Anacortes City Council

Municipal Building Council Chambers
904 6th Street

March 26, 2018
6:00 p.m.

PRELIMINARY AGENDA

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 March 19, 2018
   b. Approval of Claims in the amount of: $421,878.18

6. **Public Hearings**

7. **Other Business**
   a. * 2019/2020 Budget Kickoff: Departmental Goals and Objectives for the Upcoming Biennium (Discussion) - Finance, Public Works Departments
   b. Contract Award: Operations Building Electrical Upgrades (Discussion/Possible Action)

8. **Adjournment**

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

Anacortes City Council

Proposed Agenda Items for the Next Eight Weeks Beginning April 2, 2018

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.

April 2, 2018

•2018-2022 CDBG - Five Year Consolidated Plan and One Year Action Plan Public Process Conclusion (Discussion)
•Public Works Quarterly Update (Discussion)
•Contract Modification: NoaNet - West End Telemetry System (Discussion/Possible Action)
•Lodging Tax Advisory Committee Annual Appointments (Discussion/Possible Action)

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April 9, 2018

•2019/2020 Budget Kickoff: Departmental Goals and Objectives for the Upcoming Biennium - Continued from March 26 (Discussion) - Admin Services, Legal, Planning, Police, Fire, Parks, Library, Museum

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April 16, 2018

•Pavement Management Program Update (Discussion)
•Municipal Fiber RFQ Finalist Presentations (Discussion)

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April 23, 2018

•Municipal Fiber ISP Model Decision (Action)
•Presentation from HAM Radio and CERT Organizations (Discussion)
•Pavement Management Program Update (Discussion)

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May 7, 2018

•Contract Award: Municipal Fiber Pilot Zone Construction (Discussion/Possible Action)
•Presentation: History of Anacortes' North Shore (Discussion)

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May 14, 2018

•Closed Record Decision Hearing, "A" Dock Replacement & Reconfiguration, Shoreline Substantial Development Permit, Port of Anacortes, SDP-2018-0002

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May 21, 2018

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May 29, 2018

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Upcoming City Council Committee Meetings

The public is welcome to attend City Council Committee Meetings.

•Planning, Monday, Mar 26, 2018, 5:00 PM, Main Conference Room, City Hall
•Finance, Wednesday, Mar 28, 2018, 5:00 PM, Main Conference Room, City Hall
•Public Works, Monday, Apr 2, 2018, 5:00 PM, Public Works Director's Office, City Hall
•Port/City Liaison Committee, Tuesday, Apr 3, 2018, 8:30 AM, City Hall
•Skagit County Population Health Trust, Thursday, Apr 5, 2018, 8:30 AM, Mount Vernon
•Housing Affordability & Community Services, Thursday, Apr 5, 2018, 1:30 PM, City Hall
•Planning, Monday, Apr 9, 2018, 5:00 PM, Main Conference Room, City Hall
•Public Safety, Tuesday, Apr 10, 2018, 4:30 PM, City Hall, Mayor's Office
•Finance, Wednesday, Apr 11, 2018, 5:00 PM, Main Conference Room, City Hall
•Public Works, Monday, Apr 16, 2018, 5:00 PM, Public Works Director's Office, City Hall

At 6:00 p.m. Mayor Laurie Gere called to order the regular Anacortes City Council meeting of March 19, 2018. Councilmembers Eric Johnson, Anthony Young, Ryan Walters, Brad Adams, Liz Lovelett, Bruce McDougall and Matt Miller were present. The assembly joined in the Pledge of Allegiance.

Announcements and Committee Reports

Confirmation of Appointment of Library Director Ruth Barefoot: Mayor Gere requested confirmation of her appointment of Ruth Barefoot as Library Director. Ms. Barefoot's application and qualifications were included in the packet materials for the meeting. Mr. Johnson moved, seconded by Mr. Young, to confirm the appointment of Ruth Barefoot as Library Director. Vote: Ayes – Young, Walters, Adams, Lovelett, McDougall, Miller and Johnson. Motion carried. Ms. Barefoot thanked Council for the opportunity to serve the city and expressed her enthusiasm for taking on the role of director.

Mayor's Award of Excellence for Community Service: Mayor Gere recognized Sue Monahan for initiating the Simple Gesture program. The mayor summarized Ms. Monahan's history as a teacher, mother and volunteer and her organization of the program in 2015 to serve those in need with the support of 750 local families. Mayor Gere honored Ms. Monahan with the Mayor's Award of Excellence for Community Service. Ms. Monahan thanked the community for its strong support.

Public Safety Committee: Mr. Miller reported from the committee meeting the prior Tuesday. He said commissioned police contract negotiations were ongoing and that the School Resource Officer contract with the school district was being reviewed for renewal in June. Mr. Miller said that Fire Chief Richard Curtis would likely request a study on restructuring fire impact fees. He also reported that the County Commissioners would have a presentation on the 2018 EMS levy on April 9, 2018 at 10 a.m. Mr. Miller noted that achieving 24/7 staffing at all three Anacortes fire stations would require additional support from that levy. Ms. Lovelett noted that the School Resource Officer is the first line of defense against gun violence in schools and urged that he receive all the training and resources needed to be effective. Mr. Miller confirmed that the committee members had conveyed that message to Police Chief John Small and said that recent drills had allowed best practices to be incorporated into the district facilities.

Finance Committee: Mr. Johnson reported from the committee meeting the prior Wednesday. He said that the group discussed agriculture irrigation water, which would be addressed later on the agenda, as well as the purchasing policy and public works small works roster. Mr. Johnson indicated that a proposal would be forthcoming to increase the threshold for requiring quotes to be more in line with neighboring jurisdictions.

Skagit County Law & Justice Council: Mr. Miller had nothing to report.

Public Works Committee: Mr. Adams reported from the committee meeting earlier in the evening. He said that the group discussed wet industrial General Facilities Charges, which would be addressed later on the agenda, as well as the pavement management plan and updated PCI which would be presented at a regular City Council meeting in the near future. Mr. Adams indicated that the pavement ratings appeared to be stabilizing and that Council would be asked to consider whether it wanted to adjust the amount and/or funding options for the $1.1M currently allocated annually to pavement management.

Mr. Walters reported that the prior Thursday he and Mr. Young had attended an EDASC presentation at the County Commissioners meeting regarding the proposed Skagit Tourism Promotion Area. He indicated that the presentation by the Seattle Southside Regional Tourism Authority destination marketing organization discussed how regional marketing was more effective than marketing specific communities. Mr. Walters shared statistics cited by the presenter. Mr. Young shared additional statistics and noted that small cities within a region often compete for the same tourist dollars so that marketing regionally serves all the communities better.

Ms. Lovelett reiterated a prior suggestion that EDASC be invited to report on the new EDASC organization, especially in light of the new fee structure being charged to Anacortes. Mayor Gere said staff had met with EDASC Executive Director John Sternlicht and that a report would be forthcoming.

Mr. Johnson reported that representatives from the Housing Affordability and Community Services Committee had met with Joann Stewart and Planning Director Don Measamer regarding CDBG funding. He said Anacortes should know its 2018 funding allocation by the end of the week and that the 2018-2022 Consolidated Plan would come before City Council for action on April 2, 2018. He described the three project applications received thus far and noted that if one of those projects was not able to qualify for CDBG funding that portion could perhaps be earmarked for early leveraging money on the Olson Building. Mr. Johnson also reminded that the 20% of the CDBG allocation historically dedicated to administrative staff costs could be redirected to capital projects, leaving the general fund to cover the staff costs, or general funds could be dedicated to fund an economic development position. He suggested revisiting that topic during the upcoming budget discussions.

Mr. McDougall reported that he had attended the recent Port Commission meeting regarding the Olson Building and that there had been very strong public attendance and considerable public comment. Mr. McDougall reported universal support among those testifying for finding a way to keep and preserve the building.

Public Comment

Arlene French, 1411 8th Street, and Patty Young, 2219 32nd Street, recalled their comments at the February 5, 2018 City Council meeting expressing concern about constructing the Guemes Channel Trail (GCT) in the SHIP wetland buffer. Ms. French said they had followed up with email to Mayor and Council asking the city to take a step back to re-evaluate placing a paved 16-foot wide in that critical area. They now asked that the city halt all work on the GCT and commit to a formal public planning process. Ms. French said that would allow more voices to be heard and result in a plan that City Council could approve. She urged taking this action at the present meeting, saying many issues remained to be acknowledged, considered and resolved before continuing the GCT.

Carol O'Hearn, 11039 Post Drive, agreed with Ms. French and Ms. Young. She read from prepared remarks which were added to the packet materials for the meeting.

Mayor Gere responded that it was reasonable to request a public process but reassured the speakers that the map they were concerned about was always a conceptual map, not a done deal. She said a full environmental review of the SHIP area was underway and that staff was looking at options with private property nearby. She said no decisions had been made. Mayor Gere invited the speakers to meet with her to talk about a process going forward and assured that nothing was happening out of the public view.

Mr. Young reported that he had walked the trail a number of times with different members of the public and city staff and found that experience an eye opener. He echoed Mayor Gere, saying nothing is etched in stone at this point and that public voices are being heard.

Ms. Young stated that the conceptual alignment map was accompanied by very, very specific schematic drawings that show individual trees and retaining walls. Ms. Young stated that the Parks Department had spent a huge amount of money on this. She stated that the document presented at the November 13, 2017 City Council meeting was extremely biased and asked City Attorney Darcy Swetnam to review it again. She said it made assumptions based on prior decisions. Ms. Young said she was sorry that none of the electeds had attended "a very informative session that we had at the library" that was very factual and thoroughly researched. Ms. Young reported that the audience at the library event was amazed at the lack of transparency. She said she didn't believe nothing was written in stone. She said the November 13, 2017 document was the second modification to the consultant's contract and that staff had said the modification was to get the project "shovel ready". Ms. Young said she was very concerned what state that was at. She said the voucher list approved at the February 26, 2018 City Council meeting included another payment of over $3,000 to Widener & Associates. She said money kept flowing into the project according to a very flawed non-plan.

Mayor Gere reiterated that the route was not set in stone, that the city was not moving forward at this point, and that staff was very aware that there were major concerns. The mayor said she had not been invited to the library meeting Ms. Young referred to and was only told about it the following day. Ms. Young said the meeting had been well advertised in the paper and in public media. Mayor Gere assured that the city was going to do this right and was not going to jeopardize the environment. She again invited members of the public to meet with her and discuss a plan moving forward. She urged the public not to lose faith.

Mr. Walters agreed that the city did need a plan for the GCT, regarding environmental issues and interactions with neighborhoods and the nature and purpose of the trail, that could be endorsed by the elected officials. He expressed concern that environmental review was already underway because environmental review implies a defined project to review and he did not feel Council had yet defined the project.

Mayor Gere said that she and Ms. Swetnam would review all the documents mentioned by the speakers. Ms. Young expressed concern that the Parks Foundation, while well intentioned, has huge amounts of money at its disposal.

Consent Agenda

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

a. Minutes of March 12, 2018
b. Approval of Claims in the amount of: $597,887.79
c. Street Fair Application: Waterfront Festival & Car Show

The following vouchers/checks were approved for payment: EFT numbers: 88452 through 88502, total $217,939.30 Check numbers: 88451 and 88503 through 88558, total $374,318.82 Wire transfer numbers: 228759 through 229884, total $4,173.32

OTHER BUSINESS

Ordinance 3023: Amending AMC Subsection 13.08.020, Wet Industrial GFC Calculation

Assistant Public Works Director Matt Reynolds presented draft Ordinance 3023 to redefine one of the variables used in the calculation of the General Facility Charge (GFC) for connections to the City's sewer system for the classification of building type or use referred to as "Wet Industrial Building" in order to achieve a more equitable GFC determination for this classification of connection. His slide presentation was added to the packet materials for the meeting. Mr. Reynolds clarified that GFC did not affect monthly rates, only the one-time charge levied when a facility connected to the sewer system or expanded its use. He defined "wet industrial buildings." Mr. Reynolds explained how waste strength is measured and then reviewed the current calculation of the GFC based on anticipated discharge volume and a tiered waste strength factor. He said the proposed change to the formula would use an actual calculated waste strength factor rather than the current tiered factors, resulting in a more accurate and more equitable GFC reflecting actual volume and waste strength.

Mr. Miller asked if the businesses that would be affected had been alerted. Mr. Reynolds confirmed that staff had communicated with at least two of those businesses and that the new calculation method would significantly reduce their GFCs. Mr. Adams observed that the new method would make the system more fair.

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

Mr. Walters confirmed with Mr. Reynolds that Ordinance 3023 was a temporary fix and that the entire title was due to be rewritten.

Mr. Johnson moved, seconded by Mr. Adams, to adopt Ordinance 3023 modifying the GFC calculation methodology for connection to the City's sewer system for the classification "wet industrial buildings". Vote: Ayes – Walters, Adams, Lovelett, McDougall, Miller, Johnson and Young. Motion carried.

Contract Award: Telemetry Upgrades Phase C, 14-009-IDS-005

Public Works Director Fred Buckenmeyer requested Council approval issue a contract to Quality Controls Corporation in the amount of $275,549.79 to implement the third phase of the project to replace an aging off-site radio telemetry system for the sanitary sewer system with narrow bandwidth as required by the FCC using cellular technology, as well as putting equipment in place for future fiber hookup. Mr. Buckenmeyer's slide presentation was added to the packet materials for the meeting. He recapped the history of the project and the scope of work for the Phase C contract which includes telemetry and control upgrades to the last seven of the 23 sewer pump stations (1, 2, 4, 18, 20, 21, and 23) and cutting over the first and second phase pump stations, as well as a water pump station and tank, to the fiber optic network. Mr. Buckenmeyer explained that a separate contract later in the year to extend the fiber optic network to the west end of town would eventually connect the Phase C sewer pump stations to the fiber telemetry network.

Mr. Miller asked if the cellular telemetry network and associated cellular phone charges would need to maintained once the pump station telemetry was switched over to fiber. Mr. McDougall inquired about the monthly cellular connections charges. Mr. Buckenmeyer explained the need to maintain redundant alternative connections for this critical information flow in case of damage to the fiber and added that the modest monthly cellular charges would be discontinued for normal operations and only reconnected if and when needed. Mr. Buckenmeyer clarified that this contract was part of the pump station controls upgrade budget line item, not the fiber telemetry line item, and was necessary regardless of whether a fiber telemetry network were available to connect the pump stations. Mr. Adams asked how, in the absence of competitive bidding, the project manager determined that the proposed fees were "fair and reasonable." Mr. Buckenmeyer responded that staff considers bids received on similar projects elsewhere to determine current industry norms; he added that the city had established a strong working relationship with QCC who had proven to be very responsive.

Mr. Walters moved, seconded by Mr. Johnson, to approve the contract as presented. Vote: Ayes – Adams, Lovelett, McDougall, Miller, Johnson, Young and Walters. Motion carried.

Contract Award: Alum Treatment of Heart Lake

Parks and Forestlands Manager Jonn Lunsford requested City Council consent to award a contract in the amount of $112,354.00 to HAB Aquatic Solutions to perform the alum treatment to address algae growth in Heart Lake. Mr. Lunsford's slide presentation was added to the packet materials for the meeting.

He summarized the history of prior City Council funding allocation, grant award, and milfoil treatment of the lake in 2017. Mr. Lunsford reported the results of the Request for Proposals for alum treatment of the lake in 2018 beginning the week of April 2. He recommended awarding the contract to HAB. Mr. Lunsford discussed the alum treatment plan in some detail, indicating that the application would be spread over two days to protect wildlife including rough skinned newts, during which time the lake would be closed to the public, staffed by the contractor around the clock, and monitored for potential adjustments to the resultant pH level of the lake with additional buffering agents. He added that consultant Herrera Environmental would make a public presentation and answer questions at a public meeting at the Senior Activity Center at 6:30 p.m. on March 20, 2018.

Mr. Johnson asked about the selection criteria for purchased service contracts and expressed surprise that the lowest price was not necessarily selected. Finance Director Steve Hoglund explained the different procurement rules applicable to purchased service contracts compared to public works contracts. Mr. Lunsford displayed and explained the selection criteria, criteria weighting and scoring results for this project and noted that HAB's proposed price of $112,354 was very close to the $107,686.25 price proposed by the second respondent to the RFP. Mr. Johnson thanked Mr. Lunsford for sharing the selection criteria and suggested that similar information be included in agenda bills for similar contracts. Ms. Lovelett reminded that the alum treatments would need to be repeated in the future, at estimated 10 year intervals, to keep the lake clear of algae and urged that the cost for such treatment be included in the Parks Department capital facility planning. She noted that quarry funds might not be the appropriate source of funding in the future. Mr. Adams asked if the alum treatment schedule would affect the annual stocking of the lake with fish. Mr. Lunsford said the State planned to stock the lake approximately two weeks after the alum treatment the week of April 2 and that opening day of fishing season was the last full weekend of April. Ms. Lovelett asked for confirmation that fish caught from the lake subsequent to the alum treatment would be safe to eat. Mr. Lunsford said he had never heard of alum adversely affecting fish but that he would confirm that with the Herrera scientist at the public presentation the following evening.

Mr. Walters moved, seconded by Mr. Miller, to approve contract as presented by voice vote. Vote: Ayes – Lovelett, McDougall, Miller, Johnson, Young, Walters and Adams. Motion carried.

Agricultural Irrigation Water

City Attorney Darcy Swetnam and Finance Director Steve Hoglund continued the discussion of agricultural irrigation water begun at the October 16, 2017 and November 6, 2017 City Council meetings. They referred to their slide presentation which was included in the packet materials for the meeting. They summarized the history of irrigation water provision and pricing by Anacortes and noted that agricultural irrigation customers now pay less than it costs the city to treat the water that they purchase. Ms. Swetnam explained the regional vs. retail water systems served by the city's water utility, demonstrating that irrigation customers are part of the retail system that serves Anacortes residents and businesses. She displayed a slide showing the points along the utility's Skagit valley transmission lines that were potential connection points for irrigation customers, then demonstrated that the area in question is outside the Anacortes water utility's service area as identified in the 2000 Coordinated Water System Plan. She summarized the legal issues involved and confirmed that Anacortes did not have written concurrence from the Town of La Conner or Skagit PUD to sell water to their customers, but noted that neither utility had its own infrastructure in place to provide water to customers in those locations. Ms. Swetnam reminded that AMC 13.32.035 did allow City Council to establish special rates for agriculture irrigation water.

Mr. Hoglund then reviewed the previously published slide summarizing agriculture irrigation rates charged by Anacortes, Skagit PUD and La Conner at the end of 2017, demonstrating that the Anacortes rates were dramatically lower than the other utilities and also lower than the actual cost to treat the water being sold. He then displayed staff's proposed rate adjustments to bring the irrigation water rate equal to the wholesale water rate through phased increases over three years beginning April 1, 2019, to allow agricultural customers time to adjust their business plans for 2019 and subsequent years.

Ms. Lovelett asked how much irrigation water was sold each season. Mr. Hoglund said approximately 117 MG in 2017. Ms. Lovelett observed that the total proposed increase of $2168.15/MG would be a significant total bill for customers who use many MG of irrigation water in a season. Mr. Miller noted that rate adjustments would not address the service area issue raised by Ms. Swetnam. Mr. Young inquired what the cost impact was to the city each year that the current rates remained in effect, to help determine how soon rate adjustments should be pursued if Council elected to do that. Mr. McDougall roughly calculated the subsidy to equal $240K per year. Ms. Lovelett cautioned her colleagues about using the term "subsidy" and noted that the irrigation customers had not asked for a special rate but had simply paid the rate offered and charged to them. She reminded that Council had voted to phase in rate corrections for March Point water customers over ten years and warned that a rapid increase in agricultural irrigation rates could drive some of those customers out of business. Mr. Young voiced his support for farmers but observed that the financial impact of the current rates had been substantial over the years.

Ms. Swetnam summarized the challenges presented by the status quo: Irrigation customers are being subsidized by city residents (not by the entire regional water system), those customers are outside the City's service area, the effective subsidy has raised equity concerns for irrigation customers paying significantly higher rates charged by La Conner, and significant increases in the Anacortes rates would impact the currently subsidized farmers. Ms. Lovelett asked if increasing the agriculture irrigation rate would result in a decrease in the retail water rate. Mr. Hoglund said an irrigation rate increase would more likely reduce the amount of future water rate increases for retail customers. He estimated the net increased revenue to the water utility from the proposed irrigation rate increase would equate to approximately $20/year per retail water account. Ms. Lovelett observed that the subsidy was not noticeably affecting the average retail customer's water bill so the rate adjustment could be phased in over a longer period. Mr. Walters supported using the increased revenue from increased irrigation rates to fund needed capital projects rather than reducing retail rates and emphasized the need to establish an adjustment schedule, even if phased in, because the current subsidy was illegal.

Mr. Johnson noted that there would be no revenue at all if Anacortes were not able to sell irrigation water outside its service area. Ms. Swetnam confirmed that Anacortes should not sell water outside its service area without completing an agreement with the purveyors in that service area. Mr. Hoglund discussed past conversations with La Conner officials who expressed a desire for Anacortes to increase its irrigation rates to something closer to what La Conner was charging for irrigation water but confirmed that no written agreement had been executed. Ms. Swetnam reminded that interlocal agreements require City Council approval and requested direction from Council whether and how staff should proceed. She reviewed the slide summarizing staff's recommendations to limit irrigation meters to agricultural customers, increase the irrigation meter rate to equal the regional customer wholesale rate (which equals the cost to treat the water), phase in the rate increase over three years starting April 1, 2019, and consider interlocal agreements with Skagit PUD and La Conner to explicitly allow Anacortes to install irrigation meters in their service areas. Councilmembers generally supported pursuing agreements with Skagit PUD and La Conner, increasing the irrigation rates to the level purposed over some period of years, and initiating the rate increase in 2019 but establishing it in 2018 to allow irrigation customers to adjust their plans for the 2019 crop season. However, Mr. Young did observe that the city could choose to deliberately continue to subsidize farmers, knowing the cost, for a benefit that may not be monetary and Mr. Adams did emphasize that not only are city retail water customers subsidizing agriculture irrigation customers, those farmers that are located within reach of Anacortes meters are receiving an unfair advantage over other Skagit valley farmers who have to pay the much higher rates charged by PUD and La Conner. Mr. Johnson noted that the prior fall Mr. Hoglund had requested feedback from Anacortes irrigation customers on a proposed rate increase but had received very little response.

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

Steve Schuh, who owns Schuh Farms with his wife Susan, said they could handle the rate increase if it were not implemented so fast. He said in 2017 they paid $1800 for 4-5 MG of irrigation water but indicated they would not be able to afford that quantity at the new target rate. Mr. Schuh said if he is able to plan ahead, he can change what he grows. He noted that the need for irrigation in the region has fluctuated over the years but has steadily risen in recent years. He suggested phasing in the increase over six years or so.

Patrick Gallagher, 1406 Portalis Court, asked what percentage of the water pipe capacity was being used by the agricultural customers. He wondered if the pipe had been sized originally to serve agriculture as well as the rest of the regional system, noting that the demand in the city was increasing. Mr. Hoglund said that in rough numbers the water utility sold over 6 billion gallons in 2017 and only 117 MG of that was through agricultural meters so there was adequate capacity to serve them.

Dan O'Donnell, 328 North 3rd Street, La Conner, said AMC 13.32.035 allowed Anacortes to sell irrigation water to La Conner at a reduced rate. He urged Anacortes to either do that or rewrite its code and said he requested that action from Council in his letter dated October 2, 2017 but never received an answer. Mr. O'Donnell also asked that Ordinance 2909 be cancelled. Mr. O'Donnell referred to Ms. Swetnam's slide regarding challenges of the status quo which said that La Conner leaders had repeatedly requested that Anacortes address the rate disparity. He said Anacortes had last spoken with Mayor Hayes about this over a year prior. Mr. O'Donnell said La Conner city administrator John Doyle had not brought this up with the La Conner Town Council, on which Mr. O'Donnell had served, and was not authorized to speak on La Conner's behalf. Mr. O'Donnell said farmers he had spoken with had said not to rock the boat and not to change the rates. Mr. O'Donnell said the claimed wholesale cost to treat water had not been substantiated. He provided an alternative calculation showing a cost of $1.45 per 100 cf, not $1.80. He listed costs that he felt should be deducted from the calculation.

No other members of the audience expressed a desire to address the Council on this issue.

Mr. Walters asked that staff 1) draft an ordinance to immediately implement the first staff recommendation, 2) draft an amendment to the unified fee schedule that would increase agriculture irrigation rates to the wholesale rate (offering several options for phasing duration), and 3) seek preliminary feedback from La Conner and Skagit PUD as to whether they would entertain an interlocal agreement for Anacortes to provide agriculture irrigation water at that rate. Mr. Miller added that options for a April 1, 2019 start date or some other start date should also be presented with the draft fee schedule update. Mr. Johnson asked that the background materials for the proposed legislation acknowledge that the low irrigation rate had originally been established to compensate adjacent customers for disruption to their fields during installation of the water infrastructure.

There being no further business, at approximately 8:26 p.m. the Anacortes City Council meeting of March 19, 2018 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 March 26, 2018 City Council meeting:

Download this file in OpenDocument spreadsheet format.

Invoice Doc #	Transaction Date	Invoice #	Vendor Full Name	Description	Total Amount
230233	1/12/2018	WAANA98296	FASTENAL COMPANY	TRUCK #403, LOCK NUTS, BLOW BOLTS	$113.31
230092	2/16/2018	13516	RWC GROUP LTD	WATER DEPT TRUCK #613 DUMPTRUCK CHASSIS	$104,588.06
228741	2/20/2018	2893	RAINIER ENVIRONMENTAL LAB	ACUTE TOXICITY TESTING	$600.00
229092	2/26/2018	64596	LOWE'S BUSINESS ACCOUNT/GEMB	SUPPLIES FOR CL-17 PROJECT	$64.62
230106	2/26/2018	22337	WESTERN SYSTEMS REFUSE &	GRIP ARM- VEH #051	$403.62
230201	2/27/2018	1791228	MWH CONSTRUCTORS INC	BLUE HERON CIRCLE RESERVOIR PROJECT - CONSTRUCTION MANAGEMENT 1/13/18-2/16/18	$15,928.77
230042	2/27/2018	DUES 2018-00355	WASHINGTON ASSOCIATION OF	WASPC ASSOCIATES DUES; CAPT FULLER AND CAPT FLOYD	$150.00
230193	2/28/2018	176	BOYS & GIRLS CLUBS	FEB - LUNCH PROGRAM SERVICE PROVISION	$820.00
229989	2/28/2018	1100325041	FERRELLGAS, LP	LP GAS FOR LOWER RESTROOMS AT WASH. PARK	$151.54
230204	2/28/2018	I-28610	MOUNT VERNON CARPET	LIBRARY CRAFT AREA & BATHROOM REFLOORING	$8,879.97
230202	2/28/2018	996	SKAGIT CONSERVATION DISTRICT	NPDES II OUTREACH & EDUCATION - FEB 2018	$527.72
229924	2/28/2018	0173	SKAGIT COUNTY SOLID WASTE FUND	FEBRUARY TONNAGE HAULED	$61,404.30
230032	2/28/2018	46890	SKAGIT RIVER STEEL &	APPLIANCES / REFRIGERATOR RECYCLING -	$43.20
230203	2/28/2018	179780	TRINITY CONSULTANTS, INC.	WWTP INCINERATOR AIR DISPERSION MODELING 1/31/18-2/28/18	$501.11
230029	2/28/2018	1486470	WASHINGTON TRACTOR, INC	STIHL HEDGE TRIMMER 24" & STIHL LOOP	$660.81
230035	3/1/2018	3967011	FAMILY CARE NETWORK PLLC	CDL PHYSICAL - BRUCE MULLEN	$200.00
229600	3/1/2018	07055	LOWE'S BUSINESS ACCOUNT/GEMB	CL-17 PROJECT PLUMBING SUPPLIES	$204.51
230054	3/1/2018	0121116	PACIFIC TIRE COMPANY, INC	TURF TIRES- VEH #706	$151.36
229977	3/1/2018	154977	SCOTT RICHARDS INSURANCE, INC	INCREASE BUILDING COVERAGE -SHOP	$115.00
230194	3/1/2018	1388940-0043-8	WASTE MANAGEMENT	FEBRUARY 2018 CONTRACTED SERVICES	$102,640.98
230043	3/1/2018	1298	WHATCOM COUNTY PARKS & REC	USE OF RANGE 2018; FIREARMS TRAINING	$6,612.50
229601	3/2/2018	12234	LOWE'S BUSINESS ACCOUNT/GEMB	CL-17 PROJECT SUPPLIES	$104.48
229922	3/2/2018	300000290043	PUGET SOUND ENERGY INC	STREET LIGHTS	$20,508.12
229979	3/5/2018	9009090734	ALLIED ELECTRONICS INC	HOUR METERS FOR ROCKRIDGE PUMPS - 3	$274.85
229602	3/5/2018	23931	LOWE'S BUSINESS ACCOUNT/GEMB	CL-17 PROJECT SUPPLIES 29TH ST	$95.54
230218	3/6/2018	972221	BLACKSTONE PUBLISHING	BOOKS ON CD	$344.79
229984	3/6/2018	10864836	HACH COMPANY	PORTABLE PH METER, PORTABLE PH METER FIELD KIT	$846.46
230046	3/7/2018	0550583290	HONEY BUCKET	STANDARD UNIT @ MT. ERIE-3/8-4/3/18	$115.23
230055	3/7/2018	0121267	PACIFIC TIRE COMPANY, INC	TIRE - SHOP STOCK	$198.49
229954	3/7/2018	1096127	SKAGIT PUBLISHING LLC	PUBLISH AA-1734254 AA-1735483	$276.08

Invoice Doc #	Transaction Date	Invoice #	Vendor Full Name	Description	Total Amount
229975	3/7/2018	331 0393878	UNIFIRST CORPORATION	WTP WEEKLY LAUNDRY SERVICE FOR INTERN TROY HOLMES	$5.69
229974	3/7/2018	331 039863	UNIFIRST CORPORATION	WTP WEEKLY LAUNDRY SERVICE	$51.21
229980	3/8/2018	0588498	FERGUSON ENTERPRISES, INC	PVC PARTS	$57.66
229983	3/8/2018	10868634	HACH COMPANY	MAGNETIC STIRRER X 2	$536.98
229711	3/8/2018	12306	LOWE'S BUSINESS ACCOUNT/GEMB	SUPPLIES FOR 29TH STREET RESERVOIR	$15.17
229713	3/8/2018	08747	LOWE'S BUSINESS ACCOUNT/GEMB	SUPPLIES FOR 29TH STREET RESERVOIR	$34.00
229710	3/8/2018	12243	LOWE'S BUSINESS ACCOUNT/GEMB	SUPPLIES FOR 29TH ST RESERVOIR	$47.22
229923	3/8/2018	50127	MT BAKER OVERHEAD DOORS INC	GARAGE DOOR INSTALLED FOR OPS. SIGN	$1,649.20
229981	3/8/2018	1334509	TRANSCAT INC	REPAIRS ON 2 PUMPS	$638.18
230122	3/8/2018	83557	VECA ELECTRIC COMPANY, INC	DENT METER STUDY FOR GENERATOR @ LIBRARY	$455.70
229978	3/9/2018	*382018	ANACORTES TOWING LLC	TOWING; APD CASE 18-A01699	$162.75
230094	3/9/2018	3/9/2018	JONES, ROBERT	PUB DEF MILEAGE	$46.51
229801	3/9/2018	64130	LOWE'S BUSINESS ACCOUNT/GEMB	PLANT REPAIR SUPPLIES	$17.69
229891	3/9/2018	64958	LOWE'S BUSINESS ACCOUNT/GEMB	EXTENTION CORD X 2	$28.85
230222	3/9/2018	605959	MISTER T'S AWARDS &	NAME TAGS, SCHUH & BAREFOOT	$28.75
229985	3/9/2018	220013297076	PUGET SOUND ENERGY INC	1100 STATE ROUTE 20 2/7-3/8/18	$18.37
230030	3/9/2018	22013297498	PUGET SOUND ENERGY INC	CASINO DR UNDER TWIN BRIDGES 2/6/18 -	$73.93
230033	3/10/2018	41473	LAKESIDE INDUSTRIES, INC.	1 1/4" & 1 1/2" ROCK FOR STREET DEPT.	$165.83
229792	3/10/2018	000099E018108	UNITED PARCEL SERVICE, INC	UPS SHIPMENTS AFD & WTP	$25.20
229959	3/11/2018	8498 30 017 0464628	COMCAST	WA PARK INTERNET 3/21-4/20/18	$106.12
230223	3/12/2018	BI-0323216	BECKWITH & KUFFEL	LUBRICANT AND KIT	$917.39
230224	3/12/2018	1257316	DISA GLOBAL SOLUTIONS INC	FIRE AUDIOMETRIC TESTING/TRAINING	$425.00
230211	3/12/2018	240533	GERE-A-DELI	BROWNIES & FRUIT FOR DADDY DAUGHTER	$375.00
229987	3/12/2018	684939	PARAMOUNT SUPPLY COMPANY	MOUNT TO ASHCROFT SEAL	$367.42
230097	3/12/2018	001-395787	PISTON SERVICE OF ANACORTES	OPERATING SUPPLIES- VEH #026	$17.53
229951	3/12/2018	001-395701	PISTON SERVICE OF ANACORTES	FLOOR ABSORBENT- SHOP SUPPLY	$119.93
230098	3/12/2018	001-395773	PISTON SERVICE OF ANACORTES	BATTERY- VEH #303	$249.01
230112	3/12/2018	300000305007	PUGET SOUND ENERGY INC	METERS, VAULTS & STREET LIGHTS 02/01- 03/02/18	$389.27
230205	3/12/2018	300000290035	PUGET SOUND ENERGY INC	ELECTRICITY - ALL MUSEUM VENUES	$421.82
230089	3/12/2018	300000290019	PUGET SOUND ENERGY INC	ALL STATIONS: 2/5 - 3/7	$992.79
230111	3/12/2018	300000290027	PUGET SOUND ENERGY INC	WTP RESERVOIR & PUMP STATION 2/6-3/7/18	$3,623.97
230215	3/12/2018	0343	PUGET SOUND ENERGY INC	PARKS/CEM/WASH. PARK/FAC/DEPOT (SERVICE DATES)	$5,396.62
229952	3/12/2018	0555480-IN	REISNER DISTRIBUTOR INC	SOLVENT- SHOP SUPPLIES	$247.55
230212	3/12/2018	0310	SCHELLING, KIMBERLEE	DADDY DAUGHTER DANCE PHOTOGRAPHS	$904.89
229986	3/13/2018	3122018	ANACORTES TOWING LLC	TOWING; APD CASE #18-A01809	$162.75

Invoice Doc #	Transaction Date	Invoice #	Vendor Full Name	Description	Total Amount
229976	3/13/2018	MAR2018	CLEAN & CLIP GROOMING	K9 T-BONE GROOMING; MARCH 2018	$50.00
230221	3/13/2018	1800286	EBSCO INFORMATION SERVICES	PERIODICAL SUBSCRIPTION	$11.94
230047	3/13/2018	0588197	FERGUSON ENTERPRISES, INC	ZURN REPAIR KIT	$203.05
230034	3/13/2018	00087803	OWEN EQUIPMENT COMPANY	6 FT FIBERGLASS POLES - STORM WATER	$250.66
229958	3/13/2018	100283655	RICOH USA, INC	S/N C32029555 CITY HALL COPIER 3RD 3/1-3/31/18	$377.31
230101	3/13/2018	1097153	SKAGIT PUBLISHING LLC	PUBLISH SVH-1739594	$88.66
230121	3/13/2018	121173	SURETY PEST CONTROL	RODENT CONTROL @ CITY HALL	$43.40
229990	3/13/2018	15369	VALLEY ATHLETICS	TRIPLE PLAY RED INFIELD CONDITIONER	$2,907.80
230036	3/13/2018	RE41 JA2711 L151	WASHINGTON STATE DEPARTMENT	FEBRUARY SIGNAL LIGHT MAINTENANCE FOR	$185.70
230206	3/13/2018	RE 41 JA9782 L001	WASHINGTON STATE DEPARTMENT	REVIEW AND INSPECTION FEES FOR SHIP HARBOR & SR20 PROJECT	$217.47
228368	3/13/2018	10334	WORKSAFE TECHNOLOGIES NW, INC	SEISMIC INSULATION PLATFORMS FOR NEW SERVER ROOM	$9,993.50
229953	3/14/2018	41454	ADGRAPHIX, LLC	POLICE GRAPHICS- VEH #036A,037A,038A	$500.00
230197	3/14/2018	33	ADVANTAGE WINDOW COVERINGS	REPAIR BLINDS FOR MAIN CONFERENCE ROOM @ CITY HALL	$27.13
230048	3/14/2018	761903	BAYSHORE OFFICE PRODUCTS INC	SHEET PROTECTORS FOR STREET CLOSURE	$77.52
230088	3/14/2018	97880000001	CASCADE NATURAL GAS CORP.	STA 3: 2/10 - 3/13	$183.96
230216	3/14/2018	1-563228	DIAMOND RENTALS, INC.	EDGER	$542.41
230236	3/14/2018	0585734	FERGUSON ENTERPRISES, INC	1 MXU, 11 YR PRORATION, VENDOR SOLE	$3,599.17
230238	3/14/2018	0585742	FERGUSON ENTERPRISES, INC	MXU'S, 15 YR PRORATION, VENDOR IS SOLE	$3,629.44
230237	3/14/2018	0585747	FERGUSON ENTERPRISES, INC	MXU'S, 15 YEAR PRORATION, VENDOR IS	$3,965.20
229956	3/14/2018	5004172472	FERRELLGAS, LP	JAN-FEB FERRELLGAS PROPANE INV	$1,340.25
230103	3/14/2018	120027	FIDALGO ANIMAL MEDICAL CENTER	EXAMINATION OF DOG IMPOUNDED; APD CASE 17-A01776	$74.82
230051	3/14/2018	009511783	GALLS LLC - DBA BLUMENTHAL UNI	UNIFORM SHIRTS; RECORDS BEYER	$50.93
230050	3/14/2018	009511781	GALLS LLC - DBA BLUMENTHAL UNI	UNIFORM SHIRTS; RECORDS KATIE	$93.18
230049	3/14/2018	009511782	GALLS LLC - DBA BLUMENTHAL UNI	UNIFORM SHIRTS; RECORDS DODGE	$195.04
230045	3/14/2018	12455	LOWE'S BUSINESS ACCOUNT/GEMB	CAULK AND BATTERIES	$103.13
229988	3/14/2018	120148	NORTHSTAR CHEMICAL INC.	SODIUM BISULFITE 38%	$1,152.38
230225	3/14/2018	115688892001	OFFICE DEPOT, INC.	OFFICE SUPPLIES PENS	$11.35
230227	3/14/2018	115693433001	OFFICE DEPOT, INC.	BINDERS AND DIVIDERS	$26.42
230099	3/14/2018	001-395944	PISTON SERVICE OF ANACORTES	LIGHT BULBS- VEH #018A	$21.04
230118	3/14/2018	339543	PROFORCE LAW ENFORCEMENT	TRAINING SUPPLIES FOR TASER TRAINING	$1,426.23
230108	3/14/2018	1097303	SKAGIT PUBLISHING LLC	PUBLISH AA-1737425	$129.92
230192	3/14/2018	COA0318	SYSTEMS DESIGN WEST, LLC	AMBULANCE BILLING FEBRUARY	$3,529.95
230229	3/14/2018	3310394944	UNIFIRST CORPORATION	WTP WEEKLY LAUNDRY SERVICE FOR INTERN	$5.69
230228	3/14/2018	3310394929	UNIFIRST CORPORATION	WTP WEEKLUY LAUNDRY SERVICE	$51.21
230230	3/15/2018	264 & 265	AMERICAN PLANNING ASSOCIATION	APA JOB POSTING: PLANS EXAMINER & BUILDING INSPECTOR	$200.00

Invoice Doc #	Transaction Date	Invoice #	Vendor Full Name	Description	Total Amount
230087	3/15/2018	1990622339	ARAMARK	OPS & PARKS LAUNDRY SVC FOR	$62.39
230123	3/15/2018	5500532	CADMAN	SWEEPER DEBRIS HAULED	$1,536.49
229991	3/15/2018	cpls	DEPARTMENT OF LICENSING	CPLS TO D.O.L.; FEBRUARY 2018	$663.00
230198	3/15/2018	058699	FERGUSON ENTERPRISES, INC	STRAINER PARTS	$277.58
230056	3/15/2018	03/15/2018	FIDALGO CLEANING	CLEANING - CARNEGIE	$100.00
230207	3/15/2018	18098	FRONTLINE CLEANING SERVICES	LIBRARY - CUSTODIAL SERVICE MARCH	$1,314.78
230231	3/15/2018	18-19	GREEN RIVER COMMUNITY COLLEGE	COURSE MATERIALS WTP OPERATOR I/II CLASS	$100.00
229982	3/15/2018	10870792	HACH COMPANY	POCKET PRO TEMPERATURE TESTER	$97.60
230096	3/15/2018	001-396122	PISTON SERVICE OF ANACORTES	ANTI-FREEZE- SHOP SUPPLIES	$33.39
230095	3/15/2018	001-396121	PISTON SERVICE OF ANACORTES	FLOOR ABSORBENT- SHOP	$85.66
230100	3/15/2018	001-396117	PISTON SERVICE OF ANACORTES	BATTERY- VEH #131	$121.38
230200	3/15/2018	P1529-20B	QCC QUALITY CONTROLS CORP.	WWTP ON-CALL CONTRACT: INCINERATOR CALIBRATION, FLOW METER TROUBLESHOOTING	$4,588.50
230199	3/15/2018	P129-20A	QCC QUALITY CONTROLS CORP.	WWTP ON-CALL CONTRACT: PS13 REDUCE VOLTAGE SOFT STARTERS	$9,427.58
230037	3/15/2018	631765	SAN DIEGO POLICE EQUIP CO INC	TRAINING SUPPLIES; AMMO	$1,038.13
229973	3/15/2018	154081	SCOTT RICHARDS INSURANCE, INC	ADD 2018 FORD ESCAPE	$157.47
230041	3/15/2018	00112599	WALTON BEVERAGE COMPANY, INC	BREAKROOM SUPPLIES 1ST FLOOR	$87.50
230052	3/15/2018	00112598	WALTON BEVERAGE COMPANY, INC	OPS- BREAKROOM SUPPLIES	$140.00
230040	3/15/2018	00112600	WALTON BEVERAGE COMPANY, INC	BREAKROOM SUPPLIES 3RD FLOOR	$157.50
230115	3/16/2018	WAMO145575	FASTENAL COMPANY	WORK GLOVES X 30	$97.59
230217	3/16/2018	WAANA100437	FASTENAL COMPANY	HALF SLOT STRUT CHANNEL PS10	$354.35
230044	3/16/2018	0588738	FERGUSON ENTERPRISES, INC	SENSUS SOFTWARE SUPPORT RENEWAL 1 YR ~	$2,644.61
230090	3/16/2018	009529899	GALLS LLC - DBA BLUMENTHAL UNI	UNIFORM TIE BAR; CAPT FLOYD	$6.50
230113	3/16/2018	009529851	GALLS LLC - DBA BLUMENTHAL UNI	UNIFORM SHIRT; RECORDS INGRAM	$50.93
230119	3/16/2018	56824/2	H.B. JAEGER	VITA-D-CHLOR TABLETS X 120	$940.04
230124	3/16/2018	0219082-IN	REISNER DISTRIBUTOR INC	DIESEL EXHAUST FLUID PUMP- SHOP	$735.94
230120	3/16/2018	14-364362	SIX ROBBLEES' INC.	DIAGNOSTIC TOOL SOFTWARE	$795.67
230107	3/16/2018	P08338-09	SONSRAY MACHINERY, LLC	OPERATING SUPPLIES- VEH #403	$323.81
230038	3/16/2018	INVOICE	SPILLMAN NW USERS GROUP	SPILLMAN NW USERS GROUP 2018; INGRAM	$100.00
230093	3/16/2018	180230	T-SHIRTS BY DESIGN	ANNUAL T-SHIRT AND UNIFORM ORDER	$7,059.48
230191	3/17/2018	8498 30 017 0543538	COMCAST	DEPOT 611 R AVENUE - 3/22-4/21/18	$186.12
230091	3/17/2018	00005W5A83118	UNITED PARCEL SERVICE, INC	UPS SHIPPING CHARGES; WEEK END 3-17-18	$25.09
230185	3/17/2018	1498834	WASHINGTON TRACTOR, INC	SPRING TINE SET FOR VEH #420	$139.90
230102	3/19/2018	826	CONSTRUCTION UNLIMITED INC	EMERGENCY SEWER REPAIR	$3,697.68
230183	3/19/2018	201129842	CRIMINAL JUSTICE TRAINING	VASCULAR NECK RESTRAINT TRAINING; FABER	$50.00
230117	3/19/2018	2018-03-19	DEPARTMENT OF LICENSING	NOTARY PUBLIC STATE LICENSE RENEWAL	$30.00
230184	3/19/2018	044450	HANDY'S HEATING, INC	B-VENTS & STORM COLLAR	$29.95
230104	3/19/2018	Z08893B	HIBMA, NICHOLAS	REIMBURSE PURCHASE OF SILICONE FLASHER	$42.53

Invoice Doc #	Transaction Date	Invoice #	Vendor Full Name	Description	Total Amount
230232	3/19/2018	Reimb - Siedlik	SIEDLIK, RICHARD	MEAL REIMBURSEMENTS - SIEDLIK VANCOUVER AWWA COURSE	$74.00
230186	3/20/2018	1990626284	ARAMARK	LAUNDRY SERVICES FOR WWTP	$71.61
230188	3/20/2018	030682	DEPARTMENT OF HEALTH	LICENSE FEE	$402.00
230181	3/20/2018	SD030903102018	DOEBLER, STEPHEN	MEALS WHILE IN TRAINING FOR STEVE	$52.00
230190	3/20/2018	ASW-04	NW WASHINGTON SECTION	ACTIVATED SLUDGE WORKSHOP FOR 4 OPERATORS	$800.00
230196	3/20/2018	188724	REECE, STORMIE	DEPOT CLEANING MARCH	$770.00
230226	3/20/2018	cs- Sunset Loop	SEAHAWK TRACK & FIELD BOOSTER	PAYMENT FOR PROVIDING HELPERS FOR SUNSET LOOP RELAY	$200.00
230220	4/4/2018	18-027-FAC-0011	THE PLUMBING GUYS, INC	RETAINAGE RELEASE	$642.20

Total **$421,878.18**

2019/2020 Biennial Budget

- It's the best time of the biennium! When we start developing the biennial budget for the next budget period.
- Budget season starts tonight, with Departmental presentations to communicate budget goals and objectives for the next biennium.
  - Tonight is Finance and Public Works.
  - All other departments will be on April 9th.
- The public and Council can communicate their budget goals, objectives, or concerns in these Council sessions, or directly to the Mayor or myself outside of these sessions.
- Similar to past years, the majority of the budget activity will take place the 2nd half of the year. Rough milestones:
  - Staff and Payroll budgeting in June
  - Revenue projections and review in July
  - Mayoral department reviews in August
  - Council reviews in October

2019/2020 Biennial Budget Schedule

CITY OF ANACORTES
2019/2020 BUDGET CALENDAR

Event	Responsible Department	Due Date	Meeting Time and Place	Comments
Mayor and Council budget planning session	Finance/Mayor	3/26/18, 4/9/18	Council Chambers	Departments to present next biennial budget goals and objectives
Position Budget information from HR	Human Resources	1-May	Interoffice Mail - Finance	
Staff payroll time study for position budgeting	Departments	6/1 - 6/30	Due to Payroll 7/1	
Position Allocation for Existing Employees Complete	Finance	13-Jul	In the system	Required for all existing employees
Submit IT Requests	Departments	18-Jun		
Submit Fleet Requests	Departments	18-Jun		
Finance loads ERR rates, IT rates, and Overhead rates into the	Finance	30-Jun	In the system	
Insurance premiums are prepared and loaded into the budget.	Finance	30-Jun	In the system	
Payroll Budgeting complete	Finance	30-Jun		
Revenue review with Mayor	Finance	19-Jul	Mayor's Office	
Revenue budget loaded	Finance	20-Jul	In the system	
Budget spreadsheets distributed to departments	Departments	23-Jul	System is open for input.	
Departments have preliminary budget to Finance	Departments	27-Jul	System is locked end of day.	35A.33.030 - by the 4th Mon in Sept
Finance meets with Departments for overview	Departments	8/6 - 8/10		
Mayor review of preliminary budget, meet with Departments	Mayor	8/13 - 9/7	Mayor's Office	35A.33.050 - 1st bus day of Oct
Finance implements Mayor's revisions.	Finance	8/13 - 9/14		
Mayor's Budget Message drafted	Mayor / Finance	21-Sep		
Mayor's Budget Message to Council	Mayor	8-Oct	Council Chambers	35A.33.052 - 60 days prior to next fy
Public Hearing on Revenue Sources	Finance	8-Oct	Council Chambers	
Council review of budget	Council / Finance	10/15 & 10/22	Council Chambers	35A.33.052 - 6 weeks before begin of next fy
Public Notice of hearing on final budget shall be published once a week for two weeks prior to the public hearing.	Finance	10/24 & 10/31	To Paper by noon Fri 19	35A.33.060
Public Hearing on Budget	Council	5-Nov	Council Chambers	35A.33.060
Public Notice of the Budget Ordinance	Finance	14-Nov	To Paper by noon November 9	
Budget Ordinances and Property Tax Levy Resolution	Council	19-Nov	Council Chambers	35A.33.075 - 12/31/18 (Property tax levy 11/30/18)
Letter to Skagit County on levy rate	Finance	November 30		

For questions or comments contact Steve Hoglund 293-1906

See https://www.anacorteswa.gov/827/Budget

2019/2020 Biennial Budget

- Finance budget goals

  - Currently fully staffed, but still transitioning from the departure and replacement of one of our Accountants. Concentrating on existing staff getting up to speed on new assignments.

  - Would like to explore the CAFR Builder module for EDEN.
    - It is for building the financial statements.
    - We currently use Excel worksheets at no additional cost.
    - Users we've talked to say it makes annual report easier.
      - Preliminary estimate is $10K annually.

  - Explore transitioning from EDEN system to a different system.
    - EDEN is over 20 years old, built on old technology.
    - Not necessarily designed for municipalities.
    - Reporting and interface functions are antiquated and inefficient.
    - New systems such as Munis are designed for cities, to better support multi departmental and fund needs.

2019/2020 Biennial Budget

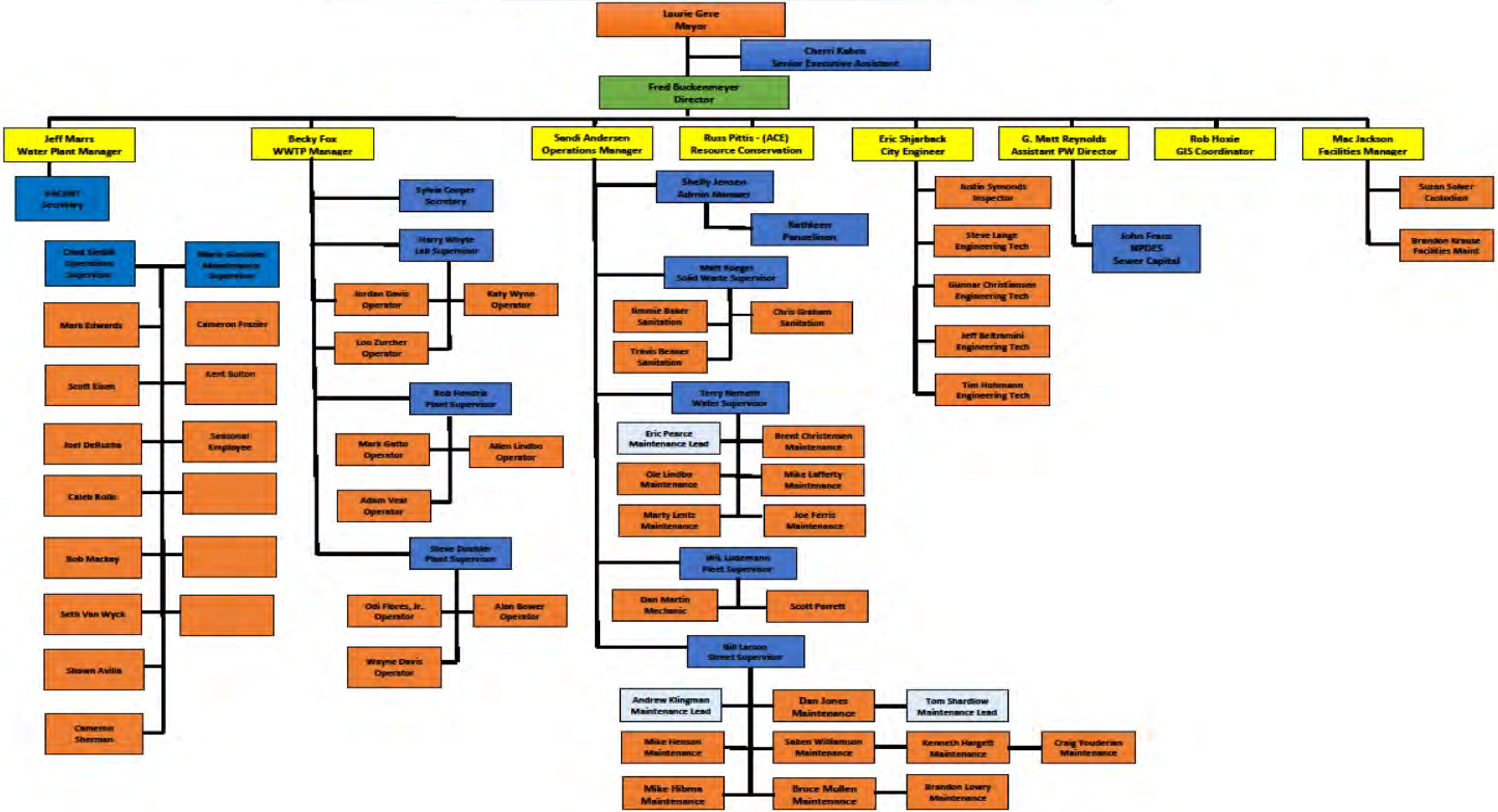
- Information Technology (IT) budget goals
- Implement new virtual server environment at the APD to better support the Laserfiche initiative in Public Safety.
- Better equip the Emergency Operations Center (EOC) hardware requirements.
- Prepare for and support Firstnet emergency communication initiative.
- Prepare for and implement Office 365
  - Current Windows agreement runs through 2019

City of Anacortes

2019 2020
Public Works
Budget Highlights

CITY OF ANACORTES PUBLIC WORKS

CITY OF ANACORTES PUBLIC WORKS DEPARTMENT



CITY OF ANACORTES PUBLIC WORKS DEPARTMENT

Water Treatment
Waste Water Treatment
Solid Waste
Fleet Services
Geographic Information Services
Street Maintenance
Water Distribution
Water and Waste Water maintenance
Storm Water utility
Engineering
Facilities
Resource Conservation
Fiber Optics

Engineering

R Avenue Pedestrian crossing

Near 30th street

32nd Street Safety Improvements

M Avenue

I Avenue

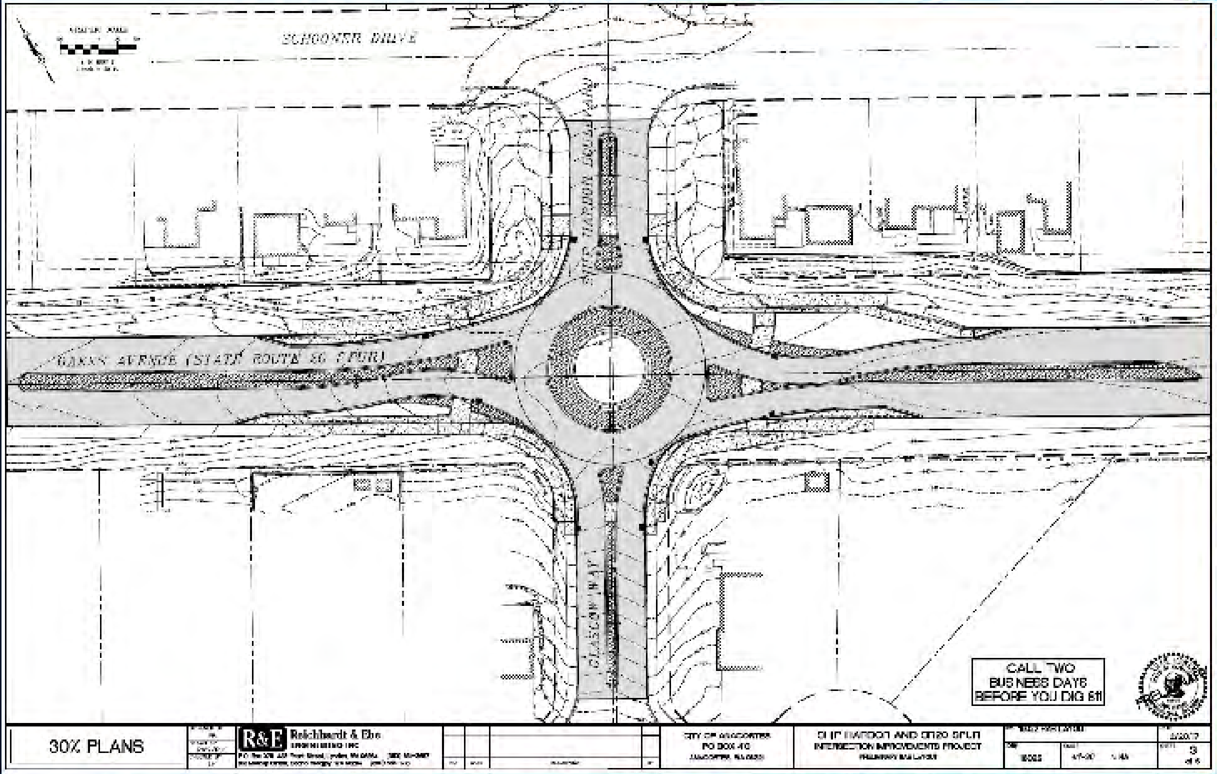
Edwards Way Ship Harbor

Intersection improvements

STPR Grant funds

Impact fees

$1.5Mill



Pavement Management

Slurry Seal Projects

2019 Rock Ridge area

2019 Cedar Glen area

2020 Northern Pacific Addition

Easterly progression to March Point area

Pavement Management

Street Overlay

Arterials

Collectors

Residential more expensive

ADA restraints

Overlay related ADA	
Sidewalk related	200K
Curb ramp	100K

Pavement rating April 16th Meeting

Rating deteriorating in future

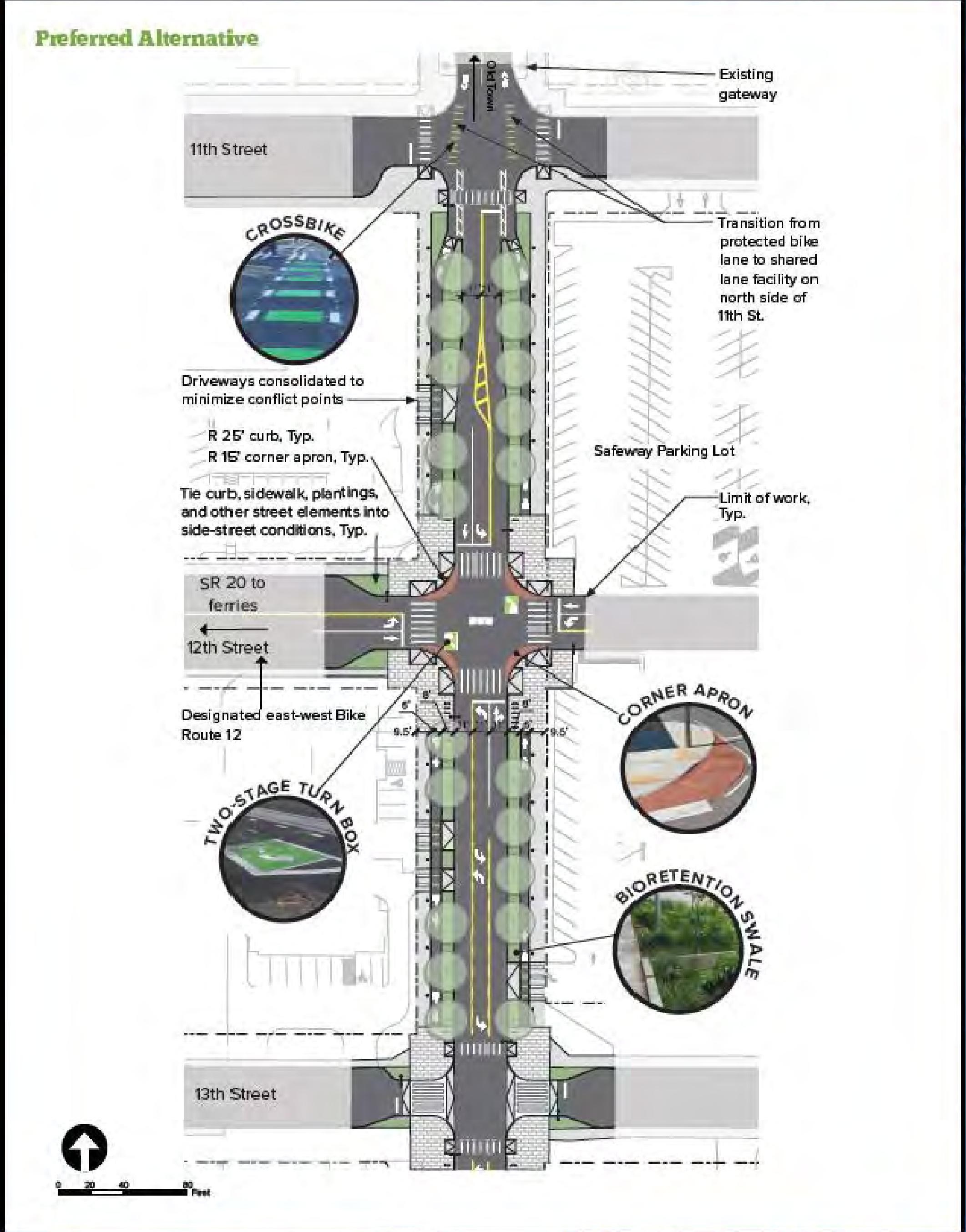
Engineering

South Commercial Avenue Corridor plan

- Commercial Avenue Improvements
- 11^{th} to 13^{th}
- Grant Programs
  - City Safety Grant
  - Bike Pedestrian plan Grant
  - WSDOT funding

South Commercial Corridor Plan

CITY OF ANACORTES PUBLIC WORKS



Waterline Replacements

<u>WSDOT South Commercial</u>

WSDOT overlay schedule pending 202?

Estimated $ 3 million water line replacement.

Current main replacement Budget

- $1.2 Mill 2019
- $1.3 Mill 2020

Important Notice for our Residential Customers

STORM WATER UTILITY RATE INCREASE

The storm water utility rates will increase from $5/month to $12.50/month over a five-year period.

Year	2018	2019	2020	2021	2022
Monthly Charge	$9.00	$9.50	$10.50	$11.50	$12.50

CITY OF ANACORTES PUBLIC WORKS

IMPORTANT NOTICE FOR OUR COMMERCIAL CUSTOMERS

STORMWATER UTILITY RATE INCREASE

YEAR	2018	2019	2020	2021	2022
Monthly increase over previous year	0%	6%	11%	10%	9%

Stormwater

Storm water utility
Rate increase in effect

Capital Improvement Plan includes deferred maintenance and improvement projects

- 37th Street Pavement/Storm Rehabilitation Project
- Kansas Avenue Storm conveyance project
- Cap Sante Outfall Replacement Project
- Baltimore Outfall
- D Ave Outfall
- 33rd Street Alley Storm
- Q Avenue Storm Sewer Improvements
- Fidalgo Bay Road

Operations

1 Additional FTE
- Solid Waste Driver/ Mechanic's Assistant

Solid Waste Staffing

4 Drivers

5 day /routes M-F
- 2 Route /drivers
- 1 Dumpster truck
- 1 Drop box driver

Water Crew Staffing

5 staff
- 1 Lead
- 2 Maintenance crew [Incl solid waste relief]
- 1 Meter reads
- 1 Locates

Equipment Maintenance Staffing

2 mechanics

Operations

1 Additional FTE

- Equipment Mechanic

History

- Same FTE's since 1992
- Fleet has approximately doubled in size
- More complex and diverse fleet
- We have 183 units per mechanic which is much higher then industry average
- We have extended service intervals to alleviate demand on shop time.

Benefits

- Meeting the NFPA maintenance requirements for fire equipment and generators
- Keep repair and maintenance work in-house
- Available to assist other departments with fabrication projects.
- Better level of service across the fleet.

Facilities Maintenance projects

Facilities

Staffing
1 Manager
1 Maintenance staff

Most projects require all hands ,
leaves little time for long range planning

- Library
- Washington Park
- City Hall
- Senior Center
- Fire Stations

17 buildings
Develop a long range capital plan

1 Additional FTE

- Incorporate the Correction Worker Program into the Facilities Division
- The additional FTE would be responsible for the CWP program and possibly have HVAC and or Electrical skill sets
- CWP would perform janitorial where possible, facility maintenance where possible .

Water

Reservoir Rehabilitation

29th Street and Skyline

2020 $1.0 Million

3MG pump station upgrade

$393K 2018 $500K 2019

36" reline

Regional system

Water Plant

Redundant raw water intake line

Water Treatment Plant

Permitting	2018
Design	2019
Construction	2020

CITY OF ANACORTES PUBLIC WORKS

Water Plant

1970 Water Plant Decommission

Permitting	2018
Decommission	2019 2020
Cost estimated	$2.5 million ?

CITY OF ANACORTES PUBLIC WORKS

Water Plant

SCADA programmer/ analyst position.
2 instances in the last 2 years of SCADA related disruptions at the Water Treatment Plant .

Both instances could have been averted / avoided with the presence of a full time SCADA programmer/ analyst on staff

CITY OF ANACORTES PUBLIC WORKS

Water Plant

SCADA

Supervisory control and data acquisition (SCADA) is a control system architecture that uses computers, networked data communications and graphical user interfaces for high-level process supervisory management, but uses other peripheral devices such as programmable logic controllers and discrete PID controllers to interface to the process plant or machinery. The operator interfaces which enable monitoring and the issuing of process commands, such as controller set point changes, are handled through the SCADA computer system.

Water Plant

1 Additional FTE

SCADA Programmer Analyst

- 2 SCADA related system failures in the last 2 years.
- Latest event required eight water treatment plant staff for 16 hours using a recently developed "manual operations manual" to run the plant.
- *QCC* currently on call , some reduction in consultant costs
- SCADA programmer /analysist in the public works department

Position shared between Water Treatment plant and the Waste Water Treatment Plant

Geographical Information Systems

New replacement plotter $10k
Additional assistance $10K

- Intern
- Consultant

Resource Conservation

Commissioning of Water Treatment Plant

Would work with PSE to help pay for this through their Comprehensive Building Tune Up program. Waiting for more info from PSE on this.

Re-Commissioning of Library

Re-commissioning, or "existing building commissioning," is a systematic process for identifying and implementing operational and maintenance improvements in a building to ensure continued good performance over time. The intent of the process is to optimize the performance of building subsystems as well as how they function together. Re-commissioning focuses on operations and maintenance improvements and diagnostic testing, although needed capital improvements may be identified and recommended through the process. There may be some grant money available to do this

Solar on Maintenance Facility

Install a 120 kW solar photovoltaic on the metal standing seam roof that was installed late 2016. System could generate in the range of 130,000 kWh per year with an estimated year one value in excess $12,000. Department of Commerce grant money will be available for solar projects, details are not out yet on grant application and program.

CITY OF ANACORTES PUBLIC WORKS

Anacortes Community Energy
www.acechallenge.org

Wastewater Treatment

Effluent Pump Station

2019 Design

2020 Construction

$425 K

Basin Rehab

340K **2019**

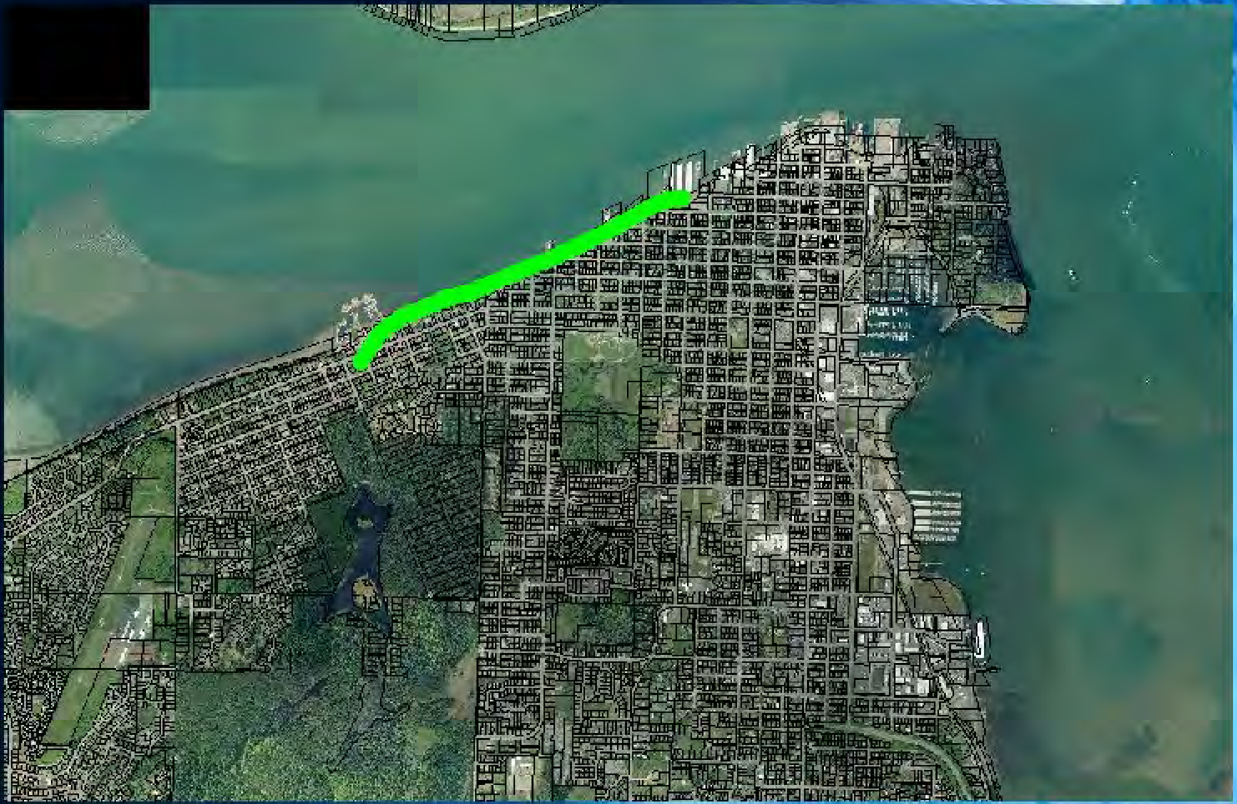
SCADA programmer position

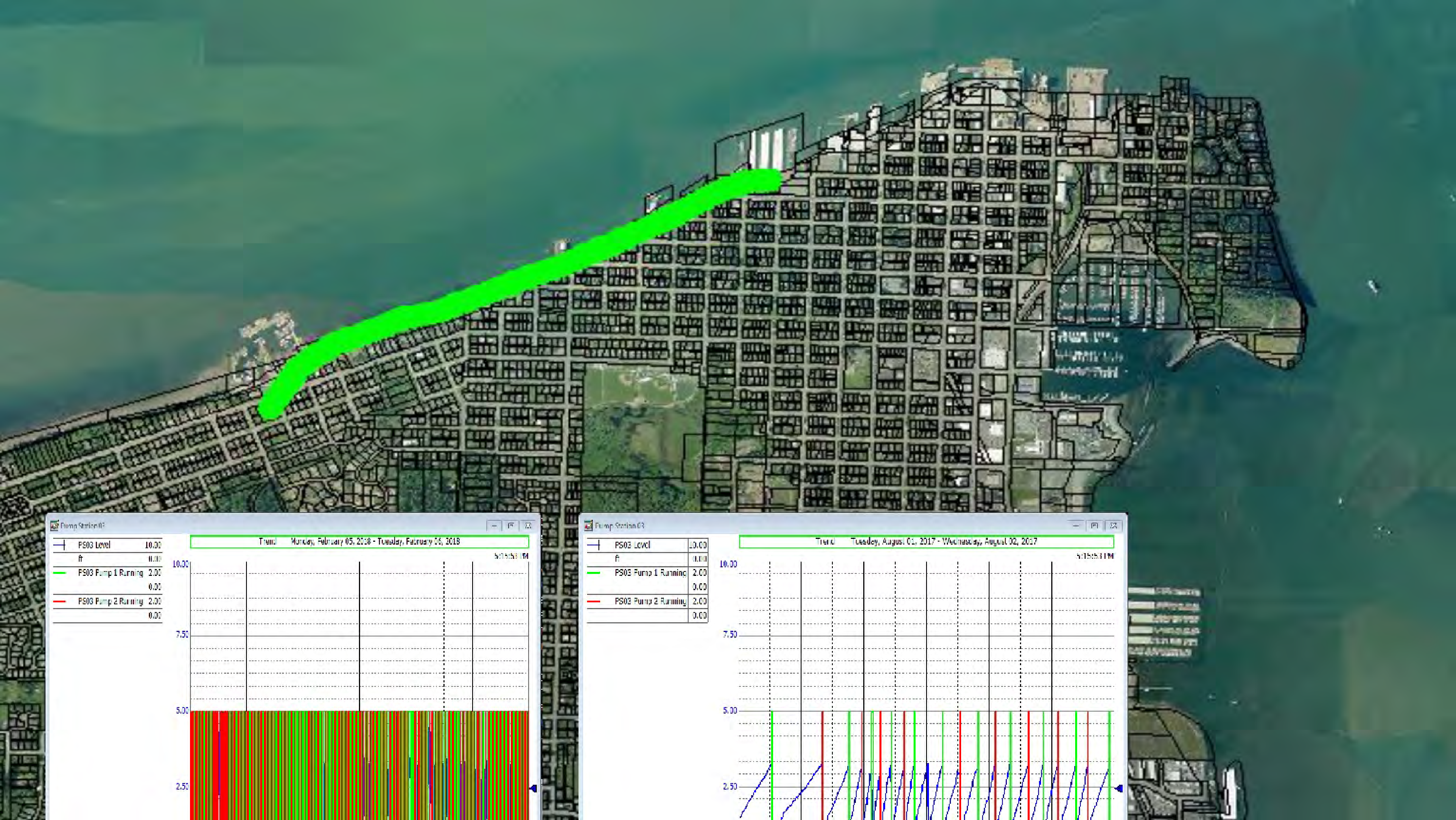
Shared position with regional water

Wastewater Treatment

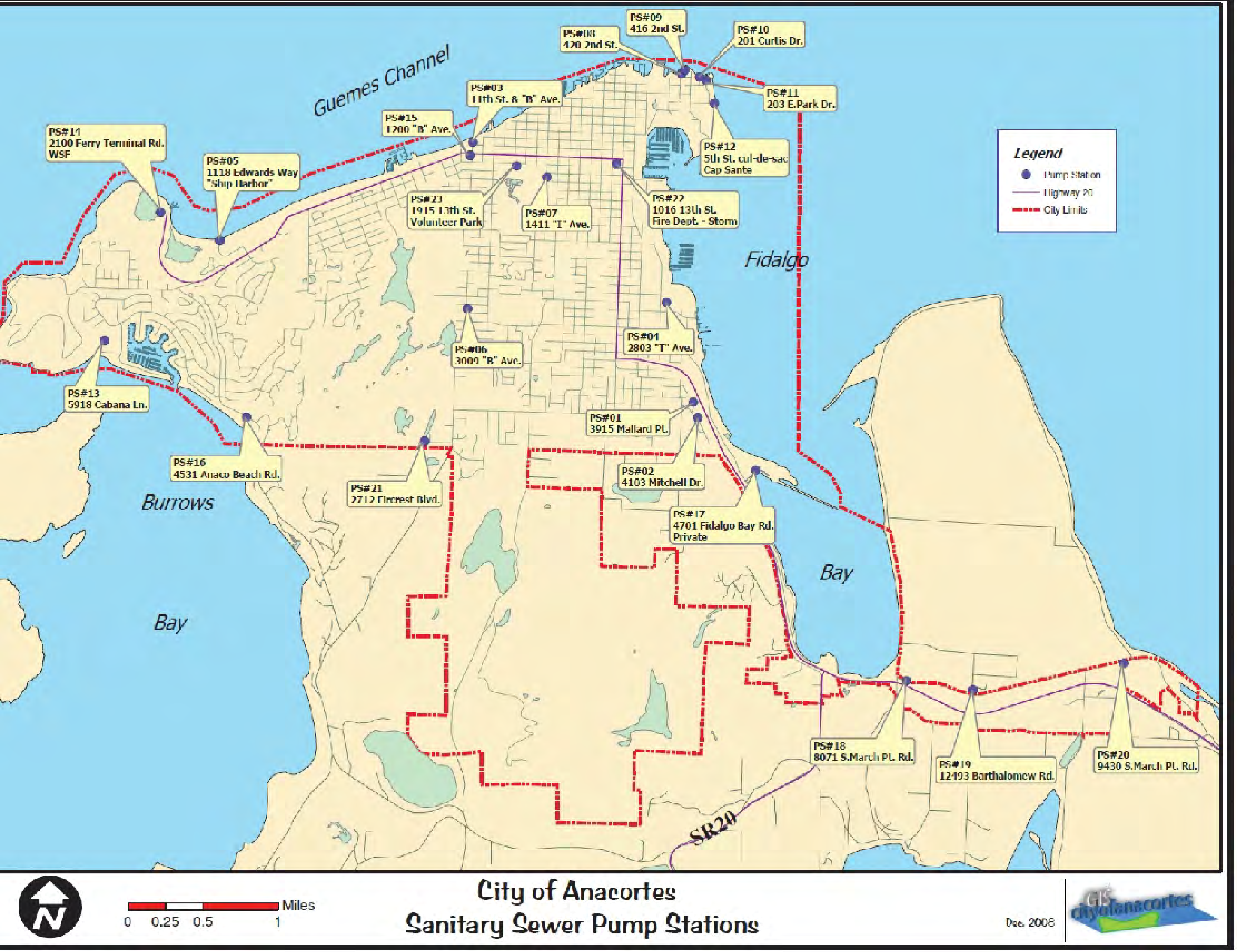
Combined Sewer Overflow Reduction Project

- Construct in line storage 1.5 MG
- Pump Station elimination
- Sustainability
- Climate change adaptation
- Environmental cleanup
- Inflow and Infiltration funding
- Property acquisition 2019





Pump Station 03
PS03 Level 10.00
ft 0.00
PS03 Pump 1 Running 2.00
0.00
PS03 Pump 2 Running 2.00
0.00
Trend Monday, February 05, 2018 - Tuesday, February 06, 2018
10.00
7.50
5.00
2.50
Pump Station 03
PS03 Level 10.00
ft 0.00
PS03 Pump 1 Running 2.00
0.00
PS03 Pump 2 Running 2.00
0.00
Trend Tuesday, August 01, 2017 - Wednesday, August 02, 2017
5:15:53 PM
10.00
7.50
5.00
2.50

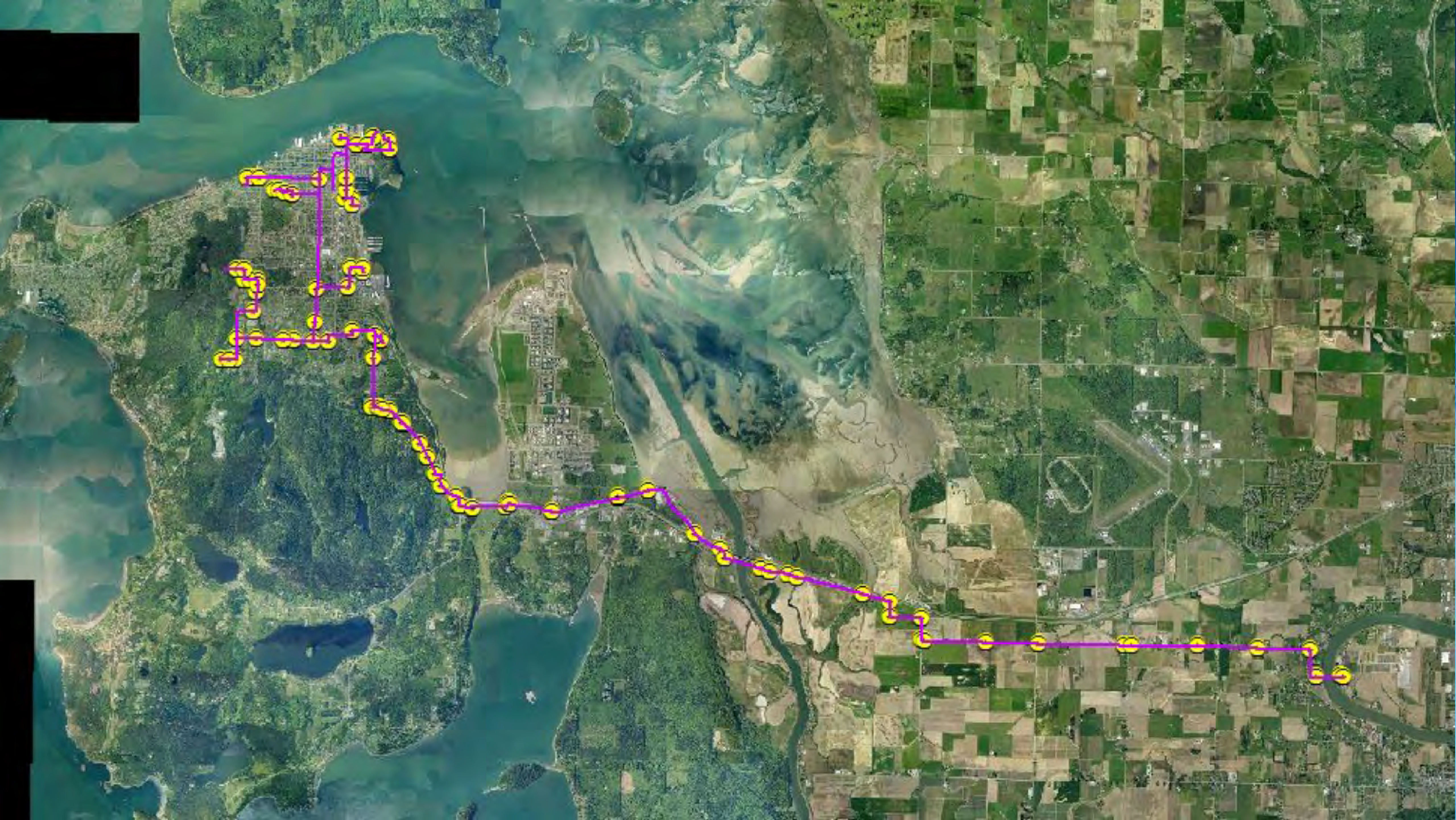


Guemes Channel
PS#14 2100 Ferry Terminal Rd. WSF
PS#05 1118 Edwards Way "Ship Harbor"
PS#15 1200 "B" Ave.
PS#03 11th St. & "B" Ave.
PS#08 420 2nd St.
PS#09 416 2nd St.
PS#10 201 Curtis Dr.
PS#11 203 E.Park Dr.
PS#12 5th St. cul-de-sac Cap Sante
PS#23 1915 13th St. Volunteer Park
PS#07 1411 "I" Ave.
PS#22 1016 13th St. Fire Dept. - Storm
Legend
Pump Station
Highway 20
City Limits
Fidalgo
Bay
PS#06 3000 "B" Ave.
PS#04 2803 "T" Ave.
PS#13 5918 Cabana Ln.
PS#01 3915 Mallard Pl.
PS#02 4103 Mitchell Dr.
PS#16 4531 Anaco Beach Rd.
PS#21 2712 Fircrest Blvd.
PS#17 4701 Fidalgo Bay Rd. Private
Burrows
Bay
PS#18 8071 S.March Pt. Rd.
PS#19 12493 Barthalomew Rd.
PS#20 9430 S.March Pt. Rd.
SR20
N
Miles
0 0.25 0.5 1
City of Anacortes
Sanitary Sewer Pump Stations
Dec. 2008
GIS cityofanacortes

Fiber Optic

Phase 3 westerly extension
Municipal Broadband project

CITY OF ANACORTES PUBLIC WORKS



QUESTIONS ??

CITY OF ANACORTES PUBLIC WORKS

OPERATIONS

Request for remodel & completion of upgrades

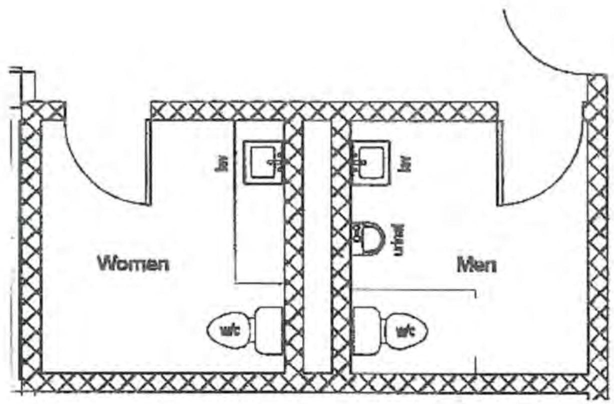
2018

First:

- **What we have gained with the current remodel**
  - **No line up in the restrooms.**
  - **Room for all of Operations to fit into the lunchroom for group meetings and training.**
  - **No sharing the lunchroom with the locker room/group meeting area/breakroom**
  - **Better work environment**
  - **ADA accessibility**
  - **In addition a place where the community can come <u>in case of an emergency</u> if needed.**

Old Restroom Layout

- Our old restrooms were 10 x 10 and only able to accommodate one pers[illegible] at a time.
- The women's restroom was also the storage room and locker room.

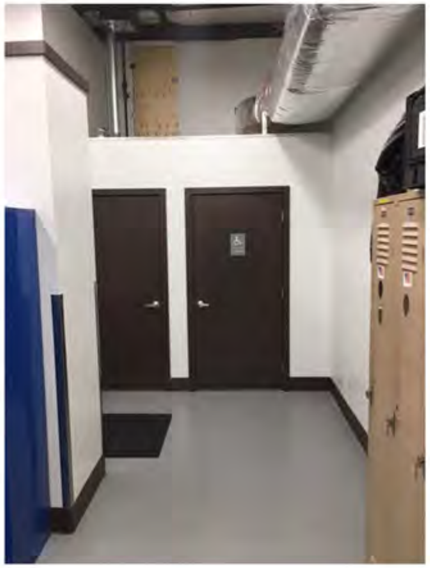


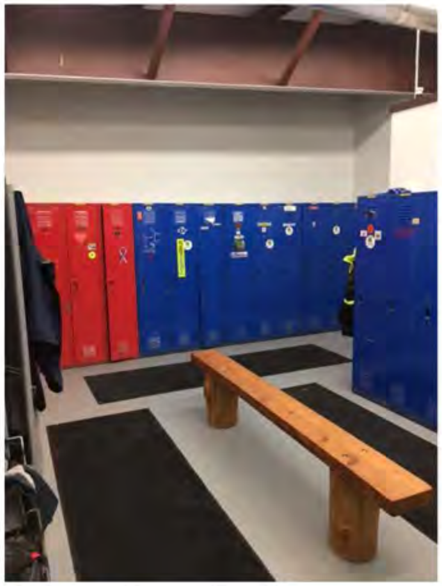
Previous Women's Bathroom/Storage Room/Locker Room and Men's Bathroom

10' x 10' Each

Men’s Restroom & Locker Room

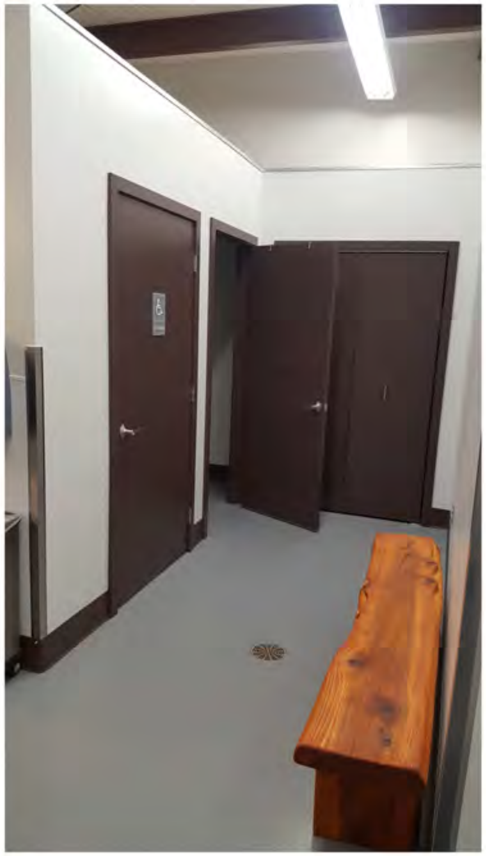
- With 30 full-time male employees, plus Parks Dept.’s Seasonal help and our CWP program workers we now have proper restrooms that are ADA compliant.



Phase 1 New Women's Restroom & Locker Room

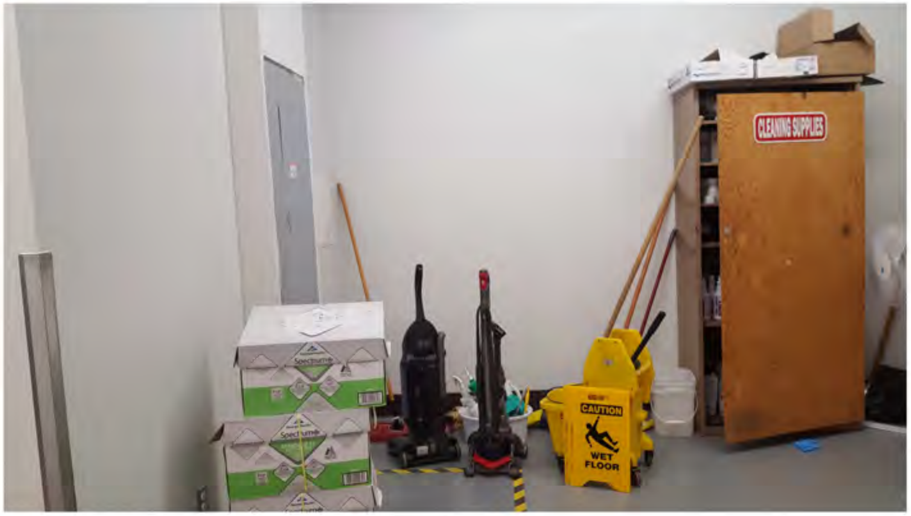
The women's restroom now has 2 sinks and 2 toilets. This doubled the space we used to have and is now ADA compliant.



Women's New Locker Room

Until we can complete phase 2, the women's locker room is our storage area. Office supplies, cleaning supplies and wall dividers take up this space.

Eventually we would like to see a wall of lockers for our 5 women employees to keep personal items in. Plus Parks Dept. Seasonal help and our CWP program workers we now have proper restrooms that are ADA compliant.



Old Lunchroom

- Operations old lunchroom was used as the one space for lunch, coffee breaks, meetings, and locker room.
- There wasn't enough room for all to sit.
- Usually, this left a group of 7 or 8 employees standing in the back or in the doorway to the hall way.

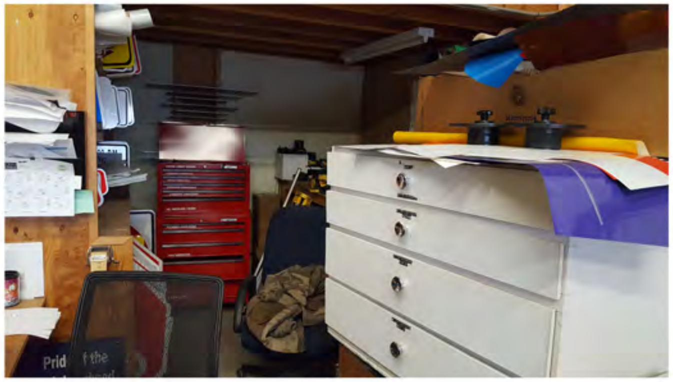
New Lunch Room

We now have a larger lunch room for employees. There are enough seats for the whole crew.

A place to prepare food and provide crew /community support in the <u>event of an emergency</u>

Sign Room

- Old Sign Room



New Sign Room Addition

OPERATIONS

Request for completion of upgrades

- The Operations/School building was **built around 1976/77**
- Over the years as technology and needs have changed we have upgraded and modified our electrical system.
- Because of the age of the building there was not complete information on all of the electrical system.
- Our goal was to have everything on the generator in last year's upgrade
- When we lost power we found that our **high voltage panel** was **not hooked to the generator** which powered the hoist, fuel station, heaters in the shop, oven and the <u>COFFEE POT! </u>We had a vehicle stuck on the hoist for two days.
- We will continue to request financial assistance from the school.

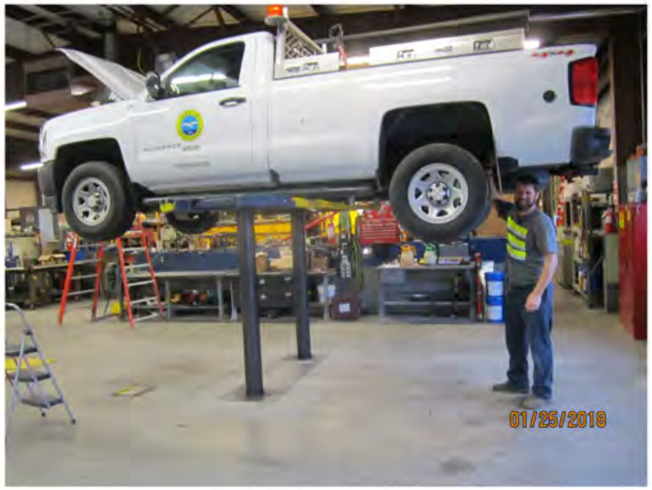

DANGER
VOLTAGE
DANGER
HIGH
VOLTAGE


3217

Generator

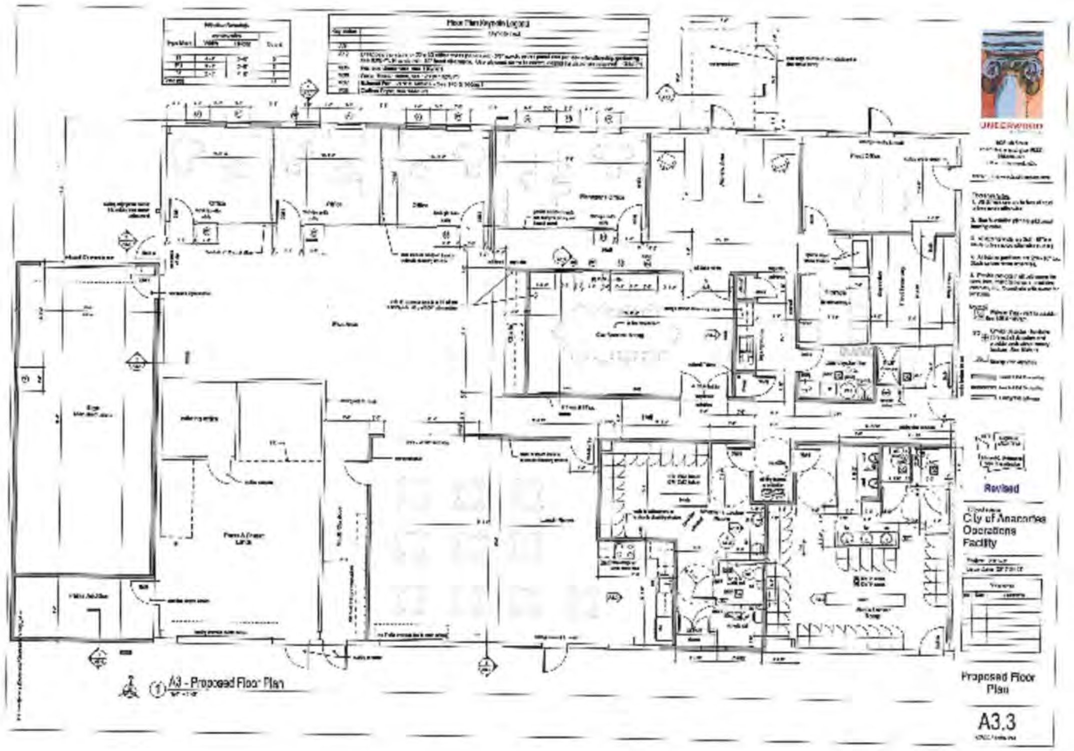
With the loss of power we found that our shop hoist will not work. Last time critical vehicles were in the air for two days and unavailable until power came back on.

Propane filling station was also unavailable. 18 vehicles now depend on this. 9 are police, 1 is fire, and the remaining are Public Works. This number will increase each year as more vehicles are converted to propane fuel.



New Floor Plan

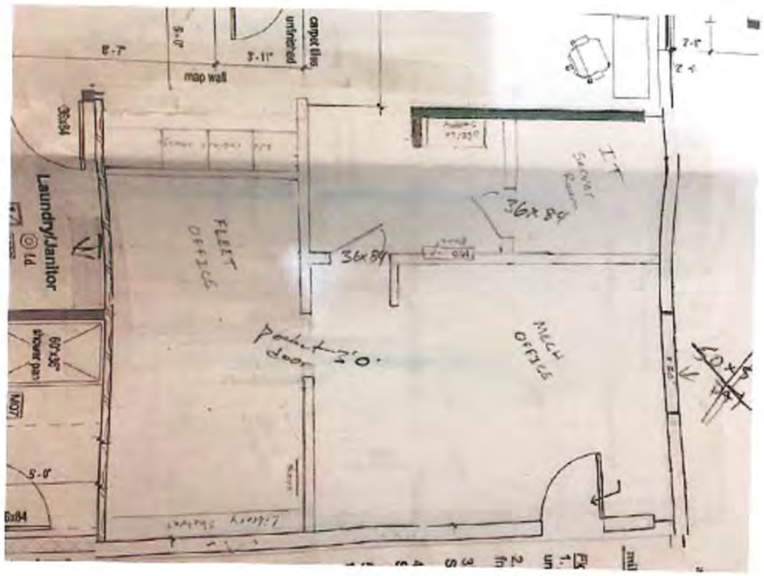
- Drawing by Underwood & Associates
- ½ of this was completed in Phase 1 during 2017 which gave Operations new restrooms and a lunch room. This is the bottom half of the drawing, South side of the building.
- The offices and conference room now need to be reconfigured as Phase 2.



I.T. Server Room

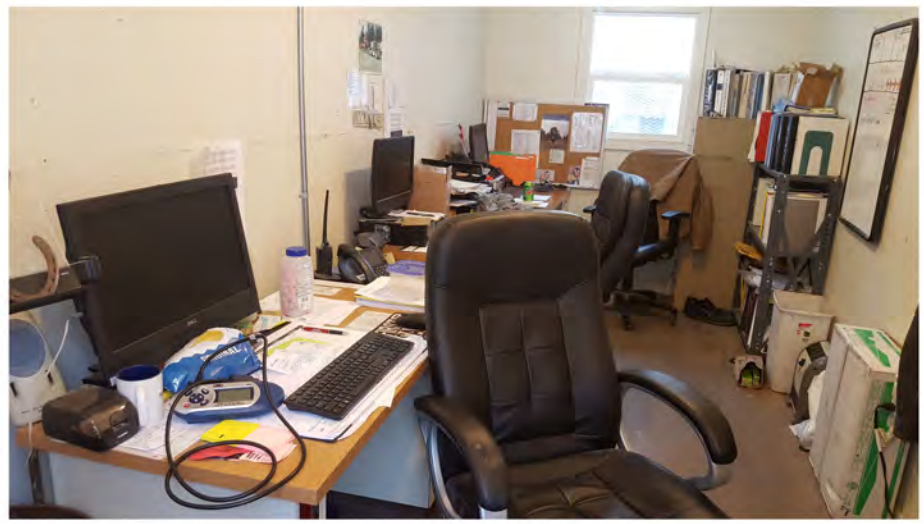
It has been requested we now add an actual room to house fiber connections. This drawing shows the new Fleet office space has been reconfigured to provide that space.

Currently the server is housed in a small cabinet in the old lunchroom that hangs on a wall.



Fleet

- Currently 3 employees share an 8 ft x 20 ft container office
- Most of their supplies are now spread out in different locations around the facility.



Engineers Estimate

Project Name: Operations Remodel Phase II
DATE: 1-Apr-18
Prepared By:

ITEM NO.	ITEM DESCRIPTION	QTY	UNIT	UNIT PRICE	TOTAL			
1	Job trailer rental x 6 months 10 x 40	2	ea	$3,809.00	$7,618.00		$7,618.00 *	
2	Job container converted office rental x 6 months	1	ea	$1,596.00	$1,596.00	$	1,596.00 *	
3	Asbestos Removal	1	LS	$17,862.00	$17,862.00	* $	17,862.00 *	
4	Electrical includes office heating	1	LS	$74,750.00	$74,750.00	* $	74,750.00 *	
5	Concrete Flooring	1	LS	$18,000.00	$18,000.00	$	-	
6	windows/doors/offices/siding/insulation/framing/lumber/paint/plumbing				$26,483.54		$26,483.54	
7	misc				$0.00			
8				Subtotal	$146,309.54		$128,309.54	
9					$0.00		7055.72	Delay misc item until 2019
10							$121,253.82	Total
11					$0.00			
12					$0.00			
13					$0.00			
18					$0.00			
19					$0.00			
20					$0.00			
				Sub-total:	**$146,309.54**			

City of Anacortes
2017/2018 Budget
EXPENSE
Fund 001 GENERAL FUND
Dept 713 MUNICIPAL/COMMUNITY BUILDINGS

" DEPARTMENT HEAD REQUESTS "

Line	BARS	Account	# Accts	2017 Budget Request	Total Check	Budget Detail	% Change	Job Cost/ Project No.	Description	Amount Funded by: REET 1	REET 2	Impact Fees Parks	Impact Fees Streets	Grants	Fund Balance	2018 Budget Request	Total Check	Budget Detail	% Change	Job Cost/ Project No.	Description	Amount Funded by: REET 1	REET 2	CARRY OVER REET1 amount moved from 2017	TOTAL of REET 1 for 2018	Revised Project Cost
790	CENTRALIZED SERVICES - MAINTENANCE/SECURITY/INSURANCE/J				0												0									
791	001.713.518.50.10	Salaries & Wages	#	156,625	156,625		-1%									155,661	155,661									
792	001.713.518.50.12	Overtime	#	0	0											0	0									
793	001.713.518.50.20	Personnel Benefits	#	72,296	72,296		10%									76,066	76,066									
794	001.713.518.50.31	Office & Operating Supplie	#	15,200	15,200		22%		General Supplies							10,500	10,500				General Supplies					
795	001.713.518.50.40	Interfund Services	#	7,884	0		26%									7,555	0									
796					6,022	6,022			ER&R								6,022	6,022			ER&R					
797					2,972	2,972			DIS								5,120	5,120			DIS					
798	001.713.518.50.41	Professional Services	#	501,928	0		667%									170,928	0									
799					15,000	15,000			Automatic door openers	15.000							0							15,000	15,000	11,850
800					85,000	85,000			ADA Transition Improvements	35.000							50,000	50,000			ADA Transition Improvements	50.000		35,000	85,000	67,150
801					2,000	2,000			Signage for entire building								2,000	2,000			Signage for entire building			2,000	4,000	3,150
802					25,000	25,000			Carpet replacement	25.000							25,000	25,000			Carpet replacement	25.000		25,000	50,000	39,500
803					50,000	50,000			City Hall windowreplacement	50.000							50,000	50,000			City Hall windowreplacement	50.000		50,000	100,000	74,000
804					0	0			Spikes for City Hall roof								0								0	0
805					0	0			Fire suppression system in Server Room								5,000	5,000								
806					100,000	100,000			City Hall Structure Design	100.000							0	0			City Hall Structure Design			80,000	80,000	63,200
807					0				City Hall Fire Protection/Seismic Retrofit								0	0			City Hall Fire Protection/Seismic Retrofit					
808					0				City Hall Active Fire Protection								0	0			City Hall Active Fire Protection					
809																	14,000	14,000			Entire Building Duct Cleaning					
810					5,000	5,000			Parking Lots Maintenance								5,000	5,000			Parking Lots Maintenance					
811					5,000	5,000			Window cleaning								5,000	5,000			Windowcleaning					
812					5,000	5,000			Facility Painting								5,000	5,000			Facility Painting					
813					2,700	2,700			Siemens Service Contract								2,700	2,700			Siemens Service Contract					
814					2,000	2,000			Blythe Service Contract								2,000	2,000			Blythe Service Contract					
815					1,000	1,000			Guardian Security Monitoring								1,000	1,000			Guardian Security Monitoring					
816					2,500	2,500			Annual Confident								2,500	2,500			Annual Confident					
817					5,000	5,000			Fire Extinguisher Maintenance								5,000	5,000			Fire Extinguisher Maintenance					
818					2,400	2,400			Elevator Repairs								2,400	2,400			Elevator Repairs					
819					526	526			Allmax Antero software								526	526			Allmax Antero software					
820					50,000	50,000			Elevator Upgrade	50.000							0	0			Elevator Upgrade			50,000	50,000	39,500
821					0												0	0			Roof Vents				0	0
822					0												0	0			Facilities Shop				0	0
823	001.713.518.50.42	Communication	#	0	0											0	0								0	0
824	001.713.518.50.43	Travel & Training	#	500	500		0%									500	500								0	0
825	001.713.518.50.46	Insurance	#	7,799	7,799		0%									8,159	8,159								0	0
826	001.713.518.50.47	Utility Services	#	20,000	20,000		-29%									20,000	20,000								0	0
827	001.713.518.50.48	Repairs & Maintenance	#	25,000	0		-58%									25,000	0								0	0
828					10,000	10,000			Facility Renovations								10,000	10,000			Facility Renovations					
829					15,000	15,000			General Repairs								15,000	15,000			General Repairs					
830	CULTURAL & RECREATIONAL FACILITIES - MULTIPURPOSE & COM				0												0								0	
831	001.713.575.50.10	Salaries & Wages	#	47,270	47,270		-1%									47,267	47,267								0	
832	001.713.575.50.12	Overtime	#	0	0											0	0								0	
833	001.713.575.50.20	Personnel Benefits	#	25,101	25,101		10%									24,297	24,297								0	
834	001.713.575.50.31	Office & Operating Supplie	#	5,000	5,000		0%		General supplies							5,000	5,000				General supplies				0	
835	001.713.575.50.41	Professional Services	#	66,000	0		1567%									71,000	0								0	
836					0												50,000	50,000			Floor replacement	50.000			50,000	
837					65,000	65,000			Roof Replacement	65.000							0							65,000	65,000	
838					1,000	1,000			Window Cleaning								1,000	1,000			WindowCleaning				1,000	
839					0												20,000	20,000			Exterior Painting	20.000			20,000	
840	001.713.575.50.46	Insurance	#	2,185	2,185		1%									2,294	2,294								0	
841	001.713.575.50.47	Utility Services	#	20,000	20,000		0%									20,000	20,000								0	
842	001.713.575.50.48	Repairs & Maintenance	#	15,000	15,000		-55%		General Repairs							15,000	15,000				General Repairs				0	
843	PARK FACILITIES - HEART OF ANACORTES [RESTROOM ONLY]				0												0								0	
844	001.713.576.91.31	Office & Operating Supplie	#	0	0		-100%		Moved to Tourism Fund 135							0	0				Moved to Tourism Fund 135				0	
845	001.713.576.91.41	Professional Services	#	0	0				Moved to Tourism Fund 135							0	0				Moved to Tourism Fund 135				0	
846	001.713.576.91.46	Insurance	#	0	0											0	0								0	
847	001.713.576.91.47	Utility Services	#	0	0		-100%		Moved to Tourism Fund 135							0	0								0	
848	001.713.576.91.48	Repairs & Maintenance	#	0	0		-100%		Moved to Tourism Fund 135							0	0								0	
849	CAPITAL EXPENDITURES/EXPENSES				0												0								0	0
850	001.713.594.55.62	BUILDINGS & STRUCTURES	#	195,000	0		-5%									165,000	0								0	0
851					0				**Public Safety Building**								0				**Public Safety Building**				0	0
852					40,000	40,000			Public Safety Security Cameras						40.000		0								0	0
853					20,000	20,000			Public Safety Flooring	20.000							20,000	20,000			Public Safety Flooring	20,000			20,000	15,800
854					0												80,000	80,000			Public Safety Exterior Painting	80,000			80,000	61,000
855					0												5,000	5,000			Public Safety Counter Space Repair	5,000			5,000	3,900
856					0												0				**Depot**				0	0
857					0												5,000	5,000			Depot Exterior Electrical upgrades				5,000	3,950
858					0				**Washington Park**								0								0	0
859					0	0			Washington Park Bathroom Upgrade								0								0	0
860					0				**Water Treatment Plant**								0								0	0
						0			Water Treatment Camera Installation																0	0
860					0				**Library**								0				**Library**				0	0
861					0	0			Spikes for Library Roof								0								0	0
862					0												0	0			Library Interior Painting				0	0
863					50,000	50,000			Library Carpet Replacement	50.000							50,000	50,000			Library Carpet Replacement	50,000			50,000	39,500
864					0				**Fire Stations**								0				**Fire Stations**				0	0
865					25,000	25,000			Interior Painting Fire Station 1 & 2	25.000							0	0			Interior Painting Fire Station 1 & 2			9,000	9,000	7,000
866					0	0			Flooring Fire Station 1 & 2	0							25,000	25,000			Flooring Fire Station 1 & 2	25,000			25,000	18,500
867					0	0			HVAC upgrade Fire Station 1						6.000		0								0	0
868					0				**Operations Shop**								0								0	0
869					65,000	65,000			Bathroom Expansion	35.000							0					0			0	130,000
869.5					25,000	25,000			Overhead Garage Doors	25.000												0			0	
870	001.713.594.48.64	MACHINERY & EQUIPMENT			0												0								0	0
871					0												0	0			Maintenance Vehicle				0	0
			#	962,788	966,098					496,000	0	0	0	0	46,000	827,778	831,087					376,000	0	331,000	578,000	578,000
																									0	

Funding

- 2018 Building maintenance and upgrade budget

		TOTAL REET 1	TOTAL REET 1
		0	0
Operations Phase 2	0	0	130,000
	0	0	
		0	0
		0	0
		578,000	578,000
		0	

City Council Contract Agenda Bill

Meeting Date: 3/26/2018 **Agenda Item**: 7b

Subject: Contract Award - Operations Shop Remodel – Electrical Work

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 $74,750.00 to VECA Electric & Technologies to perform the electrical work at the City of Anacortes Operations Shop, 2201A 37th Street, Anacortes, WA, as detailed in Exhibit A of the contract.

Background:
1. History: This work will support the second phase of the Operations building improvements. In addition this work will connect our emergency generator to critical equipment within the facility. More information will be provided at the meeting.
2. Key Terms:
   - Contract price is on a time-and-materials (T&M) basis not-to-exceed is $74,750.00.
   - The Contractor shall complete the work by December 31, 2018.
3. Competitive Bidding: City staff used the Small Works Roster Contract Procedures to issue an Invitation to Bid on 3/6/18 to seven contractors on the roster. One proposal was received by the deadline. Staff reviewed the proposal and determined it met the requirements as the lowest responsive bid.

Previous Council/Committee Action: N/A

Competing Viewpoints Considered: N/A

Recommended Motion: I move that City Council authorize the Mayor to sign contract 16-085-IDS-006 with VECA Electric & Technologies in the amount of $74,750.00 to perform electrical work at the City of Anacortes Operations Shop.

Alternative Actions: Not complete the electrical upgrades

Attachments: Contract 16-085-IDS-006

Contractor	VECA Electric & Technologies
Contract Amount	$74,750.00
Earmarked Funds	
BARS #	001.713.594.53.62
Budget Amendment Required?	No
Start Date	Inception
End Date	12/31/18

CONTRACT 16-085-IDS-006

AGREEMENT WITH

VECA Electric & Technologies

This Contract is between the City of Anacortes, Washington, a Municipal Corporation (herein after referred to as "City") and VECA Electric & Technologies a private contractor at 3950 Hammer Dr, Suite 109, Bellingham, WA 98226 (herein after referred to as "Contractor").

PROJECT

Operations Shop Remodel – Electrical Work

1. Scope of Work: Contractor shall furnish all materials, equipment and labor to repair perform the electrical work at the City of Anacortes Operations Shop, 2201A 37th St, Anacortes, WA, as detailed in Exhibit A, which is hereby incorporated by reference and made a part hereof.

2. Contract Price: The work performed under this Agreement shall be performed on a time-and-materials (T&M) basis not-to-exceed **Seventy-Four Thousand Seven Hundred Fifty Dollars ($74,750.00)**. This includes all labor, materials, and sales tax for the project. Before any payment is made by the City of Anacortes of sums under this contract, the contractor must provide a copy of the statement of *Intent to Pay Prevailing Wage* approved by the Department of Labor and Industries. Pursuant to RCW Chapter 60.28, a sum of five percent (5%) of the monies earned by the contactor will be retained.

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

4. Time of Completion: The Contractor shall complete the work by December 31, 2018.

5. Job Safety: Contractor shall comply with all Department Labor and Industries and City of Anacortes safety standards while on the job.

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 General Provisions and Exhibit A are included in this Contract Agreement.

The Owner and Contractor each binds 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.

In Witness Whereof, Owner and Contractor have signed two (2) copies of this Contract Agreement. All portions of the Contract Agreement have been signed or identified by the Owner and Contractor.

Owner:
City of Anacortes

____
Mayor

____
Date

Contractor:
VECA Electric & Technologies

____
Signature

____
Printed Name

____
Date

____
Contractor License #

____
Washington State UBI #

1. Delivery. Advance coordination of the work shall be made with the Project Manager WiL Ludemann at (360)299-1515.

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.

The Contractor shall give immediate written notice per Clause Notices of any action or suit filed and prompt notice of any claim made against the Contractor by any Sub-Contractor 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 Public Works Director 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. This Contract includes Contractor’s one (1) year warranty for all new work installed. Said one (1) year warranty includes all labor and materials which shall be provided by the Contractor. In addition, the Contractor shall obtain and submit to the City any necessary documentation to secure any extended manufacturer’s warranty and warranty terms. Warrant shall begin as of the date cited on the Notice of Final Acceptance.

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 Contactor’s required insurance shall be of the types and coverage as stated below:

1. Automobile Liability insurance covering all owned, non-owned, hired and leased vehicles. Coverage shall be at least as broad as Insurance Services Office (ISO) form CA 00 01.
2. Commercial General Liability insurance shall be as least as broad as ISO occurrence form CG 00 01 and shall cover liability arising from premises, operations, independent contractors, products-completed operations, stop gap liability, personal injury and advertising injury, and liability assumed under an insured contract. The Commercial General Liability insurance shall be endorsed to provide a per project general aggregate limit using ISO form CG 25 03 05 09 or an equivalent endorsement. There shall be no exclusion for liability arising from explosion, collapse or underground property damage. **The City of Anacortes and its officers, elected officials, employees, agents, and volunteers shall be named as an additional insured** under the Contractor’s Commercial General Liability insurance policy with respect to the work performed for the City using ISO Additional Insured endorsement CG 20 10 10 01 and Additional Insured-Completed Operations endorsement CG 20 37 10 01 or substitute endorsements providing at least as broad coverage.

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

D. **Minimum Amounts of Insurance**
The Contractor shall maintain the following insurance limits:
1. Automobile Liability insurance with a minimum combined single limit for bodily injury and property damage of $1,000,000 per accident.
2. Commercial General Liability insurance shall be written with limits no less than $1,000,000 each occurrence, $2,000,000 general aggregate and $2,000,000 products-completed operations aggregate limit.

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

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

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

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

I. **Subcontractors' Insurance**
The Contractor shall cause each and every Subcontractor to provide insurance coverage that complies with all applicable requirements of the Contractor-provided insurance as set forth herein, except the Contractor shall have sole responsibility for determining the limits of coverage required to be obtained by Subcontractors. The Contractor shall ensure that the City is an additional insured on each and every Subcontractor's Commercial General liability insurance policy using an endorsement at least as broad as ISO CG 20 10 10 01 for ongoing operations and CG 20 37 10 01 for completed operations.

J. **Notice of Cancellation**
The Contractor shall provide the City and all Additional Insureds for this work with written notice of any policy cancellation within two (2) business days of their receipt of such notice.

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

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, 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, the City will require persons doing business with the City to possess a business license.

13. Discrimination Prohibited. Contractor shall not discriminate against any employee or applicant for employment because of race, color, religion, age, sex, national origin or physical handicap.

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. 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.

16. 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.

17. 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.

18. 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.

19. 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.

20. 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.

21. 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.

22. 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.

23. 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.

24. 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.

25. 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.

26. 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.

27. 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. The applicable provisions are as follows:

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.

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 the Washington State Department of Labor and Industries.

The Department of Labor and Industries 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 the Department of Labor and Industries 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 the Department of Labor and Industries 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. Based on the bid submittal deadline for this project, the applicable effective date for prevailing wages for this project is 3/8/18. 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.

CONTRACT 16-085-IDS-006
EXHIBIT A

SCOPE OF WORK

All work to be performed between the hours of 7:00am and 4:30pm Monday-Friday excluding and City observed holidays. All work must conform to building and electrical codes and Contractor is responsible for any and all permits that may be required.

- **Temporary Office Power**
  - Provide and install (2) new 50amp circuits to feed job shacks.

- **Generator Back-Up**
  - Demo existing 400amp C-panel.
  - Provide and install new 400amp generator panel to replace C-panel.
  - Provide and install new conduit and wire from existing 400amp bucket in switchgear to existing ATS.
  - Provide and install (2) 225amp breakers to feed B-panels.
  - Provide and install (1) 150amp breaker to feed new panel for north office remodel.
  - Provide and install (11) breakers to match circuits being used in existing C-panel.
  - Provide and install (9) 20amp single pole breakers for future use.
  - Provide and install new conduit and wire from switchgear to ATS, from ATS to new generator panel, and from new generator panel to B-panels.

- **North Office Remodel Distribution**
  - Provide and install new 150amp subpanel in Fleet office area fed from generator panel in shop.
  - Provide and install necessary breakers, wire, and conduit for ceiling heaters and other branch circuitry.

- **Office #1 (12' x 13'6")**
  - Provide and install (1) duplex receptacle.
  - Provide and install (3) quad receptacles.
  - Provide and install (1) data port.
  - Provide and install (1) light switch.
  - Provide and install (1) thermostat.
  - Provide and install (2) 4' covered light fixtures.
  - Provide and Install (1) ceiling heater.

- **Office #2 (12' x 13' 9 ½")**
  - Provide and install (3) duplex receptacles.
  - Provide and install (1) quad receptacle.
  - Provide and install (1) data port.
  - Provide and install (1) light switch.
  - Provide and install (1) thermostat.
  - Provide and install (2) 4' covered light fixtures.
  - Provide and install (1) ceiling heater.

- **Office #3 (12' x 13' 11 ½")**
  - Provide and install (3) duplex receptacles.
  - Provide and install (1) quad receptacle.
  - Provide and install (1) light switch.
  - Provide and install (1) thermostat.

- Provide and install (2) 4′ covered light fixtures.
- Provide and install (1) ceiling heater.

- **Flex Area**
  - Provide and install (2) data ports.
  - Provide and install (3) countertop duplex receptacles.
  - Provide and install (2) emergency exit signs.
  - Reuse 8′ City light fixtures.

- **Flex Area "Charts"**
  - Provide and install (1) data port.
  - Provide and install (1) countertop quad receptacle.
  - Provide and install (1) duplex receptacle.
  - Reuse 8′ City light fixtures.

- **Managers Office (12′ x 19′ 6")**
  - Provide and install (3) 4′ covered light fixtures.
  - Provide and install (3) duplex receptacles.
  - Provide and install (1) countertop duplex receptacle.
  - Provide and install (1) quad receptacle.
  - Provide and install (1) data port.
  - Provide and install (1) light switch.
  - Provide and install (1) thermostat.
  - Provide and install (2) ceiling heaters.

- **Conference Room (15′ x 25′ 10 ½")**
  - Provide and install (4) 4′ covered light fixtures.
  - Provide and install (2) duplex receptacles.
  - Provide and install (2) quad receptacles.
  - Provide and install (2) data ports.
  - Provide and install (1) thermostat.
  - Provide and install (3) ceiling heater.

- **Admin Area**
  - Provide and install (4) quad receptacles.
  - Provide and install (2) data ports.
  - Provide and install (1) emergency exit sign.
  - Provide and install (2) ceiling heaters.
  - Reuse 8′ City light fixtures.

- **North Hallway**
  - Provide and install (2) duplex receptacles.
  - Provide and install (1) 3-way light switch.
  - Provide and install (1) thermostat.
  - Reuse 8′ City light fixtures.

- **South Hallway**
  - Provide and install (1) duplex receptacle outside of conference room.
  - Reuse 8′ City light fixtures.

- **Large Copy Machine Room**
  - Provide and install (1) data port.

- Provide and install (1) countertop duplex receptacle.
- Provide and install (1) duplex receptacle.
- Provide and install (1) ceiling heater.
- Reuse 8’ City light fixtures.

- **IT Server Room**
  - Provide and install (2) Nema L5 30A outlets.
  - Provide and install (1) 4’ covered light fixture.
  - Provide and install (2) quad receptacles.
  - Provide and install (1) thermostat.
  - Provide and install (1) ceiling heater.

- **Fleet Office (16’6” x 8’ 6”) / Mech Office (12’ 6” x 17’) – 2 Rooms**
  - Provide and install (5) duplex receptacles.
  - Provide and install (6) quad receptacles.
  - Provide and install (4) data ports.
  - Provide and install (3) 3-way switches.
  - Provide and install (2) thermostats.
  - Provide and install (2) ceiling heaters. (Mech office)
  - Provide and install (1) ceiling heater. (Fleet office)

- **File Cabinet Nook**
  - Provide and install (2) 5’ high quad receptacles.
  - Provide and install (1) thermostat.

- **Janitor/ Laundry Room**
  - Provide and install (2) duplex receptacles.
  - Provide and install (1) Dryer outlet.
  - Provide and install (1) light switch.
  - Provide and install (1) thermostat.
  - Provide and install (2) 4’ covered light fixtures.
  - Provide and install (1) ceiling heater.

- **Eye Wash Station/ Shower Room**
  - Provide and install (1) light switch.
  - Provide and install (1) thermostat.
  - Provide and install (2) can lights.
  - Provide and install (1) ceiling heater.

- **Office Supply/ Electrical Panel Hallway**
  - Provide and install (1) 4’ light fixture.

Anacortes City Council

Proposed Agenda Items for the Next Eight Weeks Beginning April 2, 2018

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.

April 2, 2018
•2018-2022 CDBG - Five Year Consolidated Plan and One Year Action Plan Public Process Conclusion (Discussion)
•Public Works Quarterly Update (Discussion)
•Contract Modification: NoaNet - West End Telemetry System (Discussion/Possible Action)
•Lodging Tax Advisory Committee Annual Appointments (Discussion/Possible Action)
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April 9, 2018
•2019/2020 Budget Kickoff: Departmental Goals and Objectives for the Upcoming Biennium - Continued from March 26 (Discussion) - Admin Services, Legal, Planning, Police, Fire, Parks, Library, Museum
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April 16, 2018
•Pavement Management Program Update (Discussion)
•Municipal Fiber RFQ Finalist Presentations (Discussion)
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April 23, 2018
•Municipal Fiber ISP Model Decision (Action)
•Presentation from HAM Radio and CERT Organizations (Discussion)
•Pavement Management Program Update (Discussion)
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May 7, 2018
•Contract Award: Municipal Fiber Pilot Zone Construction (Discussion/Possible Action)
•Presentation: History of Anacortes' North Shore (Discussion)
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May 14, 2018
•Closed Record Decision Hearing, "A" Dock Replacement & Reconfiguration, Shoreline Substantial Development Permit, Port of Anacortes, SDP-2018-0002
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May 21, 2018
****

May 29, 2018
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Upcoming City Council Committee Meetings

The public is welcome to attend City Council Committee Meetings.
•Planning, Monday, Mar 26, 2018, 5:00 PM, Main Conference Room, City Hall
•Finance, Wednesday, Mar 28, 2018, 5:00 PM, Main Conference Room, City Hall
•Public Works, Monday, Apr 2, 2018, 5:00 PM, Public Works Director's Office, City Hall
•Port/City Liaison Committee, Tuesday, Apr 3, 2018, 8:30 AM, City Hall
•Skagit County Population Health Trust, Thursday, Apr 5, 2018, 8:30 AM, Mount Vernon
•Housing Affordability & Community Services, Thursday, Apr 5, 2018, 1:30 PM, City Hall
•Planning, Monday, Apr 9, 2018, 5:00 PM, Main Conference Room, City Hall
•Public Safety, Tuesday, Apr 10, 2018, 4:30 PM, City Hall, Mayor's Office
•Finance, Wednesday, Apr 11, 2018, 5:00 PM, Main Conference Room, City Hall
•Public Works, Monday, Apr 16, 2018, 5:00 PM, Public Works Director's Office, City Hall