS- SGT NATIONS	\$ 285.00	apd
257825	10/11/2019	30313580	OFFICE OF MINORITY & WOMEN'S	POLITICAL SUBDIVISION FEE 7/1/19-6/30/2021	\$ 200.00	finance
257892	10/11/2019	300000305007	PUGET SOUND ENERGY INC	STREET LIGHTS 8/31/19 - 10/1/19	\$ 418.34	dshop
257902	10/11/2019	300000290019	PUGET SOUND ENERGY INC	ALL STATIONS: 9/6 - 10/4	\$ 877.81	medic
257903	10/11/2019	300000300008	PUGET SOUND ENERGY INC	WWTP AND PUMP STATIONS 9/6-10/4/19	\$ 13,924.59	dwwtp
257916	10/11/2019	300000000343	PUGET SOUND ENERGY INC	PARKS/CEM/WASH. PARK/FAC/DEPOT 9/6-10/4/19	\$ 4,186.41	parks1
257894	10/11/2019	102835044	RICOH USA, INC	S/N C32029555 CITY HALL COPIER 3RD 10/1-10/31/19	\$ 378.00	finance
257747	10/11/2019	191417	T-SHIRTS BY DESIGN	EXTRA YOUTH SOCCER JERSEY	\$ 10.33	pkrec
257743	10/12/2019	104538	LAKESIDE INDUSTRIES, INC.	ROCK FOR WATER DEPT	\$ 706.04	wdist
257917	10/14/2019	WAANA120311	FASTENAL COMPANY	FASTENERS - BENCHES	\$ 21.03	parks1

Invoice Doc #	Transaction Date	Invoice #	Vendor Full Name	Description	Total Amount	Approval Queue
257643	10/14/2019	S20184554	SUPERIOR SYSTEMS, INC	MACHINE TAP AND THREAD BUSHINGS	\$ 1,258.60	dwtpt
257813	10/15/2019	1-587530	DIAMOND RENTALS, INC.	BACKPACK BLOWER- #11977	\$ 597.80	dshop
257691	10/15/2019	19-39567	EDGE ANALYTICAL, INC	TCR ANALYSIS BOOSTERS	\$ 165.00	dwtpt
257636	10/15/2019	I6307460	HD FOWLER COMPANY INC	BLUE MARKING PAINT	\$ 414.27	wdist
257227	10/15/2019	Oct 2019	KORTERUD, WAYNE D	INDIGENT SCREENING FEE OCTOBER 2019	\$ 375.00	court
257831	10/15/2019	19-3531	LIFE TEK, INC	FA/CPR/BBP TRAINING	\$ 300.00	dwwtpt
257832	10/15/2019	19-3529	LIFE TEK, INC	FA/CPR/BBP TRAINING	\$ 900.00	dwwtpt
257918	10/15/2019	1749546	MILES SAND & GRAVEL CO.	SIDEWALK MATERIALS	\$ 502.47	pw1
257928	10/15/2019	ReimbTruckey	TRUCKEY, NICHOLAS	AUDIOMETRIC TEST, TRUCKEY	\$ 35.00	hr
257744	10/15/2019	331 0485504	UNIFIRST CORPORATION	WATER DEPT LAUNDRY	\$ 74.22	wdist
257833	10/15/2019	ALC230717-M1	WESTERN TRUCK CENTER	FRONT LOADER REFUSE TRUCK PURCHASE	\$ 327,303.70	pw1
257901	10/16/2019	9778 800 0000 1	CASCADE NATURAL GAS CORP.	STA 3: 9/12 - 10/14	\$ 13.83	medic
257748	10/16/2019	5350	EAGER BEAVER TREE SERVICE, INC	HAZARD TREE REMOVAL - 1905 ORCHARD PL	\$ 2,445.75	parks1
257690	10/16/2019	19-39520	EDGE ANALYTICAL, INC	BACT ANALYSIS FINISHED	\$ 15.00	dwtpt
257906	10/16/2019	19-38738	EDGE ANALYTICAL, INC	FLUORIDE ANALYSIS BLUE HERON	\$ 26.00	dwtpt
257899	10/16/2019	WAANA120418	FASTENAL COMPANY	AA BATTERIES, LED HEADLAMP, SANI-CLOTH	\$ 98.42	medic
257802	10/16/2019	001-448744	PISTON SERVICE OF ANACORTES	MISC FILTERS- SHOP STOCK	\$ 240.17	dshop
257926	10/16/2019	639703	SAN DIEGO POLICE EQUIP CO INC	TRAINING AMMO	\$ 440.10	apd
257900	10/16/2019	INV2714	SEAWESTERN, INC.	SCBA COMPRESSOR AIR ANALYSIS	\$ 293.49	medic
257910	10/16/2019	1185817	SKAGIT PUBLISHING LLC	PUBLISH AA-1953812 AA-1955316 SVH-1956160	\$ 271.24	finance
257812	10/16/2019	06642561	WASHINGTON TRACTOR, INC	2019 HONDA GENERATOR- #6985	\$ 1,026.08	dshop
257904	10/16/2019	89246	WHITNEY EQUIPMENT CO INC	PS21 PUMP REBUILD KIT	\$ 1,809.84	dwwtpt
257933	10/16/2019	1154635597	WILSON DDS, NICHOLAS J	DENTAL SERVICES, LEOFF1 RETIREE DOS: 10/14/19	\$ 142.00	hr
257830	10/17/2019	300-10063793	ALL BATTERY SALES & SERVICE	BEACON & WORKLAMP- VEH #515	\$ 380.29	dshop
257753	10/17/2019	1991462285	ARAMARK	APD NYLON MATS CLEANED	\$ 16.31	apd
257814	10/17/2019	1991462294	ARAMARK	OPS: MAT CLEANING 10/17/19	\$ 41.63	dshop
257823	10/17/2019	1991462293	ARAMARK	OPS & PARKS LAUNDRY SVC FOR	\$ 63.79	finance
257908	10/17/2019	8498 30 017 0543538	COMCAST	DEPOT 611 R AVENUE - 10/22-11/21/19	\$ 186.15	finance
257929	10/17/2019	INV00024263	ESO SOLUTIONS, INC	FIRE SET-UP, TRAINING, CODES, DATA	\$ 3,555.00	medic
257751	10/17/2019	1108410735	FERRELLGAS, LP	PROPANE- SHOP	\$ 268.43	dshop
257889	10/17/2019	014002020	GALLS, LLC.	UNIFORM BOOTS; OFC MEYER	\$ 173.91	apd
257804	10/17/2019	959799	GUARDIAN SECURITY SYSTEMS INC	GATE CARDS	\$ 146.35	dshop
257745	10/17/2019	ContractHawkins	HAWKINS, MELISSA	INSTRUCTOR PAYMENT FOR KIDS YOGA CLASS	\$ 236.00	pkrec
257944	10/17/2019	135693	LITHTEX NORTHWEST, LLC	ACTION MEMO COURT FORMS	\$ 151.65	court
257752	10/17/2019	001-448757	PISTON SERVICE OF ANACORTES	BLOWER MOTORS- VEH #144	\$ 73.45	dshop

Invoice Doc #	Transaction Date	Invoice #	Vendor Full Name	Description	Total Amount	Approval Queue
257912	10/17/2019	0244666-IN	REISNER DISTRIBUTOR INC	LUBE OIL- SHOP STOCK	\$ 1,071.66	dshop
257810	10/17/2019	B10750111	SHI INTERNATIONAL CORP.	ADOBE LICENSES	\$ 318.96	infosys
257943	10/17/2019	4th QTR JUDICIAL	SKAGIT COUNTY DISTRICT COURT	4TH QTR JUDICIAL SERVICES	\$ 18,629.50	court
257759	10/17/2019	111192	WALTON BEVERAGE COMPANY, INC	OPS BREAKROOM SUPPLIES	\$ 122.50	dshop
257824	10/17/2019	111191	WALTON BEVERAGE COMPANY, INC	CITY HALL BREAK ROOM SUPPLIES	\$ 140.00	finance
257827	10/17/2019	111190	WALTON BEVERAGE COMPANY, INC	WWTP BREAKROOM SUPPLIES	\$ 52.50	dwwtp
257888	10/17/2019	111189	WALTON BEVERAGE COMPANY, INC	AFD BREAKROOM SUPPLIES	\$ 87.50	medic
257935	10/17/2019	1154635597	WILSON DDS, NICHOLAS J	DENTAL SERVICES, LEOFF1 RETIREE,	\$ 22.10	hr
257927	10/18/2019	ReimbBarber	BARBER, LYNN	TRAVEL EXPENSES, AWC MEMBER EXPO, LYNN BARBER	\$ 39.00	hr
257841	10/18/2019	201133284	CRIMINAL JUSTICE TRAINING	TRAINING; HOMICIDE INVESTIGATIONS; SGT NATIONS	\$ 150.00	apd
257803	10/18/2019	cpls	DEPARTMENT OF LICENSING	CPLS TO D.O.L.; SEPTEMBER 2019	\$ 522.00	apd
257905	10/18/2019	19-39397	EDGE ANALYTICAL, INC	BACT ANALYSIS RAW	\$ 49.00	dwwtp
257936	10/18/2019	19-40109	EDGE ANALYTICAL, INC	CHROMOGENIC TEST - HYDRANT C088	\$ 15.00	wdist
257932	10/18/2019	951455	LIFE ASSIST, INC	3 CASES MEGA-MOVERS	\$ 567.41	medic
257828	10/18/2019	001-448884	PISTON SERVICE OF ANACORTES	BLADE FUSE- VEH #040A	\$ 9.23	dshop
257921	10/18/2019	P0001-31	QCC QUALITY CONTROLS CORP.	ON CALL PROFESSIONAL SERVICES AT WWTP - SEPT 2019	\$ 814.50	dwwtp
257893	10/18/2019	B10755029	SHI INTERNATIONAL CORP.	VISIOPRO 2019 SOFTWARE	\$ 377.31	infosys
257835	10/18/2019	95487M	VECA ELECTRIC & TECHNOLOGIES	WWTP SERVER ROOM ELECTRICAL WORK	\$ 2,667.50	dwwtp
257887	10/21/2019	3923	ANACORTES TOWING, LLC	TOWING; APD CASE 19-A07761	\$ 163.05	apd
257898	10/21/2019	1991465987	ARAMARK	LAUNDRY SERVICE	\$ 76.31	dwwtp
257914	10/21/2019	29166	JET CITY EQUIPMENT	EQUIPMENT RENTAL - GUEMES CHANNEL TRAIL	\$ 2,464.77	parks1
257930	10/21/2019	001-449034	PISTON SERVICE OF ANACORTES	HYDRAULIC HOSE FOR #607 & #410	\$ 257.53	dshop
258021	10/21/2019	5057882136	RICOH USA, INC	S/N C86112175 3RD FL COPIER 7/21-10/20/19	\$ 2,776.63	finance
257920	10/21/2019	95853REV	VECA ELECTRIC & TECHNOLOGIES	LIBRARY GENERATOR ELECTRICAL	\$ 27,414.14	pw1
257942	10/22/2019	19-135-SEW-0031	BLYTHE PLUMBING & HEATING, INC	RETAINAGE RELEASE	\$ 665.00	pw1
257934	10/22/2019	4726987	CARDINAL HEALTH 110, INC.	PHARMACEUTICALS	\$ 6.48	medic
257948	10/22/2019	0594442-IN	REISNER DISTRIBUTOR INC	DELO STARPLEX EP2	\$ 132.99	dshop

Total **\$505,722.03**



City Council Contract Agenda Bill

Meeting Date: 10/28/2019 **Agenda Item:** 5c

Subject: Contract Award - ONTs and Fiber Accessories #19-166-FBR-001

Staff Contact: Emily Schuh

Approved for Submittal to Council by: Darcy Swetnam, City Attorney
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Action Type: Contract Award

Summary Statement: City staff seeks City Council consent to award a contract in the amount of \$71,584.21 to Graybar Electric Co. Inc. to provide the ONTs and Fiber Accessories. This contract is for the purchase of line cards for the Fiber Department's core network equipment, lasers for the core network equipment, and the ONT devices that will be placed at the customer sites.

Background:

1. **History:** Council approved Resolution 2013 on May 29, 2018, directing that a business plan be developed for a fiber optic network to provide high-speed internet service to City residents and businesses. Council then approved slightly over \$3.1 million in the 2019-20 biennial budget for construction and operation of such a fiber optic network in three pilot areas.
2. **Key Terms:**
 - Total contract price of \$71,584.21 which includes \$5,729.37 in sales tax.
 - All items shall be received within five (5) weeks of contract execution date.
3. **Competitive Bidding:** In accordance with competitive bid requirements, on October 4, 2019 an [Invitation to Bid](#) was issued. There were no bids received by the 10/17/19, 1:30pm deadline. Because there was no response from our solicitation, RCW 35.23.352(1) allows us to enter into a contract without re-bidding. The Department Manager and evaluated the options and selected Graybar Electric Co. Inc to contract with.

Previous Council/Committee Action: Council approved [Resolution 2013](#) at the [May 29, 2018](#) meeting.

Competing Viewpoints Considered: N/A

Recommended Motion: I move that City Council authorize the Mayor to sign a contract 19-166-FBR-001 with Graybar Electric Co. Inc. in the amount of \$71,584.21 to provide the ONTs and Fiber Accessories.

Alternative Actions: Rebid

Attachments: Contract 19-166-FBR-001

Contractor	Graybar Electric Co. Inc.
Contract Amount	\$71,584.21
Earmarked Funds	\$2,100,000.00
BARS #	001.260.594.32.64 (approx. \$32,382) and 001.260.532.10.35 (approx. \$39,202)
Budget Amendment Required?	No
Start Date	Inception
End Date	5 weeks



CONTRACT 19-166-FBR-001
Between
THE CITY OF ANACORTES
AND
GRAYBAR ELECTRIC CO. INC.

ONTs AND FIBER ACCESSORIES

This Contract is between the City of Anacortes, Washington, a Municipal Corporation (herein after referred to as "City") and Graybar Electric Co. Inc., a private company at 1919 6th Ave, Seattle, WA 98134 (herein after referred to as "Supplier").

1. **Scope of Work.** The Supplier shall furnish and delivery goods in accordance with and as described in the City of Anacortes document entitled "ONTs and Fiber Accessories 19-166-FBR-001" issued October 4, 2019, which is hereby incorporated by reference and made a part hereof.

2. **Price and Payment Terms.** The Total Contract Price is **Seventy-One Thousand Five Hundred Eighty-Four Dollars and Twenty-One Cents (\$71,584.21)**, which includes \$5,729.37 in 8.7% sales tax. The Supplier's proposal is incorporated by reference and attached hereto as Exhibit A.

3. **Time of Completion:** All items shall be received within five (5) weeks of contract execution date.

4. **Delivery.** Advance coordination of the work shall be made with the Project Manager James Martin (360) 588-8362. The Supplier shall:

- a. Deliver the items specified on the Contract to the designated FOB Point, as Freight-On-Board (FOB) Destination, Freight Prepaid within the time specified by the City. Timely delivery is of the essence to this Contract.
- b. When shipping item(s) to the City, Supplier shall obtain shipping insurance for the value of the item(s) through the shipping carrier with pre-approval of and at the cost of the City, if applicable.
- c. Ensure all deliveries are made on a business day, during business hours (Monday through Friday, except City Council designated holidays, from 8:00 am, to 5:00 pm).
- d. Provide, at no additional charge, any goods, labor, packaging, crating or padding necessary to load, tie down and unload the item(s) to be delivered, so that they may be transported in a normal, safe manner without damage.
- e. Be liable for all risks for the item(s) until accepted by the City. The Supplier is responsible for any freight charges incurred in delivering the item(s) to the FOB Point. A representative of the City will sign the Supplier's delivery ticket to acknowledge receipt of the item(s) by the City. Unless the Supplier receives such signature, the City shall not be responsible for the receipt of the item(s). The City retains the right to inspect the delivered item(s) prior to acceptance, and shall not accept item(s) that do not conform to the requirements of this Contract.

If Supplier can ship only partial quantities of a given item, Supplier shall make such partial shipment as soon as the items are available for shipment. Supplier's packing list for any shipment shall state (i) item ordered (ii) quantity ordered, (iii) quantity in this shipment, (iv) quantity previously shipped, and (v) quantity back-ordered.

5. **Acceptance.** Supplier acknowledges and agrees that these General Provisions are incorporated in, and are a part of, each purchase order or other Contract relating to the provision of goods and/or related services by Supplier. These General Provisions supersede all conflicting or additional terms pre-printed on any purchase order, quote, invoice, or otherwise set forth on any release, acknowledgement, confirmation, requisition, work order, shipping instruction, specification and similar document or communication.

6. **Warranty.** Supplier shall assure that the Goods and/or Services purchased hereunder are covered by all available and applicable manufacturers' warranties for such Goods and/or Services. Supplier expressly agrees that it will be responsible for performing all warranty obligations set forth in the Specifications for the Goods and/or Services covered in the Contract. Supplier also warrants that the Goods and/or Services will conform to the Specifications, and further warrants that the Goods and/or Services shall be of good materials and workmanship and free from defects for either a minimum of one (1) year from the date of Acceptance or installation by City, whichever is later, or as specified in the Specifications, whichever is later. In no event shall Supplier be allowed to disclaim or otherwise limit the express warranties set forth herein. In addition, the Supplier 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 Supplier's work comply with the requirements of the Contract or any other legal rights or remedies of the City.

7. **Warranty Remedies.** City shall notify Supplier if any of the Goods and/or Services fails to meet the warranties set forth above, and Supplier shall promptly correct, repair or replace such Goods and/or Services at Supplier's sole expense. Notwithstanding the foregoing, if such Goods and/or Services shall be determined by City to be defective or non-conforming within the first thirty (30) days after the date of Acceptance by City, then City at its option shall be entitled to a complete refund of the purchase price and, in the case of Goods, shall promptly return such Goods to Supplier. Supplier shall pay all expenses related to the return of such Goods to Supplier.

8. **Taxes.** The City will pay sales and use taxes imposed on goods or services acquired hereunder as required by law. The Supplier must pay all other taxes including, but not limited to: Business and Occupation Tax, taxes based on the Supplier'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.

9. **Invoicing.** All invoices shall include: Company Name, Invoice Date, Due Date (30 days), Invoice Number, Invoice Period, Project Title, Contract Number and Price, or Amended Price. The Supplier must invoice **MONTHLY** for quantities delivered during the invoice period. Invoices may be sent by US mail to City of Anacortes, Accounts Payable, PO Box 547, Anacortes, WA 98221, or by email to accountspayable@cityofanacortes.org. Suppliers may complete a City furnished ACH/EFT form to receive electronic payments directly to their financial institution.

The City shall notify the Supplier within fifteen (15) calendar days from receipt of invoice if there are any objections or disputes with the invoice. The Supplier 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.

10. **Withholding Payment.** In the event the City determines that the Supplier 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 Supplier 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 Supplier to terminate or damages, provided that the City promptly gives notice in writing to the Supplier 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 Supplier 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 Supplier 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 Supplier, (3) to set off any amount so paid or incurred from amounts due to become due the Supplier. In the event the Supplier obtains relief upon a claim under the Disputes clause, no penalty or damages shall accrue to Supplier by reason of good faith withholding by the City under this clause.

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

12. **Defense and Indemnity.** The Supplier 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.

13. **Insurance Requirements**

A. Insurance Term: The Supplier shall procure and maintain for the duration of the Contract, insurance against claims for injuries to persons or damage to property which may arise from or in connection with products and materials supplied to the Public Entity.

B. No Limitation: The Supplier's maintenance of insurance as required by the Contract shall not be construed to limit the liability of the Supplier to the coverage provided by such insurance, or otherwise limit the Public Entity's recourse to any remedy available at law or in equity.

C. Minimum Scope of Insurance: The Supplier shall obtain insurance of the type and coverage described below:

Commercial General Liability insurance shall be at least as broad as Insurance Services Office (ISO) occurrence form CG 00 01 and shall cover products liability. **The City of Anacortes and its officers, elected officials, employees, agents, and volunteers shall be named as an additional insured** under the Supplier's Commercial General Liability insurance policy using ISO Additional Insured-Vendors Endorsement CG 20 15 04 13 or a substitute endorsement providing at least as broad coverage.

D. Minimum Amounts of Insurance: The Supplier shall maintain the following insurance limits:

Commercial General Liability insurance shall be written with limits no less than \$1,000,000 each occurrence, \$2,000,000 general aggregate and a \$2,000,000 products liability aggregate limit.

E. Other Insurance Provision: The Supplier's Commercial General Liability insurance policy or policies are to contain, or be endorsed to contain that they shall be primary insurance as respect the Public Entity. Any insurance, self-insurance, or self-insured pool coverage maintained by the Public Entity shall be excess of the Supplier's insurance and shall not contribute with it.

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

G. Verification of Coverage: The Supplier shall furnish the Public Entity with original certificates and a copy of the amendatory endorsements, including but not necessarily limited to the additional insured endorsement, evidencing the insurance requirements of the Supplier before goods, materials or supplies will be accepted by the Public Entity.

H. Notice of Cancellation: The Supplier shall provide the Public Entity with written notice of any policy cancellation, within two business days of their receipt of such notice.

I. Failure to Maintain Insurance: Failure on the part of the Supplier to maintain the insurance as required shall constitute a material breach of contract, upon which the Public Entity may, after giving five business days notice to the Supplier 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 Public Entity on demand, or at the sole discretion of the Public Entity, offset against funds due the Supplier from the Public Entity.

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

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 Supplier shall provide proper facilities for such access and inspection. Such inspection shall not relieve the Supplier 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 Supplier may appeal to the City Attorney whose decision shall be final. The Contract shall be carried out under the general control of the representative of the City administering the Contract, who may exercise such control over the conduct of the work as may be necessary, in his or her opinion, to safeguard the interest of the City. The Supplier 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 Supplier of his/her obligations or responsibilities under the Contract.

15. Discrimination Prohibited. During the performance of this Agreement, the Supplier and subSuppliers shall not discriminate in violation of any applicable federal, state and/or local law or regulation on the basis

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

16. **Assignment/Subcontract.** Supplier shall not assign, sell, transfer, subcontract or sublet rights, or delegate responsibilities under this Contract, in whole or in part, without the prior written approval of City. No such written approval shall relieve the Supplier of any obligations of this Contract, and any transferee or subSupplier shall be considered the agent of the Supplier. Supplier shall remain liable as between the original parties to this Contract as if no such assignment had occurred.

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

18. **Ownership and Use of Documents.** All finished and unfinished documents and material prepared by the Consultant with funds paid by the City pursuant to the terms of this Agreement shall become the property of the City and shall be forwarded to the City upon its request. Documents and materials shall include but not be limited to plans, specifications, reports, electronic and non-electronic data, and other design documents prepared by the Consultant. Pursuant to RCW 42.56.70, all information and documents produced under this Agreement may be subject to public disclosure.

19. **Assistance Regarding Patent and Copyright Infringement.** In the event of any claim or suit against City on account of any alleged patent or copyright infringement arising out of the performance of this Contract or out of the use of any material furnished or work or services performed hereunder, Supplier shall defend City against any such suit or claim and hold City harmless from any and all expenses, court costs, and attorney's fees in connection with such claim or suit.

20. **The City's Right to Terminate Contract.**

A. **Termination for Default:** If the Supplier defaults by failing to perform any of the obligations of the Contract 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 Supplier in the U.S. mail, postage prepaid, terminate the Contract, and at the City's option, obtain performance of the work elsewhere. If the Contract is terminated for default, the Supplier shall not be entitled to receive any further payments under the Contract until the Scope of Services under this Contract 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 Supplier. The Supplier 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 Supplier 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 Contract 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 Contract is terminated in accordance with this paragraph, the Supplier shall be entitled to payment for actual work performed at unit Contract prices for completed items of work through the date of termination. An equitable adjustment in the Contract price for partially completed items of work will be made, but such adjustment shall not include provision for loss of anticipated profit on deleted or uncompleted work. Termination of this Contract by the City at any time during the term, whether for default or convenience, shall not constitute a breach of Contract by the City.

21. **Changes/Additional Work.** The City may engage Supplier to perform services in addition to those listed in this Contract, and Supplier 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 Contract. 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 Supplier to render or the City to pay for services

rendered in excess of the Scope of Services unless or until a modification to this Contract is approved in writing by both parties.

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

23. **Covenant Against Contingent Fees**. The Supplier warrants that he has not employed or retained any company or person, other than a bona fide employee working solely for the Supplier, to solicit or secure this Contract, and that he has not paid or agreed to pay any company or person, other than a bona fide employee working solely for the Supplier, any fee, commission, percentage, brokerage fee, gifts, or any other consideration contingent upon or resulting from the award of making of this Contract. For breach or violation of this warranty, the City shall have the right to annul this Contract without liability or, in its discretion to deduct from the Contract price or consideration, or otherwise recover, the full amount of such fee, commission, percentage, brokerage fee, gift, or contingent fee.

24. **Disputes**

A. **General:** Differences between the Supplier and the City, arising under and by virtue of this Contract 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 Contract.

B. **Notice of Potential Claims:** The Supplier 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 Supplier 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 Supplier 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. Supplier 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 Supplier 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 Supplier 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 Supplier arising out of this Contract, or any obligation hereunder the dispute shall first be referred to the representatives designated by the City and the Supplier to have oversight over the administration of this Contract. 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.

25. **Force Majeure**. Definition: Except for payment of sums due, neither party shall be liable to the other or deemed in default under this Contract if and to the extent that such party's performance of this Contract is prevented by reason of force majeure. The term "force majeure" means an occurrence that is beyond the control of the party affected and could not have been avoided by exercising reasonable diligence. Force majeure shall include acts of God, war, riots, strikes, fire, floods, epidemics, or other similar occurrences. Notification: If either party is delayed by force majeure, said party shall provide written notification within forty-eight (48) hours. The notification shall provide evidence of the force majeure to the satisfaction of the other party. Such delay shall cease as soon as practicable and written notification of same shall be provided. The time of completion shall be extended by Contract 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 Contract. Rights Reserved: The City reserves the right to cancel the Contract and/or purchase materials, goods or services from the best available source during the time of force majeure, and Supplier shall have no recourse against the City.

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

27. **Compliance with Laws.** The Supplier in the performance of this Contract 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 Contract to assure quality of services.

28. **Severability.** If any term or condition of this Contract 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 Contract are declared severable.

29. **Survival of Contract Termination.** The provisions of the following paragraphs and the liability of the Supplier 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; Disputes; Defense & Indemnity.

30. **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

SUPPLIER:

Graybar Electric Co. Inc.
Ernesto Gallardo
1919 6th Ave South
Seattle, WA 98134

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

CITY OF ANACORTES

GRAYBAR ELECTRIC CO. INC.

By _____
Laurie Gere, Mayor

By _____
Signature

Date _____

Printed Name

Title _____

Date _____



City Council Contract Agenda Bill

Meeting Date: 10/28/2019 **Agenda Item:** 5d

Subject: Contract Award - Water Treatment Plant Filter Media #19-081-WTR-002

Staff Contact: Fred Buckenmeyer

Approved for Submittal to Council by: Darcy Swetnam, City Attorney
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Action Type: Contract Award

Summary Statement: City staff seeks City Council consent to award a contract in the amount of \$147,505.75 to Carbonfilt LLC to provide the Water Treatment Plant Filter Media. This contract provides for the purchase of approximately 6,000 cuft of filter anthracite and 4,000 cuft of filter sand for the replacement of the media in 6 of the water treatment plant's filters.

Background:

1. **History:** The filter media in 6 of the 8 filters needs to be removed to expose the filter under drain blocks in order to make repairs to the grout in between the blocks. There is no way to remove the filter media and reuse it without damage to the media.
2. **Key Terms:**
 - Total contract price of \$147,505.75 which includes \$11,555.75 in sales tax.
 - The contract runs through December 31, 2020.
3. **Competitive Bidding:** In accordance with competitive bid requirements, on October 9, 2019 an [Invitation to Bid](#) was issued on the City's website. Five bids were received by the deadline on October 22, 2019 at 2:00pm, and Carbonfilt LLC was determined to be the lowest responsible bidder. The bid tabulation is attached.

Previous Council/Committee Action: N/A

Competing Viewpoints Considered: N/A

Recommended Motion: I move that City Council authorize the Mayor to sign a contract 19-081-WTR-002 with Carbonfilt LLC in the amount of \$147,505.75 to provide the Water Treatment Plant Filter Media.

Alternative Actions: Cancel the project, rebid

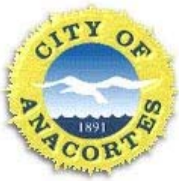
Attachments: Bid tabulation, Contract 19-081-WTR-002

Contractor	Carbonfilt LLC
Contract Amount	\$147,505.75
Earmarked Funds 2019-2020	\$288,000.00
BARS #	401.730.534.10.48
Budget Amendment Required?	No
Start Date	Contract execution
End Date	12/31/20



MATERIALS PURCHASE - INVITATION TO BID: WATER TREATMENT PLANT FILTER MEDIA #19-081-WTR-002

				Carbonfilt, LLC		Carbon Activated Corporation		Xylem Water Solutions USA, Inc.		Anthracite Filter Media Co.		Westech Engineering, Inc.	
ITEM	DESCRIPTION	QTY	UNIT	UNIT \$	TOTAL \$	UNIT \$	TOTAL \$	UNIT \$	TOTAL \$	UNIT \$	TOTAL \$	UNIT \$	TOTAL \$
1	Filter Anthracite Size: 1.0 – 1.1 mm	6,000	CUFT	\$ 7.35	\$ 44,100.00	\$ 7.55	\$ 45,300.00	\$ 13.70	\$ 82,200.00	\$ 8.87	\$ 53,220.00	\$ 12.00	\$ 72,000.00
2	Filter Sand Size: 0.42 – 0.48 mm	4,000	CUFT	\$ 5.80	\$ 23,200.00	\$ 4.98	\$ 19,920.00	\$ 12.00	\$ 48,000.00	\$ 8.90	\$ 35,600.00	\$ 10.00	\$ 40,000.00
	Denotes Correction from Vendor's Bid Proposal Based Upon Correct Sales Tax Calculation.			Subtotal:	\$ 67,300.00	Subtotal:	\$ 65,220.00	Subtotal:	\$ 130,200.00	Subtotal:	\$ 88,820.00	Subtotal:	\$ 112,000.00
				Freight:	\$ 68,650.00	Freight:	\$ 90,360.00	Freight:	\$ 98,280.00	Freight:	\$ 71,002.00	Freight:	\$ 57,990.00
				8.5% sales tax:	\$ 11,555.75	8.5% sales tax:	\$ 13,224.30	8.5% sales tax:	\$ 19,420.80	8.5% sales tax:	\$ 13,584.87	8.5% sales tax:	\$ 14,449.15
				TOTAL BID:	\$ 147,505.75	TOTAL BID:	\$ 168,804.30	TOTAL BID:	\$ 247,900.80	TOTAL BID:	\$ 173,406.87	TOTAL BID:	\$ 184,439.15



CONTRACT 19-081-WTR-002

Between THE CITY OF ANACORTES AND CARBONFILT LCC

Water Treatment Plant Filter Media

This Contract is between the City of Anacortes, Washington, a Municipal Corporation (herein after referred to as "City") and Carbonfilt LLC, a private company at 20385 Grazie Place, Venice, FL 34293 (herein after referred to as "Supplier").

1. **Scope of Work.** The Supplier shall furnish and deliver goods in accordance with and as described in the City of Anacortes document entitled "Invitation to Bid Water Treatment Plant Filter Media 19-081-WTR-002" issued October 9, 2019, which is hereby incorporated by reference and made a part hereof.

2. **Price and Payment Terms.** The Total Contract Price is **One Hundred Forty-Seven Thousand Five Hundred Five Dollars and Seventy-Five Cents (\$147,505.75)**, which includes \$11,555.75 in 8.5% sales tax. The Supplier's bid schedule is incorporated by reference and attached hereto as Exhibit A.

3. **Term:** The term of this Agreement shall be effective commencing on the date of execution of this Agreement and through December 31, 2020.

4. **Delivery.** Advance coordination of the work shall be made with the Project Manager Mario Gonzalez (360) 428-1598. The Supplier shall:

- a. Deliver the items specified on the Contract to the designated FOB Point, as Freight-On-Board (FOB) Destination, Freight Prepaid within the time specified by the City. Timely delivery is of the essence to this Contract.
- b. When shipping item(s) to the City, Supplier shall obtain shipping insurance for the value of the item(s) through the shipping carrier with pre-approval of and at the cost of the City, if applicable.
- c. Ensure all deliveries are made on a business day, during business hours (Monday through Friday, except City Council designated holidays, from 8:00 am, to 5:00 pm).
- d. Provide, at no additional charge, any goods, labor, packaging, crating or padding necessary to load, tie down and unload the item(s) to be delivered, so that they may be transported in a normal, safe manner without damage.
- e. Be liable for all risks for the item(s) until accepted by the City. The Supplier is responsible for any freight charges incurred in delivering the item(s) to the FOB Point. A representative of the City will sign the Supplier's delivery ticket to acknowledge receipt of the item(s) by the City. Unless the Supplier receives such signature, the City shall not be responsible for the receipt of the item(s). The City retains the right to inspect the delivered item(s) prior to acceptance, and shall not accept item(s) that do not conform to the requirements of this Contract.

If Supplier can ship only partial quantities of a given item, Supplier shall make such partial shipment as soon as the items are available for shipment. Supplier's packing list for any shipment shall state (i) item ordered (ii) quantity ordered, (iii) quantity in this shipment, (iv) quantity previously shipped, and (v) quantity back-ordered.

5. **Acceptance.** Supplier acknowledges and agrees that these General Provisions are incorporated in, and are a part of, each purchase order or other Contract relating to the provision of goods and/or related services by Supplier. These General Provisions supersede all conflicting or additional terms pre-printed on any purchase order, quote, invoice, or otherwise set forth on any release, acknowledgement, confirmation, requisition, work order, shipping instruction, specification and similar document or communication.

6. **Warranty.** Supplier shall assure that the Goods and/or Services purchased hereunder are covered by all available and applicable manufacturers' warranties for such Goods and/or Services. Supplier expressly agrees that it will be responsible for performing all warranty obligations set forth in the Specifications for the Goods and/or Services covered in the Contract. Supplier also warrants that the Goods and/or Services will conform to the Specifications, and further warrants that the Goods and/or Services shall be of good materials and workmanship and free from defects for either a minimum of one (1) year from the date of Acceptance or installation by City, whichever is later, or as specified in the Specifications, whichever is later. In no event shall Supplier be allowed to disclaim or otherwise limit the express warranties set forth herein. In addition, the Supplier 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 Supplier's work comply with the requirements of the Contract or any other legal rights or remedies of the City.

7. **Warranty Remedies.** City shall notify Supplier if any of the Goods and/or Services fails to meet the warranties set forth above, and Supplier shall promptly correct, repair or replace such Goods and/or Services at Supplier's sole expense. Notwithstanding the foregoing, if such Goods and/or Services shall be determined by City to be defective or non-conforming within the first thirty (30) days after the date of Acceptance by City, then City at its option shall be entitled to a complete refund of the purchase price and, in the case of Goods, shall promptly return such Goods to Supplier. Supplier shall pay all expenses related to the return of such Goods to Supplier.

8. **Taxes.** The City will pay sales and use taxes imposed on goods or services acquired hereunder as required by law. The Supplier must pay all other taxes including, but not limited to: Business and Occupation Tax, taxes based on the Supplier'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.

9. **Invoicing.** All invoices shall include: Company Name, Invoice Date, Due Date (30 days), Invoice Number, Invoice Period, Contract Title, Contract Number and Price, or Amended Price. The Supplier must invoice **MONTHLY** for quantities delivered during the invoice period. Invoices may be sent by US mail to City of Anacortes, Accounts Payable, PO Box 547, Anacortes, WA 98221, or by email to accountspayable@cityofanacortes.org. Suppliers may complete a City furnished ACH/EFT form to receive electronic payments directly to their financial institution.

The City shall notify the Supplier within fifteen (15) calendar days from receipt of invoice if there are any objections or disputes with the invoice. The Supplier 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.

10. **Withholding Payment.** In the event the City determines that the Supplier 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 Supplier 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 Supplier to terminate or damages, provided that the City promptly gives notice in writing to the Supplier 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 Supplier 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 Supplier 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 Supplier, (3) to set off any amount so paid or incurred from amounts due to become due the Supplier. In the event the Supplier obtains relief upon a claim under the Disputes clause, no penalty or damages shall accrue to Supplier by reason of good faith withholding by the City under this clause.

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

12. **Defense and Indemnity.** The Supplier 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 the Contract, except for injuries and damages caused by the sole negligence of the City.

13. **Insurance Requirements**

A. **Insurance Term:** The Supplier shall procure and maintain for the duration of the Contract, insurance against claims for injuries to persons or damage to property which may arise from or in connection with products and materials supplied to the Public Entity.

B. **No Limitation:** The Supplier's maintenance of insurance as required by the Contract shall not be

construed to limit the liability of the Supplier to the coverage provided by such insurance, or otherwise limit the Public Entity's recourse to any remedy available at law or in equity.

C. Minimum Scope of Insurance: The Supplier shall obtain insurance of the type and coverage described below:

Commercial General Liability insurance shall be at least as broad as Insurance Services Office (ISO) occurrence form CG 00 01 and shall cover products liability. **The City of Anacortes and its officers, elected officials, employees, agents, and volunteers shall be named as an additional insured** under the Supplier's Commercial General Liability insurance policy using ISO Additional Insured-Vendors Endorsement CG 20 15 04 13 or a substitute endorsement providing at least as broad coverage.

D. Minimum Amounts of Insurance: The Supplier shall maintain the following insurance limits:

Commercial General Liability insurance shall be written with limits no less than \$1,000,000 each occurrence, \$2,000,000 general aggregate and a \$2,000,000 products liability aggregate limit.

E. Other Insurance Provision: The Supplier's Commercial General Liability insurance policy or policies are to contain, or be endorsed to contain that they shall be primary insurance as respect the Public Entity. Any insurance, self-insurance, or self-insured pool coverage maintained by the Public Entity shall be excess of the Supplier's insurance and shall not contribute with it.

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

G. Verification of Coverage: The Supplier shall furnish the Public Entity with original certificates and a copy of the amendatory endorsements, including but not necessarily limited to the additional insured endorsement, evidencing the insurance requirements of the Supplier before goods, materials or supplies will be accepted by the Public Entity.

H. Notice of Cancellation: The Supplier shall provide the Public Entity with written notice of any policy cancellation, within two business days of their receipt of such notice.

I. Failure to Maintain Insurance: Failure on the part of the Supplier to maintain the insurance as required shall constitute a material breach of contract, upon which the Public Entity may, after giving five business days notice to the Supplier 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 Public Entity on demand, or at the sole discretion of the Public Entity, offset against funds due the Supplier from the Public Entity.

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

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 Supplier shall provide proper facilities for such access and inspection. Such inspection shall not relieve the Supplier 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 Supplier may appeal to the City Attorney whose decision shall be final. The Contract shall be carried out under the general control of the representative of the City administering the Contract, who may exercise such control over the conduct of the work as may be necessary, in his or her opinion, to safeguard the interest of the City. The Supplier 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 Supplier of his/her obligations or responsibilities under

the Contract.

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

16. **Assignment/Subcontract.** Supplier shall not assign, sell, transfer, subcontract or sublet rights, or delegate responsibilities under this Contract, in whole or in part, without the prior written approval of City. No such written approval shall relieve the Supplier of any obligations of this Contract, and any transferee or subSupplier shall be considered the agent of the Supplier. Supplier shall remain liable as between the original parties to this Contract as if no such assignment had occurred.

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

18. **Ownership and Use of Documents.** All finished and unfinished documents and material prepared by the Consultant with funds paid by the City pursuant to the terms of this Agreement shall become the property of the City and shall be forwarded to the City upon its request. Documents and materials shall include but not be limited to plans, specifications, reports, electronic and non-electronic data, and other design documents prepared by the Consultant. Pursuant to RCW 42.56.70, all information and documents produced under this Agreement may be subject to public disclosure.

19. **Assistance Regarding Patent and Copyright Infringement.** In the event of any claim or suit against City on account of any alleged patent or copyright infringement arising out of the performance of this Contract or out of the use of any material furnished or work or services performed hereunder, Supplier shall defend City against any such suit or claim and hold City harmless from any and all expenses, court costs, and attorney's fees in connection with such claim or suit.

20. The City's Right to Terminate Contract.

A. Termination for Default

If the Supplier defaults by failing to perform any of the obligations of the Contract 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 Supplier in the U.S. mail, postage prepaid, terminate the Contract, and at the City's option, obtain performance of the work elsewhere. If the Contract is terminated for default, the Supplier shall not be entitled to receive any further payments under the Contract until the Scope of Services under this Contract 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 Supplier. The Supplier 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 Supplier 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 Contract 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 Contract is terminated in accordance with this paragraph, the Supplier shall be entitled to payment for actual work performed at unit Contract prices for completed items of work through the date of termination. An equitable adjustment in the Contract price for partially completed items of work will be made, but such adjustment shall not include provision for loss of anticipated profit on deleted or uncompleted work. Termination of this Contract by the City at any time during the term, whether for default or convenience, shall not constitute a breach of Contract by the City.

21. **Changes/Additional Work.** The City may engage Supplier to perform services in addition to those listed in this Contract, and Supplier 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 Contract. 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 Supplier to render or the City to pay for services rendered in excess of the Scope of Services unless or until a modification to this Contract is approved in writing by both parties.

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

23. **Covenant Against Contingent Fees.** The Supplier warrants that he has not employed or retained any company or person, other than a bona fide employee working solely for the Supplier, to solicit or secure this Contract, and that he has not paid or agreed to pay any company or person, other than a bona fide employee working solely for the Supplier, any fee, commission, percentage, brokerage fee, gifts, or any other consideration contingent upon or resulting from the award of making of this Contract. For breach or violation of this warranty, the City shall have the right to annul this Contract without liability or, in its discretion to deduct from the Contract price or consideration, or otherwise recover, the full amount of such fee, commission, percentage, brokerage fee, gift, or contingent fee.

24. **Disputes**

A. **General**

Differences between the Supplier and the City, arising under and by virtue of this Contract 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 Contract.

B. **Notice of Potential Claims**

The Supplier 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 Supplier 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 Supplier 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. Supplier 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 Supplier 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 Supplier 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 Supplier arising out of this Contract, or any obligation hereunder the dispute shall first be referred to the representatives designated by the City and the Supplier to have oversight over the administration of this Contract. 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.

25. **Force Majeure.** Definition: Except for payment of sums due, neither party shall be liable to the other or deemed in default under this Contract if and to the extent that such party's performance of this Contract is prevented by reason of force majeure. The term "force majeure" means an occurrence that is beyond the control of the party affected and could not have been avoided by exercising reasonable diligence. Force majeure shall include acts of God, war, riots, strikes, fire, floods, epidemics, or other similar occurrences.

Notification: If either party is delayed by force majeure, said party shall provide written notification within forty-eight (48) hours. The notification shall provide evidence of the force majeure to the satisfaction of the other party. Such delay shall cease as soon as practicable and written notification of same shall be provided. The time of completion shall be extended by Contract 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 Contract. Rights Reserved: The City reserves the right to cancel the Contract and/or purchase materials, goods or services from the best available source during the time of force majeure, and Supplier shall have no recourse against the City.

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

27. **Compliance with Laws.** The Supplier in the performance of this Contract 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 Contract to assure quality of services.

28. **Severability.** If any term or condition of this Contract 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 Contract are declared severable.

29. **Survival of Contract Termination.** The provisions of the following paragraphs and the liability of the Supplier 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; Disputes; Defense & Indemnity.

30. **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

SUPPLIER:

Carbonfilt LLC
Edward Jennings
20385 Grazie Place
Venice, FL 34293

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

CITY OF ANACORTES

CARBONFILT LLC

By _____
Laurie Gere, Mayor

By _____
Signature

Date _____

Printed Name

Title _____

Date _____

TO: City of Anacortes
(City or Owner):

FROM: Bidder: CARBONFILT LLC:

PROJECT: 19-081-WTR-002

1. GENERAL

The undersigned Bidder, having reviewed the Invitation to Bid (ITB) for the Water Treatment Plant Filter Media purchase hereby proposes and agrees, if this bid is accepted, to enter into an agreement with Owner to provide the goods as specified and within the contract time indicated in this bid for an amount computed upon the basis of the goods to be provided at the following prices.

2. LIMITATION OF DAMAGES

The Bidder:

a) agrees not to bring any Claim against the City or any of its employees, advisers, or representatives for damages in excess of an amount equivalent to the reasonable costs incurred by the Bidder in preparing its Bid for any matter in respect of this ITB, including:

I. if the City accepts a non-compliant Bid or otherwise breaches (including breach of material terms) the terms of this ITB; or

II. if the Project is modified, suspended, or cancelled for any reason (including modification of the scope of the Project or modification of this ITB or both) or the City exercises any rights under this ITB; and

b) waives any and all Claims against the City or any of its employees, advisers, or representatives for loss of anticipated profits or loss of opportunity if no agreement is made between the City and the Bidder for any reason, including:

I. if the City accepts a non-compliant Bid or otherwise breaches (including breach of material terms) the terms of this ITB; or

II. If the Project is modified, suspended, or cancelled for any reason (including modification of the scope of the Project or modification of this ITB or both) or the City exercises any rights under this ITB.

3. BIDDER'S REPRESENTATIVE

The Bidder's Representative identified below is an officer of the company and is fully authorized to represent the Bidder in any and all matters related to its Bid.

4. IRREVOCABLE OFFER PERIOD. The undersigned Bidder understands and acknowledge that the offer submitted as your Bid is firm and irrevocable from the City's close of business on the Bid Submission Date until 180 days after the Bid Opening Date.

5. SCHEDULE

The City requires that the successful vendor will order components immediately upon verbal or written orders by the Project Manager on an as-needed basis, and that the vendor will diligently pursue acquisition of required components as bid. If, after a delivery date has been agreed to by both parties, a component is delayed for reasons beyond the vendors control, a brief description of the delay shall be provided to the City within 2-working days of their notification. The City will have the right to investigate and may purchase the component through a separate vendor, if available, without penalty.

6. BID PROPOSAL

Note: Bid prices for all items, all extensions and total amount of Bid must be shown below.

Line	Qty	Unit	Description	Unit Price	Ext. Price
1	6,000	CUFT	Filter Anthracite Size: 1.0 – 1.1 mm. Media to meet ANSI/AWWA B100 of the latest revision. Delivered in 1600 – 4000lb bulk bags with bottom spout opening meeting ANSI/NSF 61. Furnished as required, palletized on delivery. Bidder shall include guaranteed analysis with bid. Filter anthracite shall be clean of debris and foreign material. Only filter anthracite mined and manufactured in the United States will be accepted. Filter anthracite supplied hereunder shall not contain any compound that will produce toxic effect upon the consumer of properly treated water. Material Quality: 1. Anthracite shall be composed of hard and durable grains substantially free of iron sulfides, clay, shale, or extraneous dirt. 2. Provide anthracite with negligible acid solubility when tested in accordance with AWWA B100 and a maximum 2 percent solubility by weight in one percent hot (190 deg F) sodium hydroxide solution. 3. The anthracite media shall have a minimum hardness of 3.0 on the MOH scale. 4. Anthracite shall have an average apparent specific gravity of not less than 1.55. Gradation Standard: 1. Screen Anthracite through standard sieves conforming to ASTM E11. 2. Effective size (min): 1.0 to 1.1. 3. Uniformity coefficient (max): 1.7 4. Porosity: 0.45 - 0.55.	\$7.35	\$44,100. ⁰⁰
2	4,000	CUFT	Filter Sand Size: 0.42 – 0.48 mm. Media to meet ANSI/AWWA B100 of the latest revision. Delivered in 1600 – 4000lb bulk bags with bottom spout opening meeting ANSI/NSF 61. Furnished as required, palletized on delivery. Bidder shall include guaranteed analysis with bid. Material Quality: 1. Filter sand shall be composed of hard, durable, uncoated silica grains, containing not more than 1 percent of flat or micaceous particles free of clay, loam, silt, and organic matter. Flat particles are those in which a circumscribing rectangular prism exceeds five times the shortest axis. The sand shall not have more than 2% flat or elongated particles in accordance with AWWA B100. 2. Provide filter sand with a maximum acid solubility of 5 percent in accordance with AWWA B100 and with a maximum permissible percentage lost when powered and ignited of 2 percent. 3. Filter sand shall have an average apparent specific gravity of not less than 2.50. Gradation Standard: 1. Screen filter sand through standard sieve conforming to ASTM E11. 2. Effective size (min): 0.42 to 0.48. 3. Uniformity coefficient (max): 1.40. 4. Porosity (max): 0.45.	\$5.80	23,200. ⁰⁰

Subtotal: \$67,300.00

Freight: \$68,650.00

8.5% Sales Tax: \$11,555.75

Total Bid: \$147,505.75

All bidders may be required to submit a representative sample of the Filter Media to the City of Anacortes Water Treatment Plant for laboratory analysis prior to award of bids. If tests of the Filter Media received reveal that it does not comply with the specifications, the City has the right to reject the product(s) not conforming to specifications.

7. ADDENDUMS

Bidder acknowledges review of all Addenda through No. 1

NOTE: Failure to acknowledge any issued Addenda may render proposal non-responsive and therefore void. Addendums, if any, will be issued no later than 5:00pm on October 16, 2019. It is the sole responsibility of the Bidder to learn of Addendum, if any. Such information may be obtained from the City of Anacortes website: <https://www.anacorteswa.gov/Bids.aspx>.

8. BIDDER INFORMATION

This Bid is submitted on and by:

Company Name: CARBONFILT LLC

Signature: Edward G. Jennings

Name (Print): EDWARD G. JENNINGS

Title: PRESIDENT

Email: EJENNINGS@CARBONFILT.COM

Date: 10/14/2019

Address of Bidder: 20385 GRADE PLACE VENICE, FL 34293

Telephone No.: 239-784-5421

9. COMPLIANCE WITH SPECIFICATIONS

The proposed goods must fully comply with the Scope of Work to qualify as a responsive bid. **Bidder must attach additional information or pages listing all deviations and substitutions or proposed "as equal" component to the specifications which are included with this Bid.** A completed list of proposed deviations and substitutions will be required to enable the Owner to evaluate whether the proposed items comply with the requirements of the specifications, to be determined by the Owner in the Owner's sole discretion.

10. NON-COLLUSION DECLARATION

By signing the signature page of this proposal, I declare, under penalty of perjury under the laws of the United States, that the following statement is true and correct:

1. That my firm, association or corporation has not, either directly or indirectly, entered into any agreement, participated in any collusion, or otherwise taken any action in restraint of free competitive bidding in connection with the project for which this proposal is submitted.
2. That by signing the signature page of this proposal, I am deemed to have signed and to have agreed to the provisions of this declaration.

END OF SECTION



City Council Agenda Bill

Meeting Date: 10/28/2019

Agenda Item: 5e

Subject: Street Fair Application: Halloween Downtown Trick or Treat Event, October 31, 2019 @ 3 p.m. – 5 p.m.

Staff Contact: Fred Buckenmeyer, Don Measamer

Approved for Submittal to Council by	
	Laurie Gere, Mayor
	Steve Hoglund, Finance Director
	Darcy Swetnam, City Attorney
X	Fred Buckenmeyer
X	Don Measamer

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

Summary Statement: Street Fair Application for Downtown Halloween Trick or Treat event, October 31, 2019 at 3 p.m. to 5 p.m.

Background: The annual Halloween trick or treat event with children visiting merchants to receive treats.

Budget Impact	
Amount Budgeted	
Budget Account (BARS)	
Proposed Expenditure	
Budget Amendment Required?	
Revenue Source	

Proposed Contract	
Contractor	
Amount	
Start Date	
End Date	

Previous Council/Committee Action: NA

Competing Viewpoints Considered: NA

Recommended Motion: I move to approve the proposed street fair application as submitted.

Alternative Actions: Deny the request(s)

Attachments (listed in order presented): Permit Memo & Application w/map



MEMO

TO: City Council Members, Mayor Gere
FROM: Don Measamer/Fred Buckenmeyer, Directors – PCED, Public Works
DATE: October 28, 2019
SUBJECT: Halloween Downtown Trick or Treat, October 31, 2019

Sponsor/Organizer: City of Anacortes, Don Measamer

Location: Commercial Ave from 3rd to 10th Streets and 10th Street.

Dates & Times:

Thursday, October 31, 2019
3 p.m. to 5 p.m.

Background: Annual event coordinated with downtown merchants and families bringing children in Halloween costumes for trick or treating.

Parking Restrictions:

Restricted in designated areas

Public Works Services:

None

Police Services: Traffic Control

Recommendations: Staff recommends approval subject to applicant's submitted request

Proposed Motion: Recommend approval

Emergency Contact Numbers:

Don Measamer, 360-299-1942; 360-661-3551

cc: Marcia Hunt



STREET FAIR APPLICATION

Date Received: 10/24/19 Received by: [Signature] City Council Approved: _____

NAME OF EVENT Halloween Downtown Trick or Treat for kids

DATES of Event Thursday, October 31, 2019

TIME of Day 3 p.m. – 5 p.m.

NATURE/PURPOSE of Event Children trick or treating with dt merchants

PARTICIPANTS/Attendees (estimated number) 200

LOCATION of Event (include locations and dimensions of any structure to be erected, dimensions of street/right-of-way to be used and dimensions of same to remain unobstructed) _____

Commercial Avenue between 3rd Street and 10th Street

DESCRIPTION of Event Children parading in Halloween costumes and getting treats from dt merchants

FACILITIES requested (street, sidewalk, park, etc.) Commercial blocked from traffic for the 2 hour time
Period of the event _____

Dates/hours requested 10/31/2019 @ 2:30 to 5:30

EQUIPMENT requested Road barricades

Dates/hours requested 2:30 – 5:30 10/31/2019

SERVICES requested (eg. Custodial, traffic control) Traffic control

Dates/hours requested _____

PARKING (include locations and dimensions of parking space to be available/provided) _____

INSURANCE (Certificate of Insurance must be submitted with Application)

Required _____ Not Required X

FEES (itemize any Admission fees/space rental fees/sale of items/solicitation of funds) _____

N/A

APPLICANT/ORGANIZATION (Name) City of Anacortes

Name of responsible person Don Measamer Phone # 360-661-3551

Address 904 6th Street

Anacortes, WA 98221

Event and contact information to be included on the City website:

Contact Name Karl Wolfswinkel Phone # 360-588-8130; (c) 360-708-0539

Contact Address _____

Email Address karlw@cityofanacortes.org Website address _____

Event Address Commercial from 3rd to 10th Streets Hours of Event 3 p.m. to 5 p.m.

Does your event require vendor(s) or participant(s) to sign up to participate? No

The undersigned agrees to assume responsibility for the above-described event, is over the age of 18,
and to abide by all conditions stipulated upon acceptance of permit.

Signature [Signature] CoA Date 10/24/19

*** FOR OFFICE USE ONLY ***

	Initials	Comments (Stipulate Conditions of Approval on Reverse)
Mayor	_____	_____
Building	<u>[Signature]</u>	_____
Fire	<u>DO</u>	_____
Parks	<u>JL</u>	_____
Police	<u>JS</u>	_____
Public Works	<u>FB</u>	_____
City Council	_____	_____

*** PERMIT ***

Permit will be issued after review by above Department Heads and City Council subject to the
following conditions: Compliance with all City Ordinances, Compliance with Department with Public
Works regulations, and Submittal of Certificate of Insurance saving the City harmless from all liability.



BARRICADE

4TH STREET

6TH STREET

COMMERCIAL AVENUE

9TH STREET

BARRICADE

Note:
Side streets will either
be coned or barricaded.





City Council Agenda Bill

Meeting Date: 10/28/2019

Agenda Item: 7a

Subject: Joint Resolution on Inclusion

Contact: Councilmember Ryan Walters

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

Action Type	
	Ordinance No.
	Code Revision?
X	Resolution No. 2060
	Contract
	Public Hearing
	Staff Report

Summary Statement: Expresses the sense of the Council and Mayor in support of inclusion.

Background: Following the [October 14, 2019 City Council meeting](#), an ad hoc Council committee evaluated various changes to the resolution text to address Councilmember Miller's concerns. The revised resolution included in the packet makes several changes (that are explained in bubble comments in the text), notably:

- Shortens the title.
- Clarifies that this is a JOINT resolution of the Council and Mayor (normally, resolutions are only expressions of the Council).
- Makes the section about hate speech into its own bullet and provides a definition based on the hate crime statute, RCW 9A.36.080.
- Adds "color" and "ancestry" to the list of protected classes, which are listed in the statute but were missing from the resolution.
- Deletes "group affiliation" and "political persuasion" from the list of protected classes. To include these items would be overly broad, because political speech and the right to assemble are the most important freedoms guaranteed by the First Amendment and not generally associated with the concept of hate speech.
- Deletes "hatred" by itself as a concept that we oppose, which is a state of mind, not an action.
- Deletes some repetitive sentences. The edits overall reduce the length of the resolution such that it could be printed, framed, and displayed in City Council as a permanent testament to the City's vision of an inclusive community.

Previous Council/Committee Action: This resolution was considered on October 14, 2019 and sent to an ad hoc committee composed of Councilmembers Eric Johnson, Matt Miller, and Ryan Walters to consider changes to the language.

Competing Viewpoints Considered: Councilmember Miller argues that including “speech” is still a slippery slope too far, as many strongly believe certain policy statements by certain political leaders are acts of “hate speech.” The government is prevented from making laws which “...abridge the freedom of speech,” as articulated in the US Constitution. He suggests:

- in the enacting clause, deletion of the term “hate speech”; and
- in the third bullet in the recitals, deletion of the phrase “We firmly reject and condemn, as contrary to our values, acts of hate speech—speech that attacks a person or a group...”

Recommended Motion: I move to amend the motion on the floor to accept the revised text as presented. I move to approve the resolution as amended.

Alternative Actions: As a legislative action, Council could amend the proposed text in any number of ways.

Attachments (listed in order presented):

- Revised Resolution Text (Clean Copy)
- Revised Resolution Text (Showing Track Changes)

RESOLUTION 2060

A JOINT RESOLUTION OF THE CITY COUNCIL AND MAYOR OF ANACORTES DECLARING A CITYWIDE POLICY OF INCLUSION

WHEREAS, as the City’s elected officials recognize the following principles as fundamental and true to the values, unity, and hospitality found throughout the Anacortes community:

- We understand that every person should be measured by the content of their character. The unalienable rights to life, liberty, and pursuit of happiness belong to all people, equally. We expect all individuals to be treated fairly and to be allowed to live their lives with dignity, free from mistreatment and targeting.
- We firmly reject and condemn all acts of racism, harassment, intimidation, and other forms of bullying.
- We firmly reject and condemn, as contrary to our values, acts of hate speech—speech that attacks a person or a group on the basis of race, color, ethnicity, ancestry, national origin, immigration status, gender, gender identity, sexual orientation, age, mental or physical ability, economic status, housing status, social status, system of belief, practice of faith.
- We believe that the clear and noteworthy spirit of our community as a whole is welcoming and kind, richly diverse, and warmly accepting of everyone—locals and visitors alike.
- We are committed to maintaining Anacortes as a welcoming, safe, and just community for everyone. We will continue to work, in cooperation with our community partners, to ensure that consistent with the law our services and programs are accessible and open to all individuals.

NOW, THEREFORE, BE IT JOINTLY RESOLVED BY THE CITY COUNCIL AND MAYOR OF THE CITY OF ANACORTES, WASHINGTON, AS FOLLOWS:

The City Council and Mayor declare it to be the policy of the City that our City is accessible and open to everyone; to vigorously oppose all acts of racism, harassment, intimidation, bullying, and hate speech toward anyone; and to provide equal access to our local government to all persons in our City.

PASSED by the City Council and **APPROVED** by the Mayor this __ day of October, 2019.

CITY OF ANACORTES

Laurie Gere, Mayor

ATTEST:

Steve Hoglund, City Clerk

APPROVED AS TO FORM:

Darcy Swetnam, City Attorney

CITY OF ANACORTES
Anacortes, Washington

RESOLUTION 2060####

A JOINT RESOLUTION OF THE CITY COUNCIL AND MAYOR OF ANACORTES WASHINGTON DECLARING A CITYWIDE POLICY OF INCLUSION AGAINST HATRED, INTOLERANCE, UNLAWFUL DISCRIMINATION, BULLYING AND RELATED ACTS AND SUPPORTING THE CITY'S GOAL OF BEING AN ACCESSIBLE, OPEN AND WELCOMING CITY TO ALL

Commented [RW1]: Resolutions are ordinarily only expressions of the Council, not the mayor. A "Joint Resolution" includes the mayor.

WHEREAS, ~~as City Council and Mayor of the City of Anacortes, we declare it to be the policy of the City to recognize and respect the rights, liberties, safety, dignity and well being of everyone in our community, equally. This includes all who live in, work in, and visit our wonderful city. Asas the City's~~ elected officials, ~~we~~ recognize the following principles as fundamental and true to the values, unity, and hospitality found throughout the Anacortes community:

Commented [RW2]: This section doesn't mirror the resolution text below. Deleting this section shortens up the title and makes it more citable.

Commented [RW3]: Declarations of policy belong in the section following the enactment clause ("therefore be it resolved") and is duplicated there.

- We understand that every person should be measured by the content of their character. The unalienable rights to life, liberty, and pursuit of happiness belong to all people, equally. We expect all individuals to be treated fairly and to be allowed to live their lives with dignity, free from mistreatment and targeting. ~~While free speech is protected under the First Amendment, we will speak out against and discourage hate speech as contrary to our values.~~
- We firmly reject and condemn all acts of racism, ~~hated,~~ harassment, intimidation, and other forms of bullying, ~~regardless of motive whether based on~~
- ~~We firmly reject and condemn, as contrary to our values, acts of hate speech—speech that attacks a person or a group on the basis of race, color, ethnicity, ancestry, national origin, immigration status, gender, gender identity, sexual orientation, age, mental or physical ability, economic status, housing status, social status, system of belief, practice of faith, group affiliation, or political persuasion.~~
- We believe that the clear and noteworthy spirit of our community as a whole is welcoming and kind, richly diverse, and warmly accepting of everyone—locals and visitors alike.
- We are committed to maintaining Anacortes as a welcoming, safe, and just community for everyone. We will continue to work, in cooperation with our community partners, to ensure that consistent with the law our services and programs are accessible and open to all individuals.

Commented [RW4]: Moved and reconstituted below.

Commented [RW5]: These two protected classes are present in RCW 9A.36.080 but were missing here.

Commented [RW6]: These classes are not mentioned by RCW 9A.36.080.

Commented [RW7]: Including group affiliation and political persuasion is overly broad. The freedom to speak without constraint on political issues is the most fundamental freedom protected by the First Amendment.

NOW, THEREFORE, BE IT JOINTLY RESOLVED BY THE CITY COUNCIL AND MAYOR OF THE CITY OF ANACORTES, WASHINGTON, AS FOLLOWS:

~~The City Council and Mayor are committed to maintaining Anacortes as a welcoming, safe, and just community for everyone to live in, work in, and visit. The City Council and Mayor declare it to be the policy of the City that our City is accessible and open to everyone, to vigorously oppose all acts of racism, intoleranceharassment, intimidation, bullying, and hated-hate speech toward anyone, and to provide equal access to our local government to all persons in our City.~~

Commented [RW8]: Duplicated in the last bullet above.

Commented [RW9]: Reconstituted to match the list above.

Commented [RW10]: Hate speech replaces hatred here because hate speech is an act, and hatred is just an expression within one's mind.

PASSED by the City Council, and **APPROVED** by the Mayor this ___ day of October, 2019.

CITY OF ANACORTES

Laurie Gere, Mayor

ATTEST:

Steve Hoglund, City Clerk

APPROVED AS TO FORM:

Darcy Swetnam, City Attorney



City Council Contract Agenda Bill

Meeting Date: 10/28/2019 **Agenda Item:** 7b

Subject: Contract Award - Senior Center Metal Roof Installation #19-066-FAC-001

Staff Contact: Fred Buckenmeyer

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

Action Type: Contract Award

Summary Statement: City staff seeks City Council consent to award a contract in the amount of \$257,504.86 to Esary Roofing and Siding Co. Inc. to perform the Senior Center Metal Roof Installation project. Because of the delay that has been incurred due to 2 previous contractors defaulting on their contracts, and the fact that it takes approximately 7 weeks for the metal roofing product to be ordered and delivered, this contract provides temporary leak repair before the removal of the existing roof and installation of a 24-gauge metal roofing system on the Anacortes Senior Activity Center building.

Background:

1. **History:** The existing roof is a composite and is over 24 years old. In addition the roof used to be pressure washed to clean, so between the age and past maintenance the roof has deteriorated. There are now leaks in several places. Rain is frequent this time of year and it is imperative the roof is temporarily repaired and replaced immediately to prevent further damage to the building and protect the vulnerable population served by the Anacortes Senior Center from falls and mold exposure.
2. **Key Terms:**
 - Total contract price of \$257,504.86 which includes \$20,609.86 in sales tax.
 - The Contractor will begin work the week of 11/4/19 and achieve full completion by 4/1/20.
3. **Competitive Bidding:** At the [9/16/19](#) meeting Council approved [Resolution 2058](#) accepting the findings that an emergency existed for the replacement of the Senior Activity Center roof and waiving bidding requirements.

Previous Council/Committee Action: At the [5/13/19](#) meeting Council approved [Resolution 2041](#) rejecting all bids for this project from the bid opening conducted on April 16, 2019 due to the bids exceeding budgeted available funding for the project. At the [7/8/19](#) meeting Council awarded contract [19-066-FAC-001](#) to Twisted Metal. Work was scheduled to begin on 8/19/19 with a completion date of 9/18/19 but Twisted Metal defaulted on the contract on 8/13/19. At the [9/16/19](#) meeting Council approved [Resolution 2058](#) accepting the findings that an emergency existed for the replacement of the Senior Activity Center roof and waiving bidding requirements. Contract [19-066-FAC-001](#) had been executed on 9/11/19 with Four Seasons Roof and Remodel Services Inc. to perform the emergency roof replacement. Subsequently Four Seasons Roof and Remodel Services Inc. could not meet the contract bonding requirements and defaulted on the contract on 10/7/19. Council considered this contract at its October 21, 2019 meeting and deferred action.

Competing Viewpoints Considered: N/A

Recommended Motion: I move that City Council authorize the Mayor to sign a contract 19-066-FAC-001 with Esary Roofing and Siding Co. Inc. in the amount of \$257,504.86 to perform the Senior Center Metal Roof Installation project.

Alternative Actions: Cancel the project

Attachments: Contract 19-066-FAC-001

Contractor	Esary Roofing and Siding Co. Inc.
Contract Amount	\$257,504.86
Earmarked Funds	\$150,000.00
BARS #	001.713.575.50.41
Budget Amendment Required?	Yes
Revenue Source?	REET
Start Date	Week of 11/4/19
End Date	4/1/2020



CONTRACT 19-066-FAC-001
AGREEMENT WITH
ESARY ROOFING AND SIDING CO. INC.

This Contract is between the City of Anacortes, Washington, a Municipal Corporation (herein after referred to as "City") and Esary Roofing and Siding Co. Inc., a private contractor at 420 Pease Rd, Burlington, WA 98233 (herein after referred to as "Contractor").

PROJECT
Senior Center Metal Roof Installation

1. **Scope of Work:** Contractor shall furnish all materials, equipment and labor to complete the Senior Center Metal Roof Installation at the Anacortes Senior Activity Center, 1701 22nd St, Anacortes, WA 98221 in accordance with and as described in Exhibit A, which is hereby incorporated by reference and made a part hereof.

2. **Contract Price:** The Contractor will perform the scope of work above for a price of **Two Hundred Fifty-Seven Thousand Five Hundred Four Dollars and Eighty-Six Cents (\$257,504.89)**, which includes \$20,609.86 in sales tax at an 8.7% rate. This includes all labor and materials for the project. The following payment terms apply:

Line	Qty	Description	Cost
1	1	Senior Center Metal Roof Installation project	\$231,895.00
2	1	Minor Changes Allowance	\$5,000.00
Subtotal:			\$236,895.00
8.7% Sales Tax:			\$20,609.86
Total:			\$257,504.86

Line Item 1 is lump sum and payable upon completion. Line Item 2 is payable on a time-and-materials basis. To obtain reimbursement of expenses under Line Item 2, the Contractor must furnish supporting documentation for labor hours and materials charged. Expenses under Minor Changes may include replacement of gutters, downspouts, carpentry, or rot repair which are excluded from the lump sum price under Line Item 1. Work under Line Item 2 must be pre-approved and coordinated with the City Project Manager.

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 will begin work no later than the week of November 4, 2019 and shall achieve full completion by April 1, 2020.

5. **Job Safety:** Contractor shall comply with all Department Labor & Industries and City of Anacortes safety standards.

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

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

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

Owner:

City of Anacortes

Mayor

Date

Contractor:

Esary Roofing and Siding Co. Inc.

Signature

Printed Name

Date

Contractor License #



CONTRACT 19-066-FAC-001
EXHIBIT A

SCOPE OF WORK:

1. Perform leak patching repairs as directed by the Project Manager.
2. Remove existing (1-Layer) roofing down to roof deck, dispose of old roofing, dump fee included.
3. Pound or pull all existing fasteners. Clear off roof deck and inspect for structural soundness.
4. Replace any dry rot areas in accordance with Contract Article 2, Line Item 2.
5. Install 24-Gauge "hook eave" drip metal along gutter edges
6. Wrap all penetrations with ice & water shield
7. Apply ASTM rated # 30 lb. Asphalt Saturated Felt underlayment.
8. Install a 24-Gauge, 16" wide, standing seam metal roofing system.
9. Install 24-Gauge valley, end wall, side wall, hip and ridge flashings
10. Install Dek-Tight boots around penetrations
11. Remove and replace existing skylights with new custom sized, flat glass skylights. Install new metal roofing flashings. (These are custom size skylights, approx \$2200.00 each)
12. Remove existing gutters and downspouts and replace with new continuous aluminum, 6" K Style gutters and 3"x4" downspouts.
13. At the end of the day, job site will be left in a neat, professional manner.
14. All roofing and related debris is hauled away and disposed of properly, and legally, leaving the premises clean.

1. Delivery. Advance coordination of the work shall be made with the Project Manager Mac Jackson, (360) 299-1961.

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

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

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

3. 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.

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

5. Withholding Payment. In the event the City determines that the Contractor has failed to perform any obligation under this Contract within the times set forth in this Contract, then the City may withhold from amounts otherwise due and payable to Contractor the amount determined by the City as necessary to cure the default, until the Contracting Officer determines that such failure to perform has been cured. Withholding under this clause shall not be deemed a breach entitling Contractor to terminate or damages, provided that the City promptly gives notice in writing to the Contractor of the nature of the default or failure to perform, and in no case more than 8 days after it determines to withhold amounts otherwise due. A determination of the Public Works Director set forth in such notice to the Contractor of the action required and/or the amount required to cure any alleged failure to perform shall be deemed conclusive, except to the extent that the Contractor acts within the times and in strict accord with the provisions of the Disputes clause of this Contract. The City may act in accordance with any determination of the Public Works Director which has become conclusive under this clause, without prejudice to any other remedy under the Contract, to take all or any of the following actions: (1) cure any failure or default, (2) to pay any amount so required to be paid and to charge the same to the account of the Contractor, (3) to set off any amount so paid or incurred from amounts due to become due the Contractor. In the event the Contractor obtains relief upon a claim under the Disputes clause, no penalty or damages shall accrue to Contractor by reason of good faith withholding by the City under this clause.

6. 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.

7. Inspection.**A. Of the Work**

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

B. Project Manager's Authority

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

8. Warranty. The Contractor agrees to provide a twenty (20) year workmanship warranty and shall return to the project and repair or replace all defects in workmanship discovered within the 20 years after Final Acceptance of the Work, including any necessary labor and materials. The Contractor shall start work to remedy any such defects within 7 calendar days of receiving City's written notice of a defect, and shall complete such work within the time stated in the City's notice. In case of an emergency, where damage may result from delay or where loss of services may result, such corrections may be made by the City's own forces or another contractor, in which case the cost of corrections shall be paid by the Contractor. In the event the Contractor does not accomplish corrections within the time specified, the work will be otherwise accomplished and the cost of same shall be paid by the Contractor. When corrections of defects are made, the Contractor shall then be responsible for correcting all defects in workmanship and materials in the corrected work for 20 years after acceptance of the corrections by City. In addition, the Contractor shall obtain and submit to the City all necessary documentation to secure the Zinco Plus - 25 Year Limited Material Warranty from Nu-Ray Metal products, as well as the Kynar® With Ocean Guard (PVDF) - 50 Year Limited Paint Warranty from Nu-Ray Metal Products, and any other extended manufacturer's warranty and warranty terms. This guarantee is supplemental to and does not limit or affect the requirements that the Contractor's work comply with the requirements of the Contract or any other legal rights or remedies of the City.

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

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

10. 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 at 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 \$1,000,000 each occurrence, \$2,000,000 general aggregate and \$2,000,000 products-completed operations aggregate limit.

E. Extended Coverage for Completed Operations: The Contractor shall maintain Commercial General Liability completed operations coverage for a period of three years following substantial completion of the work for the benefit of the Public Entity by naming the Public Entity an additional insured using Additional Insured-Completed Operations endorsement CG 20 37 10 01 or an endorsements providing at least as broad coverage.

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

G. 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.

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

I. Verification of Coverage: The Contractor shall furnish the City with original certificates and a copy of the amendatory endorsements, including but not necessarily limited to the additional insured endorsements, evidencing the insurance requirements of the Contractor before commencement of the work. Upon request by the City, the Contractor shall furnish certified copies of all required insurance policies, including endorsements, required in this contract and evidence of all subcontractors' coverage.

J. 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.

K. 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.

L. 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.

11. Acceptance. Contractor acknowledges and agrees that these General Provisions are incorporated in, and are a part of, each purchase order or other agreement relating to the provision of goods and/or related services by Contractor. These General Provisions supersede all conflicting or additional terms pre-printed on any purchase order, quote, invoice, or otherwise set forth on any release, acknowledgement, confirmation, requisition, work order, shipping instruction, specification and similar document or communication.

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

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

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

15. 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.

16. The City's Right to Terminate Agreement.

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

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

17. 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.

18. 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.

19. Covenant Against Contingent Fees. The Contractor warrants that he has not employed or retained any company or person, other than a bona fide employee working solely for the Contractor, to solicit or secure this

Agreement, and that he has not paid or agreed to pay any company or person, other than a bona fide employee working solely for the Contractor, any fee, commission, percentage, brokerage fee, gifts, or any other consideration contingent upon or resulting from the award of making of this Agreement. For breach or violation of this warranty, the City shall have the right to annul this Agreement without liability or, in its discretion to deduct from the Agreement price or consideration, or otherwise recover, the full amount of such fee, commission, percentage, brokerage fee, gift, or contingent fee.

20. 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.

21. Force Majeure. Definition: Except for payment of sums due, neither party shall be liable to the other or deemed in default under this Agreement if and to the extent that such party's performance of this Agreement is prevented by reason of force majeure. The term "force majeure" means an occurrence that is beyond the control of the party affected and could not have been avoided by exercising reasonable diligence. Force majeure shall include acts of God, war, riots, strikes, fire, floods, epidemics, or other similar occurrences. Notification: If either party is delayed by force majeure, said party shall provide written notification within forty-eight (48) hours. The notification shall provide evidence of the force majeure to the satisfaction of the other party. 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.

22. 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.

23. 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.

24. 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.

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

26. 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:

Esary Roofing and Siding Co. Inc.
Brett Esary
420 Pease Rd
Burlington, WA 98233

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

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

Release of Bonds

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

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

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

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

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

29. WASHINGTON STATE PREVAILING WAGES

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

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

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



City Council Agenda Bill

Meeting Date: 10/28/2019

Agenda Item: 7c

Subject: Affordable Housing Resource Options

Staff Contact: Steve Hoglund, Don Measamer

Approved for Submittal to Council by	
x	Laurie Gere, Mayor
x	Steve Hoglund, Finance Director
x	Don Measamer, Planning Director

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

Summary Statement: This is continued discussion of exploring potential affordable housing resources.

Background: The City Council HACS and Finance committees were interested in exploring the funding options available to Cities that could be used in support of housing options that could help low income and homeless citizens. SHB 1406 and RCW 82.14.530 authorize funding that can be used towards affordable housing.

Budget Impact	
Amount Budgeted	
Budget Account (BARS)	
Proposed Expenditure	
Budget Amendment Required?	
Revenue Source	

Proposed Contract	
Contractor	
Amount	
Start Date	
End Date	

Previous Council/Committee Action: On [August 26, 2019](#) Council adopted [Resolution 2054](#) expressing City's intent to collect the State's low income housing credit; [September 3, 2019](#) staff report to City Council on homelessness; October 9, 2019 Finance Committee meeting with AHA and AFC representation.

Competing Viewpoints Considered: This is a staff report, N/A

Recommended Motion: N/A

Alternative Actions: N/A

Attachments (listed in order presented): PowerPoint on Affordable Housing Resource options; memo from Finance Committee.

Affordable Housing

- ❑ Outline of Topics to be reviewed:
 - ❑ Substitute House Bill (SHB) 1406: Encouraging investments in affordable and supportive housing.
 - ❑ Qualifying Local Tax (QLT)
 - ❑ SHB 1406 and QLT Revenue Projections
 - ❑ Local eligible projects
 - ❑ The Proposal

SHB 1406

Leveraging Investments in Affordable and Supportive Housing

- ❑ The legislation authorizes an allocation from the State of .0073% or .0146% of the City's gross sales through adoption of a resolution of intent and Ordinance of adoption.
 - ❑ The full .0146% is only available to City's if a QLT is authorized by voters.
- ❑ The intent of the legislation is to encourage local government investments in affordable and supportive housing



- ❑ On 8/26/2019: Council adopted Resolution 2054, which expressed the City's intent to adopt legislation to authorize collection of the Affordable Housing sales tax credit.
- ❑ 7/27/2020 is the deadline to adopt legislation to authorize the collection of the Affordable Housing sales tax credit.

Qualifying Local Tax (QLT)



- ❑ Qualifying Local Tax (QLT): RCW 82.14.530 authorizes a sales tax increase of at least .05% (half of 1 tenth) or a maximum of .1% (1 tenth) if approved by the voters.
- ❑ The State of Washington only allows increases in sales tax to occur on January 1, April 1, or July 1.
 - ❑ And only after a 75 day notification period to DOR.
- ❑ For an effective sales tax date of July 1, 2020, the initiative would have to be on the special election ballot of February 11, 2020.
 - ❑ Filing date with Skagit County is December 13, 2019.
 - ❑ Estimated cost of special election between \$25,000 and \$50,000, depending on other entities on the ballot.
 - ❑ The April 2020 special election would have a sales tax effective date of January 1, 2021.
- ❑ Adoption of the QLT would authorize the City to retain the full .0146% sales tax authorized under SHB 1406.

SHB 1406 and QLT Revenue Projections

- ❑ SHB 1406 revenues are capped based on the City's retail sales tax collected between 7/1/2018 – 6/30/2019.
 - ❑ During the last economic slowdown the sales tax revenue decrease between the peak the floor was over 25% (from 3.9M to 2.9M).

- ❑ Estimate of City's retail sales: \$570,623,288
- ❑ SHB1406 half portion only .0073%: \$41,655

- ❑ SHB1406 full portion of .0146%: \$83,311
- ❑ 1/10th QLT sales tax: \$570,623
- ❑ Total potential collection: \$653,934
- ❑ Implementing a 25% buffer: (163,484) set aside in Trust
- ❑ Annual spendable cash: \$490,450

SHB 1406 and QLT Revenue Projections

- ❑ RCW 82.14.530(5) states that up to 50% of the revenues can be used for debt service.
 - ❑ If the City were to retain the 1/10th sales tax, it would limit a City bond issue to \$3.75M over 20 years.
 - ❑ It would leave annual revenues of \$215K unspent.
- ❑ An alternative is to contract with local agencies to use that sales tax for affordable housing purposes.

Potential Projects

Anacortes Family Center

❑ 26th St Project

- Affordable housing and childcare
- 20 units, with the first floor dedicated to childcare.
- \$3.75-\$4 million.
 - QLT could support up to \$3M.



Potential Projects

Anacortes Housing Authority

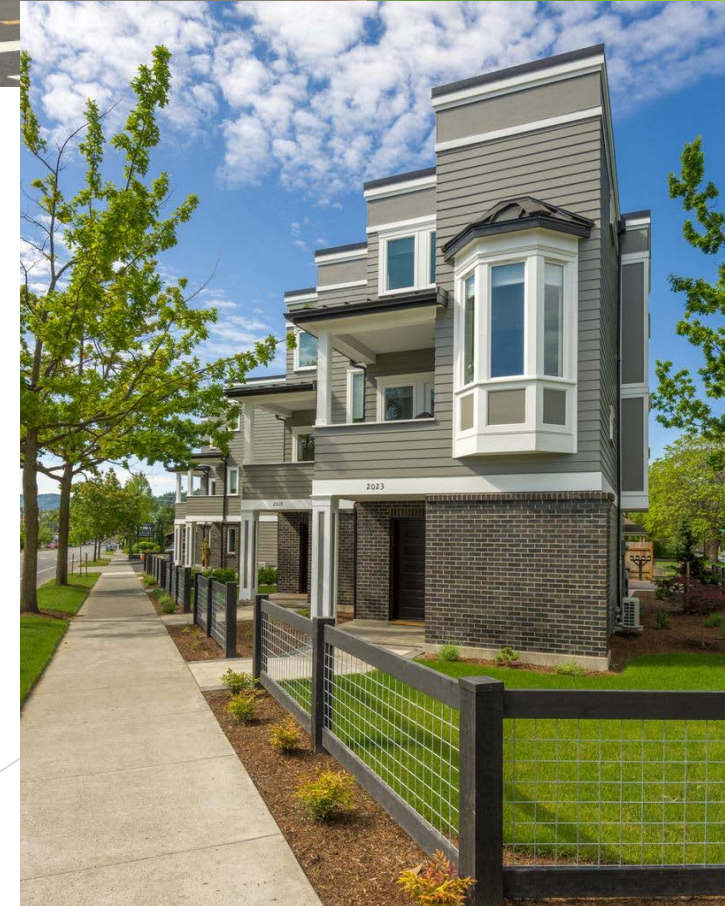
❑ Olson Building

- 15 – 20 units.
- 1st floor would remain Commercial space.
- \$3.5 – 4 million project.
 - QLT could support up to \$2M



❑ Townhouses

- 5 units.
- \$1.5 – \$2 million.
 - QLT could support up to \$1.5M



The Proposal

- ❑ Council adopts an ordinance to authorize the collection of the Affordable Housing Sales Tax Credit.
- ❑ Adopt a resolution to place the measure on the February 11th special election ballot to collect 1/10th of one percent (.1%), and allocate that revenue to support affordable housing per RCW 82.14.530.
 - ❑ Resolution due to the County by December 13, 2019.
- ❑ If the sales tax measure passes in February:
 - ❑ City will sign a 20 year interlocal agreement with the AHA to allocate funding to support the Olson and Townhouse projects.
 - ❑ City will sign a 20 year contract with AFC to fund the 26th Street project.
 - ❑ After notice requirements to DOR, sales tax will go into effect July 1, 2020.
 - ❑ City will receive first QLT sales tax installment September 30, 2020.
 - ❑ Potentially, revenues transferred to AHA and AFC October 2020.

Memorandum



To: City Council
From: Council Finance Committee (Eric Johnson, Bruce McDougall, Ryan Walters)
Date: October 23, 2019
Re: Financing Proposal for Affordable Housing Projects

Background	1
Recent Council Action	1
Recent State Legislation	2
Proposal	2
Shovel-Ready Projects in Anacortes	4

Background

Housing affordability and accessibility has been a major focus of the City for the last several years. According to the federal department of Housing and Urban Development, 33% of Anacortes households (48% of renters and 25% of owners) are housing-cost burdened,¹ meaning they spend more than 30% of their income on housing and therefore may have difficult affording other necessities such as food, clothing, transportation, and medical care.

The current need for affordable homes in Anacortes to accommodate the families in the 50% or less income categories is 330. According to the 2015 Berk Study², this translates to nearly 971 new housing units to meet our current and projected needs through 2036 for affordable housing.

Recent Council Action

The City has recognized the need to take action on many fronts if it is to improve housing affordability and accessibility to all sections of the Anacortes community. The City included a number of policies to support housing affordability in the 2016 Comprehensive Plan update. The City Council then established the [Housing Affordability & Community Services Committee](#) in January 2016, which produced a [strategic plan](#) (later adopted by City Council). The City has considered (but not adopted) a [multi-family housing tax credit program](#), which is separate from and not connected to the proposal described by this memo. The Council Finance Committee ("CFC") has been working with Finance Department staff to develop the

¹ HUD, Consolidated Planning/Comprehensive Housing Affordability Strategy Data, 2012-2016 data, available at https://www.huduser.gov/portal/datasets/cp/CHAS/data_querytool_chas.html

² BERK Consulting, Skagit County Affordable Housing Needs, July 2015, available at https://www.skagitcounty.net/HumanServices/Documents/Housing/HousingNeed_CityProfiles.pdf

following proposal for financing three affordable housing projects. This proposal is an evolution of the discussions at the [June 24](#), [July 1](#), [August 19](#), and [August 26](#) City Council meetings.

Recent State Legislation

New state legislation presents new opportunities to the City to retain existing sales tax that now goes to the State, by leveraging a voter-approved sales tax for affordable housing.

In this year's session, the State Legislature adopted [Substitute House Bill 1406](#) which allows a city or county to obtain a portion of the state share of the sales tax for use for affordable housing. The allowed uses of those funds are:

- acquiring, rehabilitating, or constructing affordable housing, which may include new units within an existing structure or facilities providing supportive housing services under RCW 71.24.385 (behavioral health organizations);
- operations and maintenance costs of new units of affordable or supportive housing;
- rental assistance for tenants at or below 60% of area median income.

The legislation is complicated. The amount of funding available from the state with no further action is 0.0073% (which in Anacortes, is equal to about \$41,655 annually). On August 26, the City Council adopted [Resolution 2054](#) declaring our intent to retain this portion of the sales tax.

But if the City adopts an affordable housing sales tax under [RCW 82.14.530](#), the City would obtain 0.0146% (about \$83,311 annually) for 20 years of the state's share of the existing sales tax, in addition to the revenue from the additional local sales tax. That affordable housing sales tax, which would have to be approved by the voters, could be imposed at a 1/2 of 1/10 of 1% rate, or up to 1/10 of 1% rate (which would yield about \$570,623 annually). The allowed uses of the affordable housing sales tax are:

- constructing affordable housing, which may include new units of affordable housing within an existing structure, and facilities providing housing-related services;
- constructing mental and behavioral health-related facilities;
- funding the operations and maintenance costs of new units of affordable housing and facilities where housing-related programs are provided, or newly constructed evaluation and treatment centers;
- up to 40% of the money collected may be spent on operation, delivery, or evaluation of mental and behavioral health treatment programs and services or housing-related services.³

Proposal

We propose that the City Council place an affordable housing sales tax in the amount of 1/10 of 1% on the February 11 special election ballot.

The affordable housing sales tax would allow us to receive both SHB 1406 increments of the state sales tax plus the revenue from the new sales tax. Together, these funding sources would yield approximately \$654,000 annually, using 2019 sales figures, for a 20-year period.

³ RCW 82.14.530(2)(a).

Revenue Source	How Authorized	Annual Amount
Retention of 0.0073% State Sales Tax (1st Increment)	SHB 1406, via Council resolution	\$41,655
Retention of 0.0073% State Sales Tax (2nd Increment)	SHB 1406, only if voters approve Affordable Housing Sales Tax below	\$41,655
Voter-Approved 1/10 of 1% Affordable Housing Sales Tax	Council must place on ballot; Voters must approve	\$570,623
	Total	\$653,963

Because this funding source is based on sales, the amount of annual revenue is subject to fluctuations in the local economy. City Finance Department analysis of historical sales suggest we should retain at least 25% of the annual amount in a reserve fund to cover shortfalls that are likely to occur over the 20-year period of the tax. Used to support bank loans or bonds, that annual amount could raise \$6.5 million for immediate spending on housing.⁴

If the affordable housing sales tax measure passes, the City would enter into contracts with the Housing Authority and the Family Center to fund the three projects described in this memo by providing a stream of payments that would enable the AHA and the Family Center to obtain bank loans or other financing that would provide them sufficient cash to immediately fund their projects. The funding amounts would be (approximately):

Project	Funding Stream Sufficient to Access
AHA Townhouses	\$1.5 million
AHA Olson Building	\$2.0 million
AFC 26th Street Affordable Housing	\$3.0 million
Totals	\$6.5 million

Both entities have confirmed to the Council Finance Committee that this arrangement would enable them to access the capital required to proceed with the projects. The contracts would:

- Commit AHA/AFC to building the described project and providing affordable housing consistent with the statute, on a specified timeline.
- Commit the City to providing the funding stream described in the chart above. The City would take on the risk of shortfall. Because these revenue sources are sales taxes, we recommend we commit only 75% of that projection to immediately fund housing projects, and retain 25% of the revenue stream in a trust fund to ensure the City's obligations are covered during recessionary periods.

With adoption of the new affordable housing sales tax, our community would be contributing approximately \$570,000 annually in new revenue, but also leveraging that to access an additional

⁴ State law allows the City to use only 50% of the proceeds of the affordable housing sales tax for a bond.

\$83,000 annually in sales tax that is already being collected by the state, but would under this proposal be reallocated to Anacortes.

Shovel-Ready Projects in Anacortes

① AHA Townhouses

The [Anacortes Housing Authority](#) is a government agency that owns several housing facilities in Anacortes including the Wilson Hotel, Harbor House, and Bayview Apartments. The AHA currently owns 183 units that house approximately 350 people that have few—if any—other housing options.⁵ They have nearly 200 households on their waiting list, and give preference to local residents.

The AHA recently purchased a lot on 19th Street between Commercial and O Avenues on which they propose to build **five townhouses**. The AHA's rough estimated price tag for the project is **\$1.5-1.65 million**. The project does not require conditional use permits. Construction could occur immediately after funding.



② AHA Olson Building

The Housing Authority recently acquired the historic Olson Building, on the corner of 3rd Street and Commercial Avenue, from the Port of Anacortes with the intent to renovate and restore the building, preserve the business spaces along Commercial Avenue, and make **15-20 housing units** available to low-income tenants on the second floor. Preservation of the building is the AHA's stated primary goal, with preservation of at least the building façade at a minimum.⁶



The AHA's rough estimated price tag for the project is \$3.5-4 million. Construction would likely occur during 2021.

⁵ [Memo from AHA Commissioner Susan Rooks](#) (August 22, 2019).

⁶ Photo by Steve Halverson. CC BY-NC-SA 2.0. <https://www.flickr.com/photos/stevehalverson/6884301121/>

③ Family Center

The Anacortes Family Center owns property at 1019 26th Street, adjacent to its existing housing project at 1016 27th Street, on which it proposes to construct **20 apartments** in a new four-story building behind the hospital. The building would replicate the 27th Street building's floorplan except for addition of a first-floor childcare space to support the residents.



The Family Center's estimate price tag is **\$3.75-4 million** (approximately \$3 million of which is attributable to the first three floors). AFC has already lined up a contractor, which is on notice to being work within one quarter of obtaining funding.



City Council Agenda Bill

Meeting Date: 10/28/2019

Agenda Item: 7d

Subject: Resolution 2061: Special Election Ballot for Qualifying Local Tax for Affordable and Supportive Housing

Staff Contact: Steve Hoglund, Don Measamer, Darcy Swetnam

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

Action Type	
	Ordinance No.
	Code Revision?
x	Resolution No. 2061
	Contract
	Public Hearing
	Staff Report

Summary Statement: RCW 82.14.530 authorizes the City to present a proposition to the voters to increase sales tax by .1% the revenue from which would be used towards affordable housing.

Background: The attached resolution would authorize a vote by the citizens of Anacortes to increase sales tax by one tenth of one percent to provide funding for affordable and supportive housing. The cost of the special election will be paid by those government that have items for vote on the ballot. The City portion of the cost of the election is expected to be between \$20,000 and \$40,000.

Budget Impact	
Amount Budgeted	0
Budget Account (BARS)	001.110.514.90.41
Proposed Expenditure	\$20K-\$40K
Budget Amendment Required?	Yes
Revenue Source	Cash reserves

Proposed Contract	
Contractor	County Auditor
Amount	
Start Date	
End Date	

Previous Council/Committee Action: On [August 26, 2019](#) Council adopted [Resolution 2054](#) expressing City's intent to collect the State's low income housing credit; [September 3, 2019](#) staff report to City Council on homelessness; October 9, 2019 Finance Committee meeting.

Competing Viewpoints Considered: Along with Mount Vernon, the City sales tax is already the highest in the county, this will make the City's tax rate highest, with the potential to reduce sales on large ticket items such as vehicles and boats. Therefore this tax increase should not be adopted.

Recommended Motion: I move to adopt Resolution 2061 authorizing a vote by Anacortes citizens to increase sales tax from 8.7% to 8.8% to fund affordable housing.

Alternative Actions: Do not adopt the resolution, keep sales tax at 8.7%.

Attachments (listed in order presented): Draft Resolution 2061

RESOLUTION NO. 2061

**A RESOLUTION OF THE ANACORTES CITY COUNCIL PROVIDING FOR THE
SUBMISSION TO THE VOTERS A PROPOSITION TO IMPOSE A QUALIFYING
LOCAL TAX ON THE FEBRUARY 11, 2020 SPECIAL ELECTION BALLOT, TO
AUTHORIZE A SALES AND USE TAX IN THE AMOUNT OF ONE-TENTH OF
ONE PERCENT PURSUANT TO RCW 82.14.530 FOR AFFORDABLE AND
SUPPORTIVE HOUSING.**

WHEREAS, the City of Anacortes (the City) has identified a shortage of available housing for those citizens of the City who meet low income criteria, or are currently homeless; and

WHEREAS, the City desires to establish a means of mitigating that shortage of affordable housing and develop options within the City of Anacortes for those low income and homeless citizens; and

WHEREAS, RCW 82.14.530 allows for a Qualifying Local Tax (QLT) additional sales tax of up to 1/10th of 1% to be added to the City's retail sales tax rate if a majority of voters approve the proposition; and

WHEREAS, SHB 1406 was adopted by the Washington State Legislature which allows the City to receive either .0146% or .0073% of sales tax receipts that will be paid out of the State's portion of its 6.5% sales tax rate; and

WHEREAS, the City can only receive the higher amount of .0146% if a QLT is authorized by City voters; and

WHEREAS, the City desires to implement that QLT and receive the full .0146% tax from the State in support of affordable housing; and

WHEREAS, the City Council plans to use any funds received from the QLT to enter into contracts with the Anacortes Housing Authority and Anacortes Family Center to construct or improve local townhouses, the Olson Building, and affordable housing on 26th Street; and

WHEREAS, the City Council considered this matter at a regular City Council meeting, has given this matter careful review and consideration, and find that good government and the best interests of the City will be served by passage of this resolution.

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

Section 1. Findings. The City Council finds that it is in the best interests of the City to submit to the qualified voters, at a special election to be held on February 11, 2020, a proposition authorizing the City to impose a sales and use tax of one-tenth of one percent (0.1%) pursuant to RCW 82.14.530 for the purpose of raising revenue to invest in affordable housing. A minimum of 60% will be used for the following:

- Constructing affordable housing, which may include new units of affordable housing within an existing structure, and facilities providing housing-related services; or
- Constructing mental and behavioral health-related facilities; or

- Funding the operations and maintenance costs of new units of affordable housing and facilities where housing-related programs are provided, or newly constructed evaluation and treatment centers.

The remainder of the moneys collected under this section must be used for the operation, delivery, or evaluation of mental and behavioral health treatment programs and services or housing-related services.

To carry out these purposes, the city council has the authority to issue general obligation bonds within the limitations now or hereafter prescribed by the laws of this state, and may use, and is authorized to pledge, up to fifty percent of the moneys collected under this section for repayment of such bonds, in order to finance the provision or construction of affordable housing, facilities where housing-related programs are provided, or evaluation and treatment centers.

Section 2. The Skagit County Auditor as ex officio supervisor of elections in Skagit County, Washington, is hereby requested to call and conduct such election to be held within the City on February 11, 2020 and to submit to the qualified electors of the City for their approval or rejection a proposition to impose a sales and use tax to be levied in the amount of one-tenth of one percent (0.1%) of the selling price in the case of a sales tax or value of the article used in the case of the use tax. The sales and use tax authorized by this section is in addition to any other taxes authorized by law and shall be collected from those persons who are taxable by the State of Washington under Chapters 82.08 and 82.12 RCW upon the occurrence of any taxable event within the boundaries of the City. The Finance Director, acting as the City Clerk, is hereby authorized and directed to certify no later than December 13, 2019, to the Elections Supervisor a copy of this resolution and following proposition to be submitted to the qualified electors at that election, in substantially the following form:

CITY OF ANACORTES, WASHINGTON

SALES AND USE TAX FOR AFFORDABLE HOUSING

The Anacortes City Council adopted Resolution 2061 concerning a sales and use tax, intended to fund affordable housing investment in the City. The proposition authorizes a sales and use tax of one-tenth of one percent on taxable retail sales within the City per RCW 82.14.530. Revenues would fund affordable housing projects and improvements.

Should this proposition be approved?

YES..... ☐

NO..... ☐

For purposes of receiving notice of the exact language of the ballot proposition required by RCW 29A.36.080, the City Council hereby designates: (a) the Finance Director; and (b) the City Attorney, as the individuals to whom such notice should be provided. The Finance Director and City Attorney are each authorized individually to approve changes to the ballot title, if any, deemed necessary by the Director of Elections.

The Finance Director is authorized to make necessary clerical corrections to this resolution including but not limited to, the correction of scrivener's or clerical errors, references, resolution numbering, section/subsection numbers, and any reference thereto.

The City of Anacortes officials are authorized to perform such duties as are necessary or required by law to submit the question of whether the sales and use tax shall be imposed, as provided in this resolution, at the February 11, 2020 election.

Section 3. Severability. If any provision of this resolution shall be declared by any court of competent jurisdiction to be invalid, then such provision shall be null and void and shall be separable from the remaining provisions and shall in no way affect the validity of the other provisions, or of the imposition or collection of the tax authorized herein.

INTRODUCED, PASSED AND APPROVED BY THE CITY COUNCIL OF THE CITY OF ANACORTES ON THIS ____ DAY OF _____, 2019.

Laurie Gere, Mayor

APPROVED AS TO FROM:

Darcy Swetnam, WSBA #40530 City
Attorney

ATTEST:

Steven D. Hoglund
City Clerk



City Council Agenda Bill

Meeting Date: 10/28/2019

Agenda Item: 7e

Subject: Memorandum of Understanding: Update to Collective Bargaining Agreement by and between the City of Anacortes and IAFF 1537

Staff Contact: Vanessa Bronsema

Approved for Submittal to Council by:
Vanessa Bronsema, HR/Labor Relations
Manager

Action Type: Contract

Summary Statement: City Staff seeks City Council approval for a memorandum of understanding (MOU) between the City Administration and the International Association of Firefighters Local 1537 (IAFF 1537). The MOU clarifies operational language in the collective bargaining agreement (CBA), and has no additional budget impact.

Background: The City of Anacortes and IAFF 1537 have a current CBA in effect from January 1, 2018 through December 31, 2020. Fire Chief Oliveri started with the Anacortes Fire Department in November 2018. The MOU clarifies operational questions raised by the Fire Chief and the union in the current term of the CBA. The MOU serves as an addendum to the contract, and the language will be reviewed during the normal collective bargaining process to commence in 2020. The union has already voted to approve the MOU.

Budget Impact: No direct budget impact.	
Amount Budgeted	N/A
Budget Account (BARS)	N/A
Proposed Expenditure	N/A
Budget Amendment Required?	N/A
Revenue Source	N/A

Proposed Contract	
Contractor	N/A
Amount	N/A
Start Date	N/A
End Date	N/A

Previous Council/Committee Action: City Council approved the current agreement with IAFF 1537 via [Resolution 2003](#) on [November 27, 2017](#).

Competing Viewpoints Considered: N/A

Recommended Motion: I move that City Council authorize the Mayor to sign the MOU between the City of Anacortes and IAFF 1537.

Alternative Actions: N/A

Attachments (listed in order presented): MOU by and between the City of Anacortes and International Association of Firefighters Local 1537

Memorandum of Understanding

Article 14: 72-hour OT bank clarification, **Article 22:** Continuous hours worked

October 28, 2019

This Memorandum of Understanding is between the City of Anacortes and the International Association of Fire Fighters Local 1537.

New language is in **bold and underline**. Stricken language is represented with a ~~strikethrough~~ line.

Resolution: Both AFD administration and L1537 acknowledge that:

1. Article 14 – Vacation, Overtime bank usage clarification (p. 11):

Current language:

Each employee shall be allowed a maximum of 72 hours per year where an overtime impact may be created by taking vacation while another employee is on military leave, vacation, or Kelly day.

New language:

*Each employee shall be allowed a maximum of 72 hours per year where an overtime impact may be created by taking vacation while ~~another employee is~~ **other employees are** on military leave, vacation, or Kelly day. **The maximum total number of employees permitted to be on vacation, military leave, and Kelly day at the same time is four (4). Additional vacation requests will not be approved until all other vacancies have been filled without force hire.***

2. Article 22 – Workweek, Section 3; Maximum Consecutive Hours Worked (p. 17):

Current language:

Staff are limited to working no more than 72 consecutive hours as a result of overtime, force hire, schedule, or trades; however, management retains the ability to exceed this limit in emergent situations.

New language:

*Staff are limited to working no more than 72 consecutive hours **within an 84-hour period** as a result of overtime, force hire, schedule, or trades. **A mandatory minimum of 12 consecutive hours off from all emergency response duties is required.** However, management retains the ability to exceed this limit in emergent situations. **If AFD administration invokes the “emergent situation” exception provision, the Union shall be notified as soon as is practical.***

Review: AFD administration and L1537 agree to review this language for continued applicability during the collective bargaining process to commence in 2020.

Dated this ____ day of _____, 2019.

By _____
Qben Oliver, IAFF 1537 President

By _____
Laurie Gere, Mayor

By _____
Vanessa Bronsema, Labor Relations Manager

By _____
David Oliveri, Fire Chief

ATTEST:

By _____
Steve Hoglund, City Clerk



City Council Agenda Bill

Meeting Date: 10/28/2019

Agenda Item: 7f

Subject: Ordinance 3056: Amending Section 1.30.070(A) and (B) and Adding New Section 1.30.080 for Municipal Fiber Contract Administration

Staff Contact: Darcy Swetnam

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

Action Type	
x	Ordinance No. 3056
	Code Revision? Yes
	Resolution No.
	Contract
	Public Hearing
	Staff Report

Summary Statement: The proposed Ordinance will allow the City to more efficiently track and execute contracts for residential and business-class Internet services.

Background: The current requirements for contracting in AMC Chapter 1.30 require all contracts to be numbered in a certain way, posted online, and executed by either the Mayor or City Council. With the planned deployment of residential and business-class Internet services to a large number of Anacortes residents and businesses, these requirements pose administrative challenges for the fiber department. Therefore staff recommends Council adopt the attached ordinance to amend the AMC to except residential and business-class Internet service contracts from the numbering and posting requirements and to allow the fiber department director to execute those agreements. These code changes will not apply to larger direct Internet access contracts or to dark fiber leases. However, this will allow more efficient administration of those contracts using the City's standard contract provisions and pricing structure.

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

Proposed Contract	
Contractor	N/A
Amount	
Start Date	
End Date	

Previous Council/Committee Action: City Council considered a draft of this ordinance at its regular meeting on [October 21, 2019](#).

Competing Viewpoints Considered: Staff have considered many angles to allow for efficient administration of fiber contracts and recommend the attached code update.

Recommended Motion: I move we adopt Ordinance 3056 Amending Section 1.30.070(A) and (B) and Adding New Section 1.30.080 for Municipal Fiber Contract Administration.

Alternative Actions: Postpone or decline to adopt Ordinance 3056

Attachments (listed in order presented): Ordinance 3056

Ordinance No. 3056
An Ordinance Amending Section 1.30.070 (A) and (B) of the Anacortes
Municipal Code and Adding New Section 1.30.080 to the Anacortes Municipal
Code Regarding Executing Contracts for Residential and Business Class
Internet Services

Whereas the City Council of the City of Anacortes desires to provide reliable, high-speed internet to the residents and businesses of Anacortes, for the benefit and growth of economic and community goals; and

Whereas the Anacortes Municipal Code currently does not provide the proper procedure for numbering, recording, and executing contracts for residential and business-class Internet services; and

Whereas the City Council desires to adopt regulations for numbering, recording, and executing contracts for residential and business-class Internet services.

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

Section 1. Anacortes Municipal Code Sub-Section 1.30.070(A) is revised to read as follows:

The City Contract Specialist must assign every contract and modification a unique identifier. Contracts must be identified in the form YY-###-CAT-###, where YY is the two-digit year of project initiation and ### is a number with leading zeros incremented for each contract approved that resets to 1 at the beginning of each year. CAT is the category of the contract, and the final ### is the number of the instrument related to the project. This sub-section does not apply to contracts between the City and customers for residential or business-class Internet service [alternative addition: or to contracts for direct Internet access]..

Section 2. The Anacortes Municipal Code Sub-Section 1.30.070(B) is revised to read as follows:

Effective August 1, 2018, all contracts must be recorded in the city's electronic records management system and made available to the public on the city's website within five days of approval. This sub-section does not apply to contracts between the City and customers for residential or business-class Internet service [alternative addition: or to contracts for direct Internet access].

Section 3. A new Anacortes Municipal Code Section 1.30.080 entitled "Approval of contracts for residential and business-class Internet service" is hereby adopted to read as follows:

A. The director of the fiber department is authorized to approve contracts that meet all of the following criteria:

1. The contract is exclusively for the city's provision of residential and business-class Internet services.
2. The contract includes the Master Services Agreement approved by the City Attorney.

B. Any contract that the director of the fiber department is not authorized to approve must be approved pursuant to AMC Chapter 1.30.

Section 4. This ordinance shall take effect five (5) days from and after its passage, approval and publication in the manner required by law.

PASSED and APPROVED this ____ day of _____, 2019.

CITY OF ANACORTES:

Laurie Gere, Mayor

Attest:

Steve Hoglund, City Clerk-Treasurer

Approved as to Form:

Darcy Swetnam, WSBA #40530 City Attorney



City Council Agenda Bill

Meeting Date: October 28, 2019

Agenda Item: 7g

Subject: Resolution of the City Council Opposing Initiative Measure No. 976

Staff Contact: Emily Schuh

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

Action Type	
	Ordinance No.
	Code Revision?
X	Resolution No. 2064
	Contract
	Public Hearing
	Staff Report

Summary Statement: The Anacortes City Council expresses its opposition to Initiative No. 976 and encourages the citizens of Anacortes to reject Initiative No. 976, a measure repealing or removing authority to impose certain vehicle taxes and fees, including charges funding mass transit or regional transportation; change vehicle valuation laws; and limit motor vehicle license fees to \$30, except voter-approved changes; at the November 2019 General Election.

Background: RCW 42.17A.555 permits the City Council to oppose a ballot proposition at an open public meeting so long as notice of the meeting includes the title and number of the ballot proposition and those expressing an opposing view are afforded an approximately equal opportunity to express an opinion. The Office of Financial Management has prepared a Fiscal Impact Statement:

<https://www.ofm.wa.gov/sites/default/files/public/budget/ballot/2019/FiscalImpactStatementInitiative976-093019.pdf>

Budget Impact	
Amount Budgeted	
Budget Account (BARS)	
Proposed Expenditure	
Budget Amendment Required?	
Revenue Source	

Previous Council/Committee Action: N/A

Competing Viewpoints Considered: Take no action.

Recommended Motion: I move to adopt Resolution 2064 as presented

Alternative Actions: Move to modify the resolution; do not adopt the resolution

Attachments (listed in order presented): Resolution 2064

RESOLUTION NO. 2064

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ANACORTES, WASHINGTON, OPPOSING INITIATIVE MEASURE NO. 976, AN INITIATIVE SEEKING TO REPEAL AUTHORITY TO IMPOSE CERTAIN VEHICLE TAXES, CHANGE VEHICLE VALUATION LAWS, AND LIMIT MOTOR VEHICLE LICENSE FEES TO \$30.00.

WHEREAS, Initiative No. 976 was filed with the Washington State Legislature which did not act on the Initiative during the 2019 legislative session and, therefore, pursuant to RCW 29A.72.260, the Initiative is presented to Washington State voters at the November 2019 General Election; and

WHEREAS, the Office of Financial Management has estimated that the total revenue loss to the state in the next six years is \$1,922,643,101 and that the total revenue loss to local governments in the next 6 years is \$2,317,121,034.

WHEREAS, the projected loss of revenue impacts the City of Anacortes with reductions in the State Patrol Highway Account which includes ferry vessel and terminal security and the Motor Vehicle Account which is the main source of funds for highway construction, maintenance, ferries and support services; the Motor fuel tax revenues which are distributed to cities and counties for road programs; and the Multimodal Transportation Account which funds all modes of transportation projects including public transportation, ferry operations and capital programs, rail and bicycle/pedestrian projects, and safe routes to schools.

WHEREAS, if passed by the voters in the November 2019 General Election, the Initiative would lower motor vehicle and light duty truck weight fees (car tab fees) to \$30; and

WHEREAS, the Initiative would reduce state eliminate the 0.3 percent sales tax on vehicle purchases; and

WHEREAS, the Initiative would lower the electric vehicle, snowmobile, and commercial trailer fees; and

WHEREAS, RCW 42.17A.555 permits the City Council to oppose a ballot proposition at an open public meeting so long as notice of the meeting includes the title and number of the ballot proposition and those expressing an opposing view are afforded an approximately equal opportunity to express an opinion;

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF ANACORETES, WASHINGTON, HEREBY RESOLVES:

Section 1. Statement in Opposition to Initiative No. 976. The Anacortes City Council hereby expresses its opposition to Initiative No. 976 and encourages the citizens of Anacortes to reject Initiative No. 976, a measure repealing or removing authority to impose certain vehicle

taxes and fees, including charges funding mass transit or regional transportation; change vehicle valuation laws; and limit motor vehicle license fees to \$30, except voter-approved changes; at the November 2019 General Election.

Section 2. This Resolution shall take effect and be in full force immediately upon passage by the City Council.

PASSED AND ADOPTED this 28th day of October 2019.

City of Anacortes, Washington

By Laurie M. Gere, Mayor

Attest:

Steven D. Hoglund, City Clerk

Approved as to form:

Darcy Swetnam, City Attorney



Anacortes City Council

Proposed Agenda Items for the Next Eight Weeks Beginning October 30, 2019

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

October 30, 2019

Special Meeting: 6:00 p.m. Shoreline Master Program Update Open House

November 4, 2019

- Public Hearing: Ordinance 3057: Amending the 2019 – 2024 CFP Budget (Discussion/Possible Action)
- Public Hearing: Ordinance ____: 2019/2020 Budget Mid-biennial Review and Modification (Discussion)
- Ordinance 3055: Amending the 2019/2020 Biennial Budget - 3rd Quarter Budget Amendment
- Parks and Recreation Comprehensive Plan (Discussion)
- Waste Management Recycling Update (Discussion)
- Ordinance 3053: Regulating the Distribution of Single-use Carryout Bags by Retail Establishments (Discussion/Possible Action)
- Memorandum of Understanding: Fidalgo Water System (Discussion)

November 12, 2019

- Ordinance ____: 2019/2020 Budget Mid-biennial Review and Modification (Discussion/Possible Action)
- Resolution ____: Setting the City's Year 2020 Property Tax Regular Levy Increase (Action)
- Ordinance 3052: Updating AMC Chapter 12.50, Street and Alley Vacation (Discussion)

November 18, 2019

- Solid Waste Collection Schedule Review (Discussion)
- Resolution 2062: Updating Unified Fee Schedule for Updated Sewer Rates and Updated General Facilities Charges (GFCs) for Water and Sewer (Discussion/Possible Action)
- Contract Award: Anacortes Municipal Broadband Installation – CBD, Pilot 1, Pilot 2 #19-181-FBR-001 (Discussion/Possible Action)

November 25, 2019

December 2, 2019

December 9, 2019

December 16, 2019

December 23, 2019

Upcoming City Council Committee Meetings

The public is welcome to attend City Council Committee Meetings.

- Planning, Monday, Oct 28, 2019, 5:00 PM, Main Conference Room, City Hall
- Public Works, Monday, Nov 4, 2019, 5:00 PM, Main Conference Room, City Hall
- Port/City Liaison, Tuesday, Nov 5, 2019, 8:30 AM, Port of Anacortes
- Planning, Tuesday, Nov 12, 2019, 5:00 PM, Main Conference Room, City Hall
- Skagit County Law & Justice Council, Wednesday, Nov 13, 2019, 8:15 AM, Mount Vernon
- Finance, Wednesday, Nov 13, 2019, 5:00 PM, Main Conference Room, City Hall
- Public Works, Monday, Nov 18, 2019, 5:00 PM, Main Conference Room, City Hall