



Anacortes City Council
Municipal Building Council Chambers
904 6th Street

September 24, 2018
6:00 p.m.

PRELIMINARY AGENDA

[Packet Materials / Watch Meeting](#)

1. **Call to Order**
2. **Pledge of Allegiance**
3. **Announcements and Committee Reports**
 - a. Personnel Committee
 - b. Planning Committee
4. **Public Comment**
5. **Consent Agenda (Action)**
 - a. Minutes of September 17, 2018
 - b. Approval of Claims in the amount of: \$450,691.37
 - c. Contract Award: City Hall Windows 17-054-FAC-002
 - d. Street Fair Application: Anacortes High School Homecoming Parade
 - e. Contract Modification: WWTP Incinerator Repair Project 18-065-SEW-001
6. **Public Hearings**
7. **Other Business**
 - a. * Skagit County EMS Services System Delivery Agreement (Discussion/Possible Action)
 - b. * Parks Department Updates (Discussion)
 - c. * Ordinance 3028: Updating AMC Title 5, Business Licensing (Action)
8. **Adjournment**

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

The City of Anacortes encourages people with disabilities to participate in public meetings.
For assistance with special needs, please contact the City Clerk at 360-299-1960 in advance of the meeting.



Anacortes City Council

Proposed Agenda Items for the Next Eight Weeks Beginning October 1, 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.

October 1, 2018

- Contract Award: WWTP Chemicals 18-143-IDS
- 2019-2024 Capital Facilities Plan (Discussion)

October 8, 2018

- Public Hearing on Budgeted Revenue Sources, including 1% Property Tax Increase (Discussion)
- Waste Management Recycling (Discussion)

October 15, 2018

- Review of Budget - Public Works (Discussion)

October 22, 2018

- Review of Budget - Non Public Works Departments (Discussion)
- Sewer Rate Discussion - FCS Group (Discussion)

November 5, 2018

- Public Hearing: 2019/2020 Biennial Budget

November 13, 2018

November 19, 2018

- Resolution ____: Authorizing a 1% Property Tax Increase (Discussion/Possible Action)
- Ordinance ____: Adopting the 2019-2024 Capital Facilities Plan (Discussion/Possible Action)
- Ordinance ____: Adopting the 2019/2020 Biennial Budget (Discussion/Possible Action)

November 26, 2018

Upcoming City Council Committee Meetings

The public is welcome to attend City Council Committee Meetings.

- Planning, Monday, Sep 24, 2018, 5:00 PM, Main Conference Room, City Hall
- Finance, Wednesday, Sep 26, 2018, 5:00 PM, Main Conference Room, City Hall
- Public Works, Monday, Oct 1, 2018, 5:00 PM, Main Conference Room, City Hall
- Port/City Liaison, Tuesday, Oct 2, 2018, 8:30 AM, City Hall
- Public Safety, Tuesday, Oct 2, 2018, 10:00 AM, Mayor's Office, City Hall
- Housing Affordability & Community Services, Thursday, Oct 4, 2018, 1:30 PM, City Hall
- Planning, Monday, Oct 8, 2018, 5:00 PM, Main Conference Room, City Hall
- Skagit County Law & Justice Council, Wednesday, Oct 10, 2018, 8:15 AM, Mount Vernon
- Finance, Wednesday, Oct 10, 2018, 5:00 PM, Main Conference Room, City Hall
- Public Works, Monday, Oct 15, 2018, 5:00 PM, Main Conference Room, City Hall

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



Anacortes City Council

**Municipal Building Council Chambers
904 Sixth Street**

**September 24, 2018
6:00 p.m.**

PUBLIC COMMENT SIGN IN SHEET

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. These rules are intended to promote an orderly system of holding a public hearing or meeting, to give every person who wishes to speak an opportunity to be heard, and to ensure that no individual is embarrassed by exercising his or her right to free speech.

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

Name	Topic
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Continue on back of sheet as needed

City Council Minutes – September 17, 2018

At 6:00 p.m. Mayor Laurie Gere called to order the regular Anacortes City Council meeting of September 17, 2018. Councilmembers Eric Johnson, Anthony Young, Brad Adams, Liz Lovelett and Matt Miller were present. Councilmembers Bruce McDougall and Ryan Walters were absent. The assembly joined in the Pledge of Allegiance.

Ms. Lovelett moved, seconded by Mr. Adams, to excuse the absence of Mr. McDougall. The motion carried unanimously by voice vote.

Announcements and Committee Reports

Mayor Gere reminded that September 24-30, 2018 is Diaper Need Awareness Week in Skagit County. She encouraged the public to reach out to the Diaper Bank of Skagit County or local agencies to help those in need.

Mayor Gere reminded that September is Childhood Cancer Awareness Month. She said that cancer impacts children in every state in the country and remains the #1 cause of disease related death in children in the U.S.

Appointment to Arts Commission: Mayor announced that she had appointed Zachary Conkin Wight to the Anacortes Arts Commission to a term expiring in 2020. She introduced Mr. Conkin Wight to Council.

Mayor Gere introduced Fire Chief David Oliveri of Crestwood, Missouri who was in town interviewing for the position of fire chief in Anacortes.

Finance Committee: Mr. Johnson reported from the committee meeting the prior week at which the topic was the EMS transition. Mr. Johnson deferred to discussion of this topic later on the agenda.

Personnel Committee: Ms. Lovelett reported from the committee meeting the prior Friday at which the first topic was the updated Teamster bargaining unit agreement which would be addressed later on the agenda. She said staff had also provided an update on recent rulings affecting union representation of non-members. Ms. Lovelett reported that the committee may bring before full Council an ordinance codifying to opportunity for councilmembers to have health benefits under specified conditions. She said the committee would schedule a future session to review the new position requests that would be included in the 2019-2020 budget.

Public Works Committee: Mr. Adams reported from the committee meeting earlier in the evening at which the topic was the possible acquisition by Anacortes of the Skagit PUD water system on south Fidalgo Island. He said a preliminary feasibility study had been complete and staff was now studying the matter in more detail with particular attention to potential revenue vs. projected significant capital expenses and liabilities.

Ms. Lovelett reported that she had attended the Skagit County Commissioners meeting at which the commissioners, acting as the County Board of Health, voted unanimously to endorse the Population Health Trust First 1000 Days Plan. She said the Board also unanimously passed a resolution adopting the SCOG Affordable Housing Strategic Plan. Ms. Lovelett added that the Board was still seeking endorsements for its safe pharmaceutical return policy.

Public Comment

Martha Hall, 2617 16th Street, asked Council to address a continuing lack of transparency and failure to involve the public in at least two city departments. She said Council and the general public were not receiving information that was being provided to the Anacortes Parks Foundation. Ms. Hall charged that the Parks and Planning departments had failed to follow city codes for sports facilities built at Smiley's Bottom and that there

had been little or no public involvement or transparency for those projects. Ms. Hall said she was not against these projects per se but was against not getting permits or following code or involving the public. She referenced a collection of documents she had assembled and shared with some councilmembers elaborating on her concerns. Ms. Hall objected that the committee formed to plan mitigation for some Smiley's Bottom projects was secret, that its meetings were not open to the public, and that its members did not in fact represent a variety of interests including the general public and people interested in open space and wetlands. She posed three questions to Council: Do you really care about transparency and public involvement in the parks? Who enforces city codes? And could this item be addressed on a future agenda for longer than three minutes? Ms. Hall said she would provide councilmembers a packet of additional information the following day.

Kathleen Lorence-Flanagan, 2005 10th Street, spoke about the Anacortes Parks Foundation. Ms. Lorence-Flanagan expressed appreciation for the extensive time and fundraising effort contributed by the Foundation but said she had concerns about public input and transparency. She cited email indicating that several foundation members had been invited to and attended "mostly internal" staff meetings about the Guemes Channel Trail to which the general public was not invited. She listed information shared at such meetings that she did not believe had been provided to councilmembers or to the public. Ms. Lorence-Flanagan also charged that at GCT visioning workshops held over the winter Foundation members attempted to influence the outcome at individual tables. Ms. Lorence-Flanagan asked if the City Attorney was in fact looking at all foundations associated with city departments as the mayor had previously stated. Mayor Gere assured that the review was under way and progress was being made.

Skagit County District #1 Commissioner Ron Wesen, thanked councilmembers and the Anacortes community for their time volunteered at so many events around the county. Commissioner Wesen announced that the Skagit County Commissioners had passed the interlocal cooperative agreement for collection and distribution of impact fees so Anacortes transportation impact fees would be collected for permits issued by Skagit County in the UGA. Mr. Young thanked Commissioner Wesen for his recent presentation on county affairs at the Anacortes Chamber of Commerce.

Consent Agenda

Mr. Young removed Item 5b from the Consent Agenda. Ms. Lovelett removed Item 5d from the Consent Agenda. Mr. Johnson removed Item 5c from the Consent Agenda. Mr. Johnson moved, seconded by Mr. Miller, to approve the following Consent Agenda items. The motion carried unanimously by voice vote.

- a. Minutes of September 10, 2018
- e. Resolution 2021: Sole Source Procurement of Nokia GPON Equipment for Fiber Network
- f. Resolution 2020: Updating Petty Cash and Change Funds and Repealing Resolution No. 1967, Passed and Approved July 18, 2016

The following vouchers/checks were approved for payment:

EFT numbers: 90561 through 90604, total \$413,286.52

Check numbers: 90559 through 90560 and 90538 through 90659, total \$268,554.37

Wire transfer numbers: 237530 through 237901, total \$2,976.27

- b. Approval of Claims in the amount of: \$684,784.36

Mr. Young commended staff for the lack of Amazon purchases on the weekly voucher list. He indicated he would abstain from voting on approval of claims because he was a listed payee.

- c. Contract Award: Library Generator Purchase 18-096-FAC-001

Mr. Johnson noted that the generator was to be purchased with remaining library building construction funds but would serve the fiber optic telemetry network among its other purposes. He asked for a means of tracking all the direct and indirect expenditures for the fiber system. Finance Director Steve Hoglund explained the city's job cost coding system to summarize expenditures by project. Councilmembers asked if utility funds or emergency preparedness budgets would contribute to the cost of generator since it would also support those functions. Mr. Hoglund and Mayor Gere explained that the generator had been a planned but unexecuted library expenditure for a number of years and was most appropriately treated as a capital expenditure for that facility.

d. Contract Modification: Sewer Cost of Service and Rate Design Study 18-099-SEW-001

Ms. Lovelett inquired about the expanded scope of work. Public Works Director Fred Buckenmeyer explained that FCS had initially been retained to evaluate sewer rates only but that evaluation of the General Facility Charges for both water and sewer utilities was now recommended as part of the comprehensive rate analysis. He noted that GFCs had not been evaluated since 2004.

Ms. Lovelett reported that City Attorney Darcy Swetnam had advised that councilmembers were free to vote to approve or reject voucher lists on which they were listed as payees.

Ms. Lovelett moved, seconded by Mr. Johnson, to approve Consent Agenda Items b, c, and d. The motion carried unanimously by voice vote.

OTHER BUSINESS

Resolution 2022: Authorizing Execution of Updated Bargaining Agreement by and Between the City of Anacortes and the International Brotherhood of Teamsters Local 231 - Accretion of Library and Museum Employees

Administrative Services Director Emily Schuh presented an updated agreement with Teamster Local 231 which would add library and museum staff to the agreement effective October 1, 2018. Ms. Schuh reviewed the history and development of the revised agreement as outlined in her memo to Council included in the packet materials for the meeting. She summarized the projected financial impact, noting no additional wage cost in 2018 because non-union staff at the library and museum had already received the same base wage increase as the Teamsters but projecting that in 2019 for the final year of the current Teamster agreement total library and museum wage expense would increase by approximately \$23K. Ms. Schuh also summarized the health benefit and leave policy as it would apply to library and museum employees, many of whom are part time. She advised that library and museum staff had already voted to ratify the agreement as presented. Ms. Schuh added that she had committed to and budgeted for a classification and compensation study for library staff in 2019.

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

Mr. Young moved, seconded by Mr. Johnson, to approve Resolution 2022 ratifying the addition of the library and museum employees to the current collective bargaining agreement with Teamster Local 231 and to supersede Resolution 1983 in its entirety, passed and approved on February 6, 2017. Vote: Ayes – Young, Adams, Lovelett, Miller and Johnson. Motion carried.

EMS Transition Update

City Attorney Darcy Swetnam updated Council on progress made since its September 10, 2018 meeting on the Skagit County EMS transition to a fire-based model. Ms. Swetnam's slides were added to the packet materials for the meeting. She summarized the structural changes underway and reviewed the timeline for implementation by January 1, 2019, noting that a draft agreement would come back to Council for review and possible action on September 24 with final action required by October 1 to allow the consolidated oral board hiring process to

begin. Ms. Swetnam shared the preliminary service area, scope of work and budget documents and highlighted projected revenues and staff and equipment costs associated with the transition.

Interim Fire Chief Jack Kennedy responded to councilmember questions about response times to various locations in the expanded service area and increased staffing and equipment needs at March Point Station 3 to meet the target response times. Chief Kennedy anticipated 200 additional calls annually in the expanded service area east of the Swinomish Slough. He also cited mutual aid agreements currently in place providing backup response between agencies when all units are out on calls. Councilmembers noted that closest unit and criteria-based dispatch would help level resources required across the system and urged Skagit County to implement those enhancements as soon as possible. Mayor Gere said that brown outs at Station 3 were a last choice alternative and that staff would be looking for efficiencies and cost savings to meet the challenge of finding sufficient funding. Chief Kennedy responded to councilmember questions about the cost of replacing Anacortes ambulances and annual ERR contributions for those replacements. Ms. Lovelett noted that fire/EMS equipment would need to be discussed in detail for the 2019/2020 budget as the fire trucks did not have adequate replacement reserves. Councilmembers asked if each of the four cities was facing the same funding challenges for the fire-based model. Chief Kennedy and Mayor Gere indicated that Burlington and Sedro-Woolley faced similar funding situations and that Mount Vernon was in a better position due to its higher density and call volume. Mr. Johnson asked if there was a mechanism for the cities to obtain additional funding from the county if significant shortfalls developed after the model was implemented. Ms. Swetnam cited the agreement provisions that allowed mutually agreed revisions and said that all parties had approached the negotiations in the spirit of meeting the target level of service countywide but that there was no specific mechanism to reallocate funding from the current 6-year levy cycle. She noted that the agreement did call for data compilation to allow the next levy to be based on actual cost data under the new model.

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

Wim Houppermans, 3412 K Avenue, asked about EMS response to Shelter Bay and the refineries. Chief Kennedy reported that Fire District 13 provides primary BLS response to those locations, typically within 5-8 minutes, and Anacortes provides primary ALS response from Station 3 during the day and Station 1 at night. He noted that each refinery also has its own BLS fire brigade.

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

Ms. Swetnam listed the daily meetings scheduled throughout the week to continue development of the agreement and address related financing and human resources issues. She invited councilmembers to contact her with questions as the very dynamic process continued on its compressed timeline. She advised that the draft contract that would be presented Monday would likely not be available and circulated to councilmembers until Friday.

Commissioner Wesen thanked Anacortes and the other cities for initiating the transition. He advised that to free up funding for the initial phase of the transition, Skagit County had agreed to reduce its EMS cash reserve from approximately \$7M (one year of operating costs) to \$4.8M. Commissioner Wesen acknowledged that response times in rural areas would always be higher than closer to the hospitals but that the County remained committed to EMS coverage countywide and he thanked the cities for helping to ensure that. He thanked all the cities for dedicating so much staff time to implementing the transition.

Mr. Johnson requested statistics on how much an average homeowner pays for ambulance service in outlying areas vs. within city limits. Mr. Hoglund advised that staff could compile those figures.

There being no further business, at approximately 7:20 p.m. the Anacortes City Council meeting of September 17, 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 September 24, 2018 City Council meeting:
[Download this file in OpenDocument spreadsheet format.](#)

Invoice Doc #	Transaction Date	Invoice #	Vendor Full Name	Description	Total Amount
228127	2/5/2018	3-J1238	COLUMBIA FORD, INC	FORD TRANSIT VAN FOR WATER DEPT.	\$46,348.59
238231	5/2/2018	73	DAY'S GENERAL CONTRACTING LLC.	DEPOT WOOD FLOOR REFINISHING	\$12,987.12
238092	7/2/2018	001-406596	PISTON SERVICE OF ANACORTES	FILTER- VEH #418	\$4.66
237954	7/3/2018	151165SEA	BLACKPOINT IT SERVICES, INC	3YR - WATCHGUARD TRADE UP PROGRAM (3 DEVICES)	\$11,378.89
236423	7/26/2018	162751	SCOTT RICHARDS INSURANCE, INC	INLAND MARINE - POLICY CHANGE	\$75.22
238202	7/31/2018	209	BOYS & GIRLS CLUBS	JULY - LUNCH PROGRAM SERVICE PROVISION	\$280.00
237979	8/2/2018	12102041	WILBUR-ELLIS COMPANY, LLC	PETERS PRO-BALANCE 20-20-20 - 25 LB BAG	\$82.46
238051	8/6/2018	2018-001	ANACORTES SCHOOL DISTRICT #103	1/4 COST RESURFACING TENNIS COURTS PER MOU WITH SCHOOL	\$15,488.38
236581	8/10/2018	18-29719	EDGE ANALYTICAL, INC	FINAL EFFLUENT TESTING	\$492.00
238090	8/10/2018	1645269	WASHINGTON TRACTOR, INC	PART- VEH #704	\$125.72
237869	8/12/2018	3986-386653	O'REILLY AUTO PARTS	MINI BULB	\$6.10
237981	8/25/2018	18-A06722	ANACORTES TOWING, LLC	TOWING; APD CASE 18-A06722	\$162.75
237877	8/26/2018	9813588320	VERIZON WIRELESS	WTP SCADA MODEM 7/27-8/26/18	\$500.70
238208	8/27/2018	85867	BLYTHE PLUMBING & HEATING, INC	LIBRARY BOILER REPAIRS	\$1,013.10
238215	8/27/2018	86321	BLYTHE PLUMBING & HEATING, INC	LIBRARY TOILET REPAIR	\$295.39
238201	8/28/2018	241017	BAY CITY SUPPLY	FACILITY SUPPLIES	\$292.65
238043	8/29/2018	127824	PACIFIC TIRE COMPANY, INC	TIRES- SHOP STOCK	\$3,263.97
238117	8/29/2018	37217608	WASTEQUIP MANUFACTURING CO LLC	2018 WASTE CONTAINERS - ORDER 3	\$10,101.36
238248	8/29/2018	90026377	ZOLL MEDICAL CORPORATION	5 YR MAINTENANCE CONTRACT - ALL MONITORS - TO BE SCEMS REIMBURSEMENTED	\$22,255.52
238205	8/30/2018	241017A	BAY CITY SUPPLY	FACILITY SUPPLIES	\$59.62
238207	8/30/2018	240476B	BAY CITY SUPPLY	FACILITY SUPPLIES	\$169.15
238200	8/30/2018	1239404	SURETY PEST CONTROL	WASHINGTON PARK PEST CONTROL	\$55.34
237982	8/31/2018	263348	A WORKSAFE SERVICE INC	PRE-EMP DRUG TESTS; NEW EMP KELLINGTON	\$110.00
238203	8/31/2018	241124	BAY CITY SUPPLY	FACILITY SUPPLIES	\$253.78
238211	8/31/2018	86239	BLYTHE PLUMBING & HEATING, INC	WTP HVAC REPAIRS	\$887.77
238204	8/31/2018	210	BOYS & GIRLS CLUBS	AUGUST - LUNCH PROGRAM SERVICE PROVISION	\$300.00
238195	8/31/2018	141429	INFOSEND, INC.	UB STATEMENTS PROCESSING AUGUST 2018	\$3,562.18
237875	8/31/2018	200024889996	PUGET SOUND ENERGY INC	WTP INTAKE ELECTRICITY 8/1-8/30/18	\$343.66
238108	8/31/2018	28644	REICHHARDT & EBE ENGINEERING	SHIP HARBOR & SR20 INTERSECTION - AUGUST 2018	\$364.86
238197	8/31/2018	752157	SKAGIT COUNTY SOLID WASTE FUND	WTP DUMP RUN 8/31/18	\$21.21
238230	8/31/2018	0173	SKAGIT COUNTY SOLID WASTE FUND	AUGUST TONNAGE HAULED	\$82,985.25
238221	8/31/2018	010976	SKIDMORE PHARMACY INC.	LEOFF1 RETIREE	\$25.59

Invoice Doc #	Transaction Date	Invoice #	Vendor Full Name	Description	Total Amount
238193	8/31/2018	114-7299992	UNITED SITE SERVICES, INC	2100 PENNSYLVANIA AVE PORTA-POTTIE RENTAL AUGUST	\$139.60
238103	8/31/2018	206039	WIDENER & ASSOCIATES	DNR AQUATIC LAND LEASE - WWTP OUTFALL - AUGUST 2018	\$560.00
237948	9/3/2018	852	COLUMBIA BASIN WATER WORKS INC	REPAIRS TO LARGE METERS / REGISTER	\$4,203.00
238199	9/4/2018	11119478	HACH COMPANY	ACCUVAC SNAPPER X 6	\$139.28
237983	9/4/2018	APD 1	ISLAND HOSPITAL	PRE-EMPLOYMENT TESTING; NEW EMP KELLINGTON	\$29.00
237873	9/4/2018	200012505505	PUGET SOUND ENERGY INC	WTP 8/1-8/31/18	\$93,477.45
238220	9/5/2018	233137	DEPT OF LABOR & INDUSTRIES	ELEVATOR INSPECTION	\$500.00
238223	9/5/2018	233136	DEPT OF LABOR & INDUSTRIES	ELEVATOR INSPECTION	\$500.00
237990	9/5/2018	R 103778591	FRANCOTYP-POSTALIA, INC	MAILING MACHINE QUARTERLY RENTAL	\$130.07
238216	9/5/2018	11146515	PAPE MACHINERY/POWERPLAN	PART- VEH #410	\$35.29
238102	9/5/2018	WA99541KE	PRECISION CONCRETE CUTTING INC	2018 SIDEWALK ADA CUTTING	\$9,343.88
237952	9/5/2018	1124223	SKAGIT PUBLISHING LLC	PUBLISH AA-1806173	\$56.84
238038	9/5/2018	1245210	SURETY PEST CONTROL	OPS- MONTHLY PEST MAINTENANCE	\$65.10
238218	9/6/2018	241928	BAY CITY SUPPLY	FACILITY SUPPLIES	\$550.53
237881	9/6/2018	768650	JCI JONES CHEMICALS INC	CHLORINE X 3	\$2,700.00
238239	9/6/2018	MV197385	MOTOR TRUCKS, INC	PARTS- VEH #203 & #213	\$165.43
237885	9/6/2018	113320	WALTON BEVERAGE COMPANY, INC	WTP BREAKROOM SUPPLIES	\$4.00
238217	9/6/2018	7029829-00	WESTERN EQUIPMENT	PART- VEH #706	\$67.21
237878	9/7/2018	26730	DAHL ELECTRIC, INC	ALTERED CIRCUIT	\$3,728.74
238091	9/7/2018	S18-090701	ENVIRO CLEAN EQUIPMENT INC	PART- VEH #303	\$1,223.64
238246	9/7/2018	9898638581	GRAINGER	BALL BEARING - ASH VACUUM AGITATOR	\$69.13
238196	9/7/2018	40032815	HANNA INSTRUMENTS	PH ELECTRODE, SOLUTION	\$225.00
238099	9/7/2018	1200141884	HDR ENGINEERING, INC	WTP CHLORINE CONVERSION PROJECT - 8/5/18-9/1/18	\$8,808.01
238245	9/7/2018	198551209001	OFFICE DEPOT, INC.	OFFICE SUPPLIES - BLDG	\$3.15
238086	9/7/2018	001-412900	PISTON SERVICE OF ANACORTES	OIL FILTER- VEH #406	\$11.44
238087	9/7/2018	001-412902	PISTON SERVICE OF ANACORTES	FILTERS- VEH #406	\$51.23
237978	9/7/2018	220013297498	PUGET SOUND ENERGY INC	CASINO DR UNDER TWIN BRIDGES: 8/7 - 9/6/18	\$73.15
238222	9/7/2018	220013297076	PUGET SOUND ENERGY INC	1100 STATE ROUTE 20 8/7-9/6/18	\$15.38
238114	9/7/2018	1406233	STANTEC CONSULTING SERVICES	SK PUD FIDALGO SYSTEM ACQUISITION PRELIMINARY FEASIBILITY ANALYSIS - JULY 2018	\$2,622.50
237989	9/8/2018	61839	LAKESIDE INDUSTRIES, INC.	DUMP FEES - WATER DEPT.	\$178.71
237993	9/9/2018	82977131	BOUND TREE MEDICAL, LLC	PHARMACEUTICALS	\$87.50
237988	9/10/2018	18-A07177	ANACORTES TOWING, LLC	TOWING; APD CASE 18-A07177	\$162.75
237984	9/10/2018	8498 30 030 0111230	COMCAST	WTP 14489 RIVER BEND RD. - 9/19-10/18/18	\$229.81

Invoice Doc #	Transaction Date	Invoice #	Vendor Full Name	Description	Total Amount
237985	9/10/2018	8493 30 017 0490698	COMCAST	CITY HALL INTERNET CONNECTION 9/20-10/19/18	\$186.12
238228	9/10/2018	MV197489	MOTOR TRUCKS, INC	PARTS- VEH #603	\$92.44
238106	9/10/2018	300000300008	PUGET SOUND ENERGY INC	ENERGY BILLING FOR WWTP 8/7-9/6/18	\$14,598.69
238111	9/10/2018	300000290019	PUGET SOUND ENERGY INC	ALL STATIONS: 8/3 - 9/6	\$779.74
238229	9/10/2018	300000305007	PUGET SOUND ENERGY INC	METERS, VAULTS & STREET LIGHTS 8/1-8/30/18	\$425.76
238227	9/10/2018	0232379-IN	SIRENNET.COM	PART- VEH #014	\$181.56
238093	9/10/2018	181022	T-SHIRTS BY DESIGN	JERSEY FOR COUNTY SOCCER	\$13.02
238225	9/11/2018	241928A	BAY CITY SUPPLY	FACILITY SUPPLIES	\$605.43
238042	9/11/2018	163984N-5	BIRCH EQUIPMENT CO., INC	CONTAINER JOB SHACK RENTAL FOR FLEET	\$265.82
238113	9/11/2018	1418-V07	BLYTHE PLUMBING & HEATING, INC	HVAC PREVENTATIVE MAINTENANCE - FIRE STATION II	\$187.71
238119	9/11/2018	1417-V07	BLYTHE PLUMBING & HEATING, INC	HVAC PREVENTATIVE MAINTENANCE - FIRE STATION I	\$507.78
238120	9/11/2018	1413V07R	BLYTHE PLUMBING & HEATING, INC	HVAC PREVENTATIVE MAINTENANCE - FIDALGO CENTER	\$627.13
238037	9/11/2018	8498 30 017 0464628	COMCAST	WA PARK INTERNET 9/21-10/20/18	\$106.12
237925	9/11/2018	cpls	DEPARTMENT OF LICENSING	CPLS TO D.O.L.; AUGUST 2018	\$477.00
237980	9/11/2018	010732292	GALLS, LLC.	UNIFORM NAME TAGS; SGT NATIONS	\$15.19
238198	9/11/2018	3036555927	IDEXX DISTRIBUTION, INC	LAB QA/QC MATERIALS	\$68.59
238100	9/11/2018	1633-22	MAKERS ARCHITECTURE	ZONING, DEV & DESIGN STDS - AUGUST 2018	\$9,363.75
238226	9/11/2018	1639239577	SMILES DENTAL GROUP	LEOFF2 DENTAL	\$1,070.00
238232	9/11/2018	298534	SMILEY'S INC	REPAIRS- VEH #202	\$4,948.14
238084	9/11/2018	L126976	STATE AUDITOR'S OFFICE	ACCOUNTABILITY AUDIT 17-17	\$48,016.05
238179	9/12/2018	9112018	ANACORTES TOWING, LLC	TOWING; APD CASE 18-A07301	\$162.75
238104	9/12/2018	1990887893	ARAMARK	MAT SERVICE STA 3: 9/12	\$21.70
238219	9/12/2018	242519	BAY CITY SUPPLY	FACILITY SUPPLIES	\$17.87
238187	9/12/2018	782338	BAYSHORE OFFICE PRODUCTS INC	LAMINATED SIGNS FOR ENERGY FAIR	\$69.44
238101	9/12/2018	3517721	CARDINAL HEALTH 110, INC.	PHARMACEUTICALS	\$812.88
238181	9/12/2018	010742323	GALLS, LLC.	UNIFORM ITEMS; NEW EMP KELLINGTON	\$178.96
238182	9/12/2018	010742330	GALLS, LLC.	UNIFORM TAGS; SGT NATIONS	\$9.75
238183	9/12/2018	010746600	GALLS, LLC.	UNIFORM BOOTS; SGT PRUIETT	\$162.74
238210	9/12/2018	608253	MISTER T'S AWARDS &	NAME TAG, JEFF VOGEL, LIBRARY	\$20.07
238089	9/12/2018	MV197682	MOTOR TRUCKS, INC	PARTS- VEH #203	\$384.09
238242	9/12/2018	202149867001	OFFICE DEPOT, INC.	3 X 5 MEMO BOOKS - WTP	\$4.06
238243	9/12/2018	202149300001	OFFICE DEPOT, INC.	MISC OPERATING SUPPLIES	\$50.50
238082	9/12/2018	001-413339	PISTON SERVICE OF ANACORTES	PART- VEH #213	\$7.94
238083	9/12/2018	001-413372	PISTON SERVICE OF ANACORTES	SUPPLIES- VEH #704	\$103.58
238224	9/12/2018	101097524	RICOH USA, INC	S/N C32029555 CITY HALL COPIER 3RD 9/1-9/30/18	\$377.30

Invoice Doc #	Transaction Date	Invoice #	Vendor Full Name	Description	Total Amount
238085	9/12/2018	164858	SCOTT RICHARDS INSURANCE, INC	ADD HYDRAULIC RESCUE TOOL	\$125.73
238185	9/12/2018	331 0423053	UNIFIRST CORPORATION	WTP WEEKLY LAUNDRY SERVICE	\$49.52
238186	9/12/2018	331 0423069	UNIFIRST CORPORATION	WTP WEEKLY LAUNDRY SERVICE INTERN TH	\$51.45
238247	9/12/2018	481256	ZOLL MEDICAL CORPORATION	ZOLL MONITOR REPAIR NOT COVERED BY	\$1,021.01
237991	9/13/2018	1990889936	ARAMARK	APD NYLON MATS CLEANED	\$16.28
238039	9/13/2018	1990889942	ARAMARK	OPS: MAT CLEANING 09/13/18	\$70.13
238040	9/13/2018	1990889941	ARAMARK	OPS & PARKS LAUNDRY SVC FOR	\$61.94
238109	9/13/2018	1990889932	ARAMARK	STA 2 MAT SERVICE: 9/13	\$21.70
238110	9/13/2018	1990889933	ARAMARK	STA 1 MAT SERVICE: 9/13	\$21.70
238188	9/13/2018	782486	BAYSHORE OFFICE PRODUCTS INC	LAMINATED SIGNS FOR ENERGY FAIR	\$34.72
238116	9/13/2018	1059853	BUILDERS EXCHANGE OF	BID DOCUMENTS HOSTING - CHLORINATION SYSTEM CONVERSION PROJECT 18-036-WTR-004	\$10.05
238121	9/13/2018	978 800 0000 1	CASCADE NATURAL GAS CORP.	STA 3: 8/14 -9/11	\$20.17
238115	9/13/2018	3340466	DAILY JOURNAL OF COMMERCE	LEGAL NOTICE - WWTP CHEMICALS 18-143-IDS	\$55.20
238178	9/13/2018	010752575	GALLS, LLC.	UNIFORM PANTS; CHIEF SMALL	\$56.41
238184	9/13/2018	010757138	GALLS, LLC.	UNIFORM BOOTS; OFC HATCHER (OFC WILL PAY OVERAGE)	\$271.25
238213	9/13/2018	128298	PACIFIC TIRE COMPANY, INC	SERVICE- VEH #511 & #514	\$125.86
238214	9/13/2018	128297	PACIFIC TIRE COMPANY, INC	SERVICE- VEH #511	\$40.69
238088	9/13/2018	0566546-IN	REISNER DISTRIBUTOR INC	GREASE- SHOP STOCK	\$95.53
237992	9/13/2018	COA0918	SYSTEMS DESIGN WEST, LLC	AMBULANCE BILLING AUG	\$3,352.00
238041	9/13/2018	181053	T-SHIRTS BY DESIGN	FLAG FOOTBALL JERSEY	\$15.19
238192	9/13/2018	113346	WALTON BEVERAGE COMPANY, INC	WTP BREAKROOM SUPPLIES	\$52.50
238045	9/14/2018	84914036	150-PRAXAIR DISTRIBUTION INC	CYLINDER RENTAL AND NITROGEN	\$344.45
238046	9/14/2018	190-1840-00	CITY OF ANACORTES	UTILITY BILLING	\$4,848.22
238048	9/14/2018	18-2406	LIFE TEK, INC	FIRST AID/CPR/BBP TRAINING~	\$300.00
238240	9/14/2018	MV197842	MOTOR TRUCKS, INC	PARTS- VEH #203	\$445.85
238237	9/14/2018	001-413577	PISTON SERVICE OF ANACORTES	PARTS- VEH #704	\$190.85
238047	9/14/2018	300000290035	PUGET SOUND ENERGY INC	MUSEUM ALL VENUES 8/4-9/5/18	\$179.39
238044	9/14/2018	3060	RAINIER ENVIRONMENTAL LAB	ACUTE TOXICITY TEST	\$600.00
238190	9/14/2018	0226613	REISNER DISTRIBUTOR INC	BREATHING FILTERS	\$851.71
238180	9/15/2018	00005W5A83378	UNITED PARCEL SERVICE, INC	UPS SHIPPING CHARGES; WEEK END 9-15-18	\$8.12
238112	9/17/2018	782837	BAYSHORE OFFICE PRODUCTS INC	LAMINATING POUCHES	\$138.15
238107	9/17/2018	2019-WAG994323	DEPARTMENT OF ECOLOGY	2019 FEE FOR HEART LAKE WATER QUALITY PROGRAM	\$618.00
238094	9/17/2018	1-567653-3	DIAMOND RENTALS, INC.	CRANBERRY LAKE PORTABLE RESTROOM - THRU 9/17/18	\$100.00
238177	9/17/2018	071918	FIDALGO CLEANING	CLEANING & SUPPLIES	\$700.00
238098	9/17/2018	ReimbLudemann	LUDEMANN, WILLIAM	MILEAGE PERSONAL VEHICLE	\$126.00
238236	9/17/2018	001-413731	PISTON SERVICE OF ANACORTES	SUPPLIES- SHOP	\$85.66

Invoice Doc #	Transaction Date	Invoice #	Vendor Full Name	Description	Total Amount
238105	9/17/2018	300000000343	PUGET SOUND ENERGY INC	PARKS/CEM/WASH. PARK/FAC/DEPOT 8/4-9/5/18	\$3,658.27
238241	9/17/2018	0566602-IN	REISNER DISTRIBUTOR INC	HYDRAULIC FLUID- VEH #704	\$77.11
238096	9/17/2018	18-051-PRK-0011	VECA ELECTRIC COMPANY, INC	RETAINAGE RELEASE	\$1,755.00
238212	9/18/2018	1990893824	ARAMARK	LAUNDRY SERVICE FOR WWTP	\$71.61
238238	9/18/2018	MV197983	MOTOR TRUCKS, INC	PARTS- VEH #608	\$75.94
238209	9/18/2018	58-17 SEPT 18	SKAGIT COUNTY INVESTIGATIONS	PUB DEF INVST	\$220.00
238176	9/18/2018	ReimbWilson	WILSON, JANET	TRAINING PER DIEMS; OFC WILSON HOSTAGE NEG	\$215.00
237794	9/26/2018	18-119-FAC-0011	GUYLINE CONSTRUCTION, INC	RETAINAGE RELEASE	\$143.53

Total **\$450,691.37**



City Council Contract Agenda Bill

Meeting Date: 9/24/2018 **Agenda Item:** 5c

Subject: Contract Award - City Hall Windows #17-054-FAC-002

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 \$91,125.89 to Island Sash & Door Inc. to perform the City Hall Windows project. The project provides for the materials, equipment and labor to remove and dispose of forty-eight (48) existing windows and install new Milgard Montecito windows at the Anacortes City Hall.

Background:

1. **History:** We recently have changed out 18 windows at City Hall and now would like to change out 48 windows, which would leave just a few windows to be replaced later. The 48 windows are over 35 years old, have lost their seal, and are not energy efficient. We would like to replace the windows with Milgard Montecito windows with that have SunCoat LoE Tempered Glass for the Northwest, are energy efficient, and will cut heating cost at City Hall. Milgard adheres to ENERGY STAR v6 window requirements to meet or exceed u-Factor and Solar Heat Gain. When installed a fast flash liquid membrane system is used to make a good weather resistant seal around the window. Changing out a large quantity of windows at once will save additional mobilization and equipment costs than if this project was split into multiple phases.
2. **Key Terms:**
 - Total contract price of \$91,125.89 which includes \$7,138.89 in sales tax.
 - The Contractor shall complete the work by October 31, 2018.
3. **Competitive Bidding:** In accordance with competitive bid requirements set forth under RCW 39.04.155 - Small Works Roster Contract Procedures, on September 6, 2018 an Invitation to Bid was sent to all contractors in the appropriate small works roster category. One bid was received by the deadline on 9/13/18 at 3:00pm, and Island Sash & Door Inc. was determined to be the lowest responsible bidder. The bid tabulation is attached.

Previous Council/Committee Action: None

Competing Viewpoints Considered: N/A

Recommended Motion: I move that City Council authorize the Mayor to sign a contract 17-054-FAC-002 with Island Sash & Door Inc. in the amount of \$91,125.89 to perform the City Hall Windows project.

Alternative Actions: Cancel the project

Attachments: Bid tabulation and proposal, Contract 17-054-FAC-002

Contractor	Island Sash & Door Inc.
Contract Amount	\$91,125.89
Earmarked Funds	\$50,000.00
BARS #	001.713.518.30.41
Budget Amendment Required?	No
Start Date	Inception
End Date	10/31/18

CITY OF ANACORTES TABULATION OF BIDS - Small Works Roster

Bid Item: City Hall Windows 17-054-FAC-002

Department: Facilities

Date: 9/13/2018

Time: 3:00pm

DATE/TIME IN		COMPANY	BID AMOUNT
1.	9/13/18 - 10:37am	Island Sash & Door Inc.	\$91,125.89
2.			
3.			
4.			
5.			



City Hall Windows 17-054-FAC-002

EXHIBIT A – Bid Proposal

Company Name: Island Sash & Door Inc.

Email: d.oster@islandsashanddoor.com

Date: 9/13/2018

Address of Bidder: 1302 Commercial Ave, Anacortes WA 98221

Telephone No.: 360-293-4088

Labor and Industries Account No.: 602 337 123

Having carefully examined all drawings & specifications prepared by the City of Anacortes, as well as the premises and conditions affecting the work, the Undersigned proposes to furnish all labor, equipment, and materials and perform all work, in accordance with the terms & conditions and prevailing wage requirements, which price is hereby designated as to the total proposal price for all necessary work.

Bidders are required to submit price for Line Item 1 in Lump Sum. The lowest responsive, responsible Bid will be determined following Bid Opening. Prices shall be unconditional and remain firm for a period not less than 60 days from the date of bid opening. Upon request, successful Bidder shall furnish a price breakdown for the Lump Sum amount. Line Item 1 is lump sum and payable upon completion. Line Item 2 is payable on a time-and-materials basis. To obtain reimbursement of expenses under Line Item 2, the Contractor must furnish supporting documentation for labor hours and materials charged. Expenses under Minor Changes may include dry rot repair which are excluded from the lump sum price under Line Item 1. Work under Line Item 2 must be pre-approved and coordinated with the City Project Manager.

Line	Qty	Description	Cost
1	1	City Hall Windows project as detailed in the Invitation to Bid 17-054-FAC-002	\$ 81,987.00
2	1	Minor Changes Allowance	\$2,000.00
Subtotal:			\$83,987
8.5% Sales Tax:			\$ 7,138.89
Total:			\$ 91,125.89

ADDENDA: Bidder acknowledges review of all Addenda through No. _____

COMPLIANCE WITH SPECIFICATIONS

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

AUTHORIZATION

I, David Oster *David Oster* (sign and print name) authorize the above bid and I have the authority to enter into contracts on behalf of the business or other entity I represent.

SCOPE OF WORK

Work is to be performed between the hours of 7:00am and 4:30pm Monday-Friday excluding and City observed holidays. In addition, work for nine (9) specific windows shall be performed on two Saturdays.

Contractor shall furnish all materials, equipment and labor to remove the remove and dispose of forty-eight (48) existing windows and install new Milgard Montecito windows.

Scope of work includes the following:

1. Removal and disposal of forty-eight (48) window units.
2. Furnish all materials, equipment and labor to install a new Milgard Montecito windows, including double hung with transom, picture, and single hung vinyl windows all with SunCoat LoE tempered glass, and screens.
3. Windows to be a pocket installed.
4. All existing frames and trim remain.
5. Apply new stops.
6. Clean up all waste and debris at jobsite each day.
7. The City will provide all permits and sidewalk barriers.



CONTRACT 17-054-FAC-002
AGREEMENT WITH
ISLAND SASH & DOOR INC.

This Contract is between the City of Anacortes, Washington, a Municipal Corporation (herein after referred to as "City") and Island Sash & Door Inc., a private contractor at 1302 Commercial Ave, Anacortes, WA 98221 (herein after referred to as "Contractor").

City Hall Windows

1. **Scope of Work:** Contractor shall furnish all materials, equipment and labor to remove and dispose of forty-eight (48) existing windows and install new Milgard Montecito windows at the Anacortes City Hall, 904 6th St, Anacortes, WA 98221. Work shall be in accordance with and as described in the City of Anacortes document entitled "ITB City Hall Windows 17-054-FAC-002", which is hereby incorporated by reference and made a part hereof.

2. **Contract Price:** The Contractor will do the scope of work above for a total fixed price of **Ninety-One Thousand One Hundred Twenty-Five Dollars and Eighty-Nine Cents (\$91,125.89)**, which includes \$7,138.89 in tax. This includes all labor, materials, and standard freight for the project. Before any payment is made by the City of Anacortes of sums under this contract, the contractor must provide a copy of the statement of *Intent to Pay Prevailing Wage* approved by the Department of Labor and Industries. Pursuant to RCW Chapter 60.28, a sum of five percent (5%) of the monies earned by the contractor will be retained.

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

4. **Time of Completion:** The Contractor shall complete the work by October 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 attached General Provisions and referenced Invitation to Bid 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.

The parties acknowledge that there has been an opportunity to negotiate the terms and conditions of this Agreement and agree to be bound accordingly;

Owner:

City of Anacortes

Mayor

Date

Contractor:

ISLAND SASH & DOOR INC.

Signature

Printed Name

Date

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

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

Unless consent or approval specifically provides otherwise, consent by the City shall not constitute a determination

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

The Contractor shall give immediate written notice of any action or suit filed and prompt notice of any claim made against the Contractor by any 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 City Attorney whose decision shall be final. The Contract shall be carried out under the general control of the representative of the City administering the Contract, who may exercise such control over the conduct of the work as may be necessary, in his or her opinion, to safeguard the interest of the City. The Contractor shall comply with any and all orders and instructions given by the representative of the particular Department administering the Contract in accordance with the terms of the Contract. Nothing herein contained, however, shall be taken to relieve the Contractor of his/her obligations or responsibilities under the Contract.

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

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

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

10. Insurance.**A. Insurance Term**

The Contractor shall procure and maintain insurance, as required in this Section, without interruption from commencement of the Contractor's work through the term of the contract and for thirty (30) days after the Physical Completion date, unless otherwise indicated herein.

B. No Limitation

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

C. Minimum Scope of Insurance

The Contractor's required insurance shall be of the types and coverage as stated below:

1. Automobile Liability insurance covering all owned, non-owned, hired and leased vehicles. Coverage shall be at least as broad as Insurance Services Office (ISO) form CA 00 01.
2. Commercial General Liability insurance shall be 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. During the performance of this Agreement, the Contractor and subcontractors shall not discriminate in violation of any applicable federal, state and/or local law or regulation on the basis of age, sex, race, creed, religion, color, national origin, marital status, disability, honorably discharged veteran or military status, pregnancy, sexual orientation, gender identity, or any other classification protected under federal, state, or local law. This provision shall include but not be limited to the following: employment, upgrading, demotion, transfer, recruitment, advertising, layoff or termination, rates of pay or other forms of compensation, selection for training, and the provision of services under this Agreement. Contractor agrees to comply with the applicable provisions of State and Federal Equal Employment Opportunity and Nondiscrimination statutes and regulations.

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

15. 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; 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 (L&I).

Following contract completion, the City will not release any funds retained, according to the provisions of RCW 60.28.010, until the contractor and each subcontractor has provided the City a copy of the *Affidavit of Wages Paid* approved by L&I. L&I provides the wage forms. Payment by the contractor or subcontractor of any fees are incidental to the project and all costs shall be included in other pay items of the project.

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

The State of Washington prevailing wage rates applicable for this public works project, which is located in Skagit County, may be found at the following website address of the Department of Labor and Industries: <https://fortress.wa.gov/lni/wagelookup/prvwagelookup.aspx>. The prevailing wage schedule in effect for the work under the contract will be 9/13/2018. A copy of the applicable prevailing wage rates are also available for viewing at the office of the Owner, located at 904 6th Street, Anacortes, WA. Upon request, the Owner will mail a hard copy of the applicable prevailing wages for this project.



City Council Agenda Bill

Meeting Date: 9/24/2018 **Agenda Item:** 5d

Subject: Street Fair Application: AHS Home Coming Parade

Staff Contact: Fred Buckenmeyer, Don Measamer

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

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

Summary Statement: Street Fair Application for AHS Home Coming Parade, Friday September 28, 2018

Background: Traditional welcome back to school celebration and home coming football game kickoff. Course starts between O and Commercial Avenues on 3rd Street, travels up Commercial Avenue to 20th to High School.

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

Proposed Contract	
Contractor	
Amount	
Start Date	
End Date	

Previous Council/Committee Action: NA

Competing Viewpoints Considered: NA

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

Alternative Actions: Deny the request(s)

Attachments (listed in order presented): Public Works Director memo supporting the event.



TO: City Council Members, Mayor Gere
FROM: Fred Buckenmeyer, Director of Public Works
DATE: August 21, 2017
SUBJECT: Anacortes High School Home Coming Parade

Sponsor/Organizer: AHS, Robert Hancock, ASD 103

Location:

3rd and O Ave to Commercial Avenue up to 20th and west on 20th to High School

Dates & Times:

September 28, 2018

2:00 – 4:00

Background:

Traditional welcome back to school and Home Coming football game

Parking Restrictions:

Parking restricted in closed areas.

Public Works Services:

Signage and street barriers

Police Services:

Traffic control

Recommendations:

Staff recommends approval subject to applicant's submitted request

Proposed Motion: Recommend approval

Emergency Contact Numbers:

Robert Hancock, 360-466-8897 (cell)

360-293-2166, Ext 1341

rhancock@asd103.org



STREET FAIR APPLICATION

Date Received: 9/11/18 Received by: Kaitlynn Nelson City Council Approved: _____

NAME OF EVENT Homecoming parade

DATES of Event Sept. 28th, 2018

TIME of Day 3-4 pm

NATURE/PURPOSE of Event Anacortes^{High School} Homecoming parade

PARTICIPANTS/Attendees (estimated number) 100 students

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

Commercial Ave from 3rd St - 20th Street
Line up on 3rd St + O ave

DESCRIPTION of Event AHS Homecoming Parade

FACILITIES requested (street, sidewalk, park, etc.) Commercial Street
and sidewalk

Dates/hours requested 3 pm - 4 pm

EQUIPMENT requested Ø

Dates/hours requested _____

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

Dates/hours requested 3 pm - 4 pm

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

3rd street for parade set up including floats

INSURANCE (Certificate of Insurance must be submitted with Application)

Required _____ Not Required _____

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

APPLICANT/ORGANIZATION (Name) Robert Hancock

Name of responsible person Robert Hancock Phone # (360) 293-2166 Ext. 1341

Address 1600 20th Street

Date of Birth 12 / 13 / 1945

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

Contact Name Robert Hancock Phone # _____

Contact Address _____

Email Address rhancock@asd103.org Website address _____

Event Address _____ Hours of Event _____

Does your event require vendor(s) or participant(s) to sign up to participate? _____

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

Signature [Signature] Date 9/10/18

* FOR OFFICE USE ONLY *

	Initials	Comments (Stipulate Conditions of Approval on Reverse)
Mayor	_____	_____
Building	<u>B</u>	_____
Fire	_____	_____
Parks	_____	_____
Police	_____	_____
Public Works	_____	_____
City Council	_____	_____

* PERMIT *

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

contact: Megan Bellusci

: 360-708-3244

email: asb@^{stu}asd103.org



City Council Contract Agenda Bill

Meeting Date: 9/24/2018 **Agenda Item:** 5e

Subject: Contract Modification – WWTP Incinerator Repair Project 18-065-SEW-001

Staff Contact: Fred Buckenmeyer

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

Action Type: Contract Modification

Summary Statement: City staff seeks Council consent to issue a contract modification to C H Murphy || Clark-Ullman, Inc. in the amount of \$48,608.00, increasing the total contract price to \$416,314.50, to increase the scope of work to include installation of install a heated air pipe for the WWTP Incinerator Project.

Background:

1. **Reason for Contract Change:** CHMurphy Clark-Ullman is under contract with the City to replace the crossover duct, tube sheet and a portion of the tubes and the expansion joints of the incineration system at the Wastewater Treatment Plant. The contract modification is needed to install a heated air pipe to the incinerator scrubber to reduce the relative humidity in the upper portion of the scrubber system. This is required to protect the sorbent polymer composite media designed to remove mercury from the incinerator offgas flow stream to meet current federal regulations. By combining the additional work with the WWTP Incinerator Repair Project, CHMurphy Clark-Ullman will have much of the required equipment, staging and trades already onsite which will save additional mobilization costs if this project was treated as a standalone project. Additionally, combining the two projects eliminates the need for another incinerator shutdown to install the heated air system.
2. **History:** The project addresses issues with three components of the WWTP incinerator system, all of which are showing signs of wear. One component is referred to as the crossover duct, which takes the hot exhaust gas off the top of the incinerator and ducts it to the heat exchanger. In the heat exchanger, the hot exhaust gas passes over a set of tubes inside of which fresh air is heated by the exhaust gas before the fresh air is fed into the incinerator air intake. The tubes are held in place by what is referred to as a tube sheet. The tubes/tube sheet is the second component of the repair. The third component are expansion joints on either end of various ducts associated with the incinerator, which accommodate expansion and contraction associated the operation of the incinerator.

The incinerator is a harsh environment. Due to age and operation of the incinerator, these three components are showing signs of wear and failure is likely if not addressed. A failure in the crossover duct or expansion joints during operation of the incinerator would result in hot ash being blown into the incinerator room, a threat to operator health and safety. In addition, a failure of any of these components would render the incinerator inoperable.

This project will replace the crossover duct, tube sheet and a portion of the tubes, and the expansion joints.

3. **Key Terms:** increase of \$48,608.00, no addition to the term of agreement
4. **Competitive Bidding:** Council approved waiving the competitive bidding requirements in awarding the contract for the Wastewater Treatment Plant (WWTP) incinerator repair based on a statutory exemption for improving pollution control facilities and the complexity of the project and specialized nature of the work by adopting [Resolution 2011](#).

Previous Council/Committee Action: City Council awarded the [original contract](#) on [4/23/18](#).

Competing Viewpoints Considered: N/A

Recommended Motion: I move that City Council authorize the Mayor to sign a contract modification with C H Murphy || Clark-Ullman, Inc. under Contract 18-065-SEW-001, in the amount of \$48,608.00, increasing the total contract price to \$416,314.50.

Alternative Actions: N/A

Attachments: Contract 18-065-SEW-001 Modification 01

Consultant	C H Murphy Clark-Ullman, Inc.
Original Agreement Amount	\$367,706.50
Current Agreement Amount	\$367,706.50
Change Per this Modification	\$48,608.00
Total After Modification	\$416,314.50
Earmarked Funds	None
BARS #	440.000.594.35.64
Paid on Contract as of 9/19/18	\$0
Budget Amendment Required?	Yes
Revenue Source	Funds to be transferred from 2017 budget
Start Date	Notice to Proceed
End Date	15 weeks



**Contract Number 18-065-SEW-001
MODIFICATION 01**

Date September 25, 2018

Page 1 of 1 Pages

Project Title WWTP Incinerator Repair Project

Prime Contractor C H Murphy || Clark-Ullman, Inc.

BACKGROUND

This modification is issued in accordance with Article 19, Changes/Additional Work. The Contract price will increase from \$367,706.50 by \$48,608.00 to \$416,314.50 to provide an equitable price adjustment in consideration of changes in Work as described below under Article 1.

Accordingly, the following changes are incorporated under this contract:

Article 1. Scope of Work, insert the following fourth paragraph:

"The work as described above is hereby amended per Modification 01. The Contractor will install 3" Schedule 10 316L Stainless Steel Heated Air Duct. Contractor will provide scaffolding to access upper transition duct, scrubber vessel tie in and air heater installation and lower tie in.

Work includes:

- a) Up to 40' of 3" diameter 316L Stainless Steel Welded Duct with Elbows.
- b) Up to 40' Aluminum Clad Pipe Insulation.
- c) Installation of Air Heater in Scrubber Vessel."

Article 2. Contract Price, the first sentence is revise to read:

"The work under this Agreement shall be performed on a time-and-materials basis not-to-exceed **Four Hundred Sixteen Thousand Three Hundred Fourteen Dollars and Fifty Cents (\$416,314.50).**"

All other terms of the contract remain unchanged.

CITY OF ANACORTES

C H MURPHY || CLARK-ULLMAN, INC.

By _____
Laurie Gere, Mayor

By _____
Signature

Date _____

Printed Name _____

Title _____

Date _____

Original Agreement Amount	<u>\$367,706.50</u>	Original Contract Completion Date	<u>15 weeks</u>
Current Agreement Amount	<u>\$367,706.50</u>	Current Contract Completion Date	<u>15 weeks</u>
Change Per this Modification	<u>\$ 48,608.00</u>	Net Change	<u>0 Days</u>
Total After Modification	<u>\$416,314.50</u>	Contract Completion Date After Change	<u>15 weeks</u>

Skagit County EMS System Delivery Agreement

SEPTEMBER 24, 2018



Transition Overview

- County will transition to fire-based EMS services beginning January 1, 2019
- Currently, there are three ALS (Advanced Life Support) providers:
 - Aero-Skagit (eastern county)
 - Central Valley Ambulance Authority (central county)
 - City of Anacortes Fire (Fidalgo and Guemes Islands)
- Under the new system:
 - County will disband CVAA
 - The 4 Skagit Cities + Aero Skagit will provide ALS transports
- Oral board process for hiring CVAA staff starts October 1

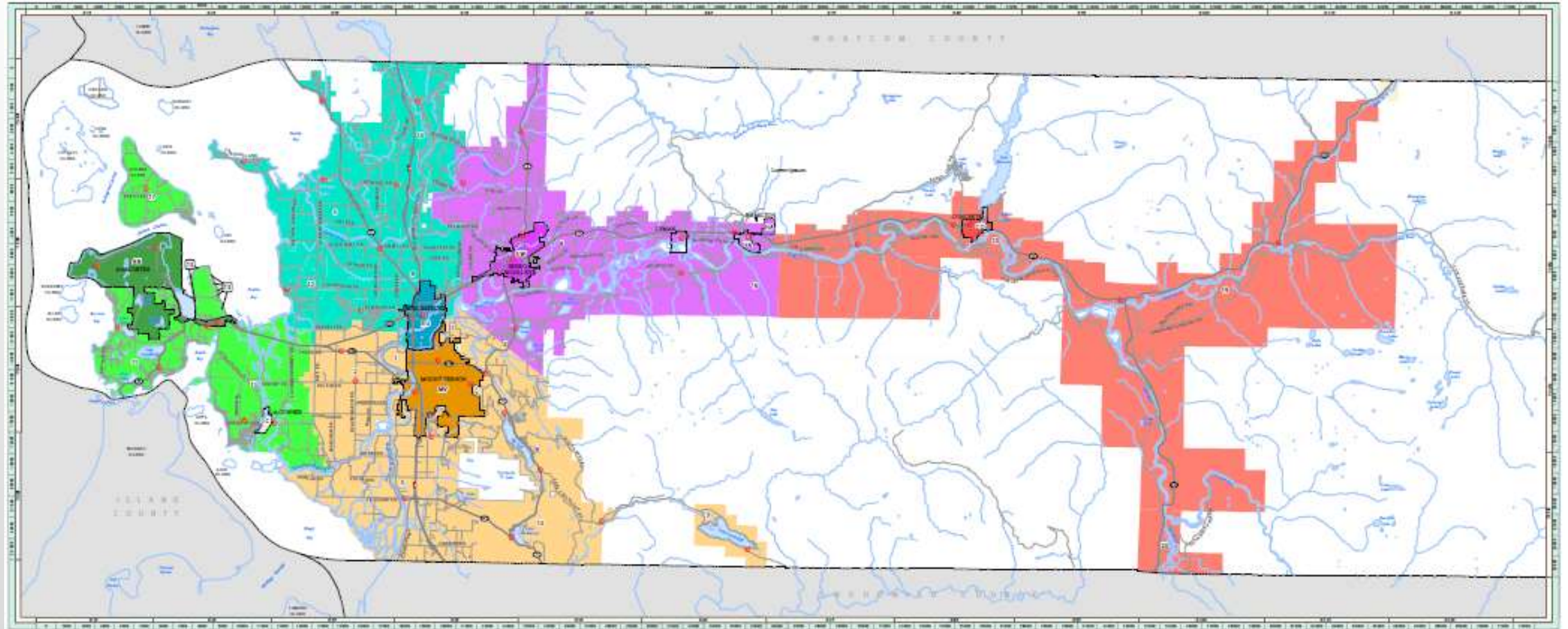
Services System Delivery Agreement - Structure

- Term: 1/1/19 through 12/31/2024 – levy cycle
- Termination:
 - For Public Convenience: 18 month termination
 - For Default: By provider, only after participation in Quality Improvement Plan process and failure to correct issues
 - Immediate Termination: For failure to have license, inability to bill Medicare, or inability to perform services as of 1/1/19
- Quality Improvement Plan: If provider can't meet response times, is not working in good faith towards response times, or frequently is unavailable to respond, County can require QIP process
- Operational Disputes must go through arbitration with subject-matter expert
- Non-operational disputes must go to mediation before court in Snohomish County
- Providers may subcontract services if sub complies with County requirements
- County has right to review records related to services

Exhibit A: Scope of Work

- Cities are responsible for responding within primary and secondary service areas
- Requirements structured around response times:
 - Primary Service Area: under 8 min 90% of the time
 - Secondary Service Area: under 12 min 90% of the time
- Parties will work together to develop and then follow EMS Delivery Standard Operating Guidelines
- Parties want to move towards closest unit and criteria-based dispatch when available
- Cities will take responsibility for all equipment and supplies
- Cities will provide information and participate in annual meeting to set rates for next calendar year

Exhibit A1: Service Area



Exhibits A2-A4

- **A2: Advanced Airway Management form (reporting to County MPD on use of intervention for cases involving airway obstruction)**
- **A3: Sentinel Events Form (reporting to County on sentinel medical events)**
- **A4: County resolution establishing transportation rates**
 - Based on BLS vs. ALS
 - Costs vary from \$610 + mileage to \$1330 + mileage

Exhibit B: Compensation

- County has \$40,035,518 available for EMS services
- Anacortes will receive payment for services:
 - One-time startup expenses of \$208,000, PLUS

Year	Amount
2019	\$ 1,310,000
2020	\$ 1,349,300
2021	\$ 1,389,779
2022	\$ 1,431,472
2023	\$ 1,474,417
2024	\$ 1,518,649

- Anacortes will receive equipment or payments for equipment:
 - \$153,231 in 2019 for the depreciated value of an ambulance
 - Plus some miscellaneous equipment (thermometer, stair chair, wifi20)
- Excess funds from CVAA dissolution will be allocated to closest unit and criteria based dispatch fees

Exhibit B: Termination Provisions

- If the City terminates for convenience or is terminated for default, the following provisions apply:
 - City will have to make the following payments to the County:
 - Return of one-time startup costs reducing over time
 - \$208k year one to \$0 year six
 - Return of capital investment, reducing over time
 - \$200k year one to \$0 year six
 - City will get a reduced portion of levy funds:
 - If provides no transport services: non-transporting fire provider
 - BLS throughout system: BLS transport service provider
 - BLS in City only: 1/2 of BLS transport service provider
 - ALS in City only: 30% of levy funds

Exhibit C: Insurance

- County insurance requirements are under review by City risk pool and County risk management
- City coverage provided by WCIA
- Cities want participation in risk pool to satisfy all County insurance requirements
- County wants to ensure any subcontractors meet insurance requirements

Questions?

THANK YOU!

Hunt, Marcia

From: Swetnam, Darcy
Sent: Monday, September 24, 2018 3:49 PM
To: City Council
Cc: Kennedy, Jack; Walsh, Nick; Schuh, Emily; Hoglund, Steve; Gere, Laurie; Hunt, Marcia
Subject: FW: 9/24 EMS Agreement Revision
Attachments: EMS system delivery agreement (Final) 9 24 18 Attorney Edits.docx

Attached is the most recent EMS agreement. I will be presenting it tonight, but plan to bring it back next Monday.

Thanks,
Darcy

From: Leif Johnson [mailto:leifj@burlingtonwa.gov]
Sent: Monday, September 24, 2018 3:38 PM
To: Melinda Miller <melindam@co.skagit.wa.us>; 'Rogerson, Kevin' <kevinr@mountvernonwa.gov>; Eron Berg <eberg@ci.sedro-woolley.wa.us>; Swetnam, Darcy <darcys@cityofanacortes.org>; Jeff Sargent <jsargent@co.skagit.wa.us>; Renata Maybruck <rhmcconsultinginc@outlook.com>; 'aeroskagit@gmail.com' <aeroskagit@gmail.com>
Subject: 9/24 EMS Agreement Revision

This version is complete, except for minor typos and insurance provisions.

Leif Johnson
Burlington City Attorney
360-755-9473
360-755-1297 (fax)
833 S. Spruce St.
Burlington, WA 98233

**SKAGIT COUNTY
EMERGENCY MEDICAL SERVICES SYSTEM DELIVERY AGREEMENT**

This Emergency Medical Services System Delivery Agreement is by and between Skagit County ("County"); and "Provider(s)" which includes the City of Sedro-Woolley; the City of Anacortes; the City of Mount Vernon; the City of Burlington; and Aero Skagit, a not for profit Corporation, hereafter referred to collectively as the "Parties," for the provision of emergency medical services throughout Skagit County.

RECITALS

1. The County, with approval from the voters of Skagit County and as authorized by RCW 84.52.069, collects a countywide Emergency Medical Services (EMS) levy, which is independently accounted for in the **"EMS Fund"**.
2. The Board of Skagit County Commissioners (BOCC) is responsible for disbursing EMS levy funds and fulfilling oversight requirements of the EMS system.
3. The existing EMS levy expires on December 31, 2018, and the voters of Skagit County have just approved a new EMS levy that begins on January 1, 2019 and expires on December 31, 2024.
4. The Cities each operate municipal fire departments through which they either currently provide or will provide by January 1, 2019, both basic life support (BLS) and advanced d life support (ALS) responses and transports.
5. On July 25, 2018, the Skagit County Board of County Commissioners enacted Ordinance No. O20180008, which created a fire-based emergency medical services delivery model.
6. Aero Skagit operates as a nonprofit corporation for the provision of both basic life support (BLS) and advanced d life support (ALS) responses and transports in their designated area.
7. The Parties to this Agreement are willing to work cooperatively to deliver seamless, countywide EMS services with funding from the EMS levy as outlined in this Agreement. EMS revenues are not intended to supplant current fire department funding, however this model creates an economy of scale.

AGREEMENT

1. **PURPOSE:** The purpose of this Agreement is to establish a unified system of delivery of both ALS and BLS emergency medical services throughout Skagit County to be performed by Providers pursuant to **Exhibit A**, "Scope of Work" and as otherwise specified in this Agreement.
2. **TERM OF AGREEMENT:** The term of this Agreement shall commence January 1, 2019 and shall continue until December 31, 2024.
3. **MANNER OF FINANCING:** Providers shall be compensated as detailed in **Exhibit B**, "Compensation".
4. **DEFENSE & INDEMNITY AGREEMENT:**
To the extent of its comparative liability, each Party agrees to indemnify, defend and hold the other party, its elected and appointed officials, employees, agents and volunteers, harmless from and against any and all claims, damages, losses and expenses, including but not limited to court costs, attorney's fees and alternative dispute resolution costs, for any personal injury, for any bodily injury, sickness, disease or death and for any damage to or destruction of any property (including the loss of use resulting therefrom) which are alleged or proven to be caused by an act or omission, negligent or otherwise, of its elected and appointed officials, employees, agents or volunteers.

In the event of any concurrent act or omission of the ~~parties~~Parties, each Party shall pay its proportionate share of any damages awarded. The ~~parties~~Parties agree to maintain a consolidated defense to claims made against them and reserve all indemnity claims against each other until after liability to the claimant and damages, if any, are adjudicated. If any claim is resolved by voluntary settlement and the Parties cannot agree upon the apportionment of damages and defense costs, they shall submit apportionment to binding arbitration.

Parties to this ~~contract~~Agreement are fully responsible for any liability related to subcontracting the work in this Agreement. Any indemnification agreed to between a primary party to this Agreement and their subcontractor does not supersede nor negate the indemnification in this Agreement.

The Parties agree all indemnity obligations shall survive the completion, expiration or termination of this Agreement."

5. **TERMINATION:**
This Agreement may be terminated prior to the expiration of the Agreement Term for the following listed reasons. Termination of a Provider shall not invalidate this Agreement in regard to the other non-terminating Providers.
 - 5.1. Termination for Public Convenience: Any Party may terminate this Agreement for public convenience by giving 18 months' notice in writing either personally delivered or mailed postage-prepaid by certified mail, return receipt requested, to the party's last known address for the purposes of giving notice under this paragraph.
 - 5.2. Termination for Default. Subject to paragraphs 6, 7 & 8 of this Agreement, County may terminate this Agreement if Provider fails to perform or adhere to the

requirements detailed in this Agreement. Providers may terminate this Agreement due to default of the County.

5.3. Immediate Termination: The County may immediately ~~t~~Terminate this Agreement in regard to any Provider that is unable to perform the required services ~~for due~~ any of the below listed reasons. If the County elects to invoke immediate termination the ~~A~~Agreement shall be deemed terminated upon notice of such to Provider.

- 5.3.1. Provider not having a valid state license to provide services
- 5.3.2. Inability to bill Medicare
- 5.3.3. Inability to perform services starting January 1, 2019.

6. QUALITY IMPROVEMENT ~~CORRECTIVE~~ ACTION PLAN FOR SERVICES (QIP) – RESPONSE TIMES/FREQUENT UNAVAILABILITY:

In the event Provider fails to meet the listed response times-as set forth in Section D 1 of the Scope of Work, by the date noted in the Scope of Work, or fails to make good faith work toward meeting the listed response times, or if Providers' Units are frequently unavailable to respond to dispatched calls, County may require Provider to submit a Quality Improvement plan. The QIP shall be prepared to: i) identify the cause(s) of failure to meet such times and propose ~~improvements~~corrective actions and/or ii) determine whether the response times need to be altered. Provider must prepare and submit the requested QIP within fifteen working days of the request. If Provider fails to submit the QIP, County may terminate the Agreement for default.

Provider and County shall meet within fifteen working days of Providers submission of the QIP to County. County may at the meeting to discuss the submitted QIP and may either accept the QIP as submitted, agree to amendments/ request modifications or reject the QIP. If an acceptable QIP is not agreed upon by the Parties by the end of a 20-working day period starting from the first meeting to discuss the QIP either party may submit the QIP to be resolved pursuant Section 7. The outcome of dispute resolution shall constitute a final decision for the purposes of the creation and implementation of the QIP. Failure to follow an agreed QIP or one in which dispute resolution set forth in Section 7 has been completed shall constitute default.

7. DISPUTE RESOLUTION PROCEDURE FOR OPERATIONAL DISPUTES:

In the event of any dispute, claim or controversy between a Provider and the County concerning the creation or implementation of a QIP or the creation or implementation of the county wide EMS Deliver Standard Operating Guidelines manual set forth in Section C 4 of the Scope of Work, the ~~parties~~Parties shall comply with the following process to resolve all such disputes.

The ~~parties~~Parties shall certify what issue(s) are in dispute to be decided by an arbiter. In the event the ~~parties~~Parties cannot reach agreement each Party shall certify their own lists of disputed issue(s).

Selection of an Arbiter- Qualifications. The Arbitrator shall be selected based on his or her knowledge of the subject matter of the dispute and ability to serve in a non-neutral capacity. Provider and the County shall designate one person who is neither an employee nor former employee and with a minimum of five years management experience with and knowledge of the delivery of emergency medical services. The person selected by the Provider and the person selected by County shall, within 10 days of their appointment, select a third neutral arbitrator with the same minimum qualification

or greater. In the event that they are unable to do so, the ~~P~~parties or their attorneys may request the American Arbitration Association to appoint the third neutral arbitrator. The ~~parties~~Parties shall follow the AAA rules. Decisions from the Arbiter shall be final and binding upon the Parties. The Parties shall divide Arbitration costs evenly.

8. VENUE AND DISPUTE RESOLUTION:

This paragraph establishes the sole and exclusive remedy for disputes arising under this Agreement, except as otherwise set forth in paragraphs 6 & 7. Both in the event of any dispute arising under this Agreement and prior to any termination for cause, except immediate termination as set forth in paragraph 5.3, the ~~parties~~Parties shall, as a material condition precedent to any suit or termination for cause under this Agreement, provide formal written notice of the dispute to the other party, and engage in formal mediation using a mutually agreed upon mediator. If the ~~parties~~Parties are unable to agree on a mediator within fifteen (15) days of written notice, either party may bring suit in Snohomish County Superior Court for the sole purpose of seeking appointment of a mediator. If the ~~parties~~Parties are unable to resolve their differences within thirty (30) days after mediation: (1) venue and jurisdiction for any action arising under this Agreement shall lie in the Courts of Snohomish County, Washington, and (2) a termination for cause may be imposed. In the event of any dispute arising under this Agreement, each Party shall be responsible for its own attorney fees, costs, expert witness fees, and all other costs related to the dispute. The Parties shall divide mediation costs evenly. This Agreement shall be governed by the laws of the State of Washington

9. SUBCONTRACTING:

Provider may subcontract all or a portion of the services. Provider must give County 60 days advance written notice of its intent to subcontract which shall include the name(s) of such subcontractor(s). Provider shall require that their subcontractors be bound by same terms and conditions contained in this Agreement including insurance and indemnification requirements. Provider subcontractors must be part of the County dispatch system have all required licenses and training required under state and MPD protocols, operate pursuant to the Standard Operating Guidelines and must be and under MPD authority. If Provider subcontracts all or a portion of the services pursuant to this ~~agreement~~Agreement to a non-public entity, Providers subcontractors must name the County as an additional insured on all required policies (unless specifically waived in writing by Skagit County's Risk Manager) and must be bound by **Exhibit C**, "Insurance". The mutual aid Agreements and automatic aid Agreements between and among the Parties in effect prior to January 1, 2019, are not subject to this paragraph and shall not constitute default of this Agreement.

10. CONSENT TO ALLOW PARTIES TO OPERATE AMBULANCE SERVICES IN PROVIDERS BOUNDARIES:

By signing this ~~A~~agreement, Parties agree to allow the other Parties (and their subcontractors) to operate ambulance services in their boundaries.

11. INSURANCE: Providers agree to be bound by the insurance requirements set forth in **Exhibit C**, "Insurance".

12. REGIONAL TRAUMA COUNCIL: Parties are encouraged, but not mandated, to participate in the establishment and operation of a regional trauma council

13. **INDEPENDENT CONTRACTOR:** The Provider's services shall be furnished by the Provider as an independent Provider and nothing herein contained shall be construed to create a relationship of employer-employee or master-servant, but all payments made hereunder, and all services performed shall be made and performed pursuant to this Agreement by the Provider as an independent contractor.
14. **NO GUARANTEE OF EMPLOYMENT:** The performance of all or part of this contract by the Provider shall not operate to vest any employment rights whatsoever and shall not be deemed to guarantee any employment of the Provider or any employee of the Provider or any subcontractor or any employee of any subcontractor by the County at the present time or in the future.
15. The Provider acknowledges that the entire compensation for this Agreement is specified in Exhibit "B" and the Provider is not entitled to any county benefits including, but not limited to: vacation pay, holiday pay, sick leave pay, medical, dental, or other insurance benefits, or any other rights or privileges afforded to Skagit County employees.
16. **RIGHT TO REVIEW:** The County or its designee shall have the right to review and monitor the financial and service components of this Agreement. Such review shall occur with three days' notice, (absent cause) and may include, but is not limited to, on-site inspection by County agents or employees during Providers normal business hours, inspection of all records or other materials which the County deems pertinent to the Agreement and its performance, and any and all communications with or evaluation by service recipients under this Agreement. County will conduct such review or execute necessary agreements as needed in order for such review to be HIPAA compliant. Provider shall preserve and maintain all financial records and records relating to the performance of work under this Agreement pursuant to the Washington State record retention schedule, and shall make them available for such review, within Skagit County, State of Washington, upon request
17. **CHANGES, MODIFICATIONS, AMENDMENTS AND WAIVERS:** The Agreement may be changed, modified, amended or waived only by written agreement executed by the Parties. Waiver or breach of any term or condition of this Agreement shall not be considered a waiver of any prior or subsequent breach.
18. **SEVERABILITY:** In the event any term or condition of this Agreement or application thereof to any person or circumstances is held invalid, such invalidity shall not affect other terms, conditions or applications of this Agreement 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.
19. **ENTIRE AGREEMENT:** This Agreement contains all the terms and conditions agreed upon by the ~~parties~~Parties. All items incorporated herein by reference are attached. No other understandings, oral or otherwise, regarding the subject matter of this Agreement shall be deemed to exist or to bind any of the ~~parties~~Parties hereto.
20. **NO PARTNERSHIP OR JOINT VENTURE:** No partnership and/or joint venture exists between the Parties, and no partnership and/or joint venture is created by and between the Parties by virtue of this Agreement. No agent, employee, contractor, subcontractor, consultant, volunteer, or other representative of the ~~parties~~Parties shall be deemed an

agent, employee, contractor, subcontractor, consultant, volunteer, or other representative of the other party.

21. **NO THIRD-PARTY BENEFICIARIES:** This Agreement is not intended to nor does it create any third-party beneficiary or other rights in any third person or party, including, but not limited to, property owners and/or residents located at or in the vicinity of the services provided, or any agent, provider, subcontractor, consultant, volunteer, or other representative of either party. Response times set forth in this ~~agreement~~Agreement or later agreed among the ~~parties~~Parties are targets and do not constitute an admission or representation that any response time constitutes an ordinary standard of care for the community. Response times set forth in this ~~agreement~~Agreement or later agreed shall not constitute nor is intended to create a special relationship or duty to any persons or class of persons under the public duty doctrine.
22. **NEUTRAL AUTHORSHIP:** Each of the terms of and provisions of this Agreement have been reviewed and negotiated and represents the combined work product of the Parties hereto. No presumption or other rules of construction which would interpret the provisions of the Agreement in favor of or against the Party preparing the same shall be applicable in connection with the construction of interpretation of any of the provisions of this ~~agreement~~Agreement. The Parties represent that they have had a full and fair opportunity to seek legal advice with respect to the terms of this Agreement and have either done so or have voluntarily chosen not to do so. The Parties represent and warrant that they have fully read this Agreement, that they understand its meaning and effect, and that they enter into this Agreement with full knowledge of its terms. The Parties have entered into this Agreement without duress or undue influence.
23. **SURVIVAL:** The provisions of paragraphs 3, 4, ~~11~~, 13, 16, 20, and 21 shall survive, notwithstanding the termination or invalidity of this Agreement for any reason.
24. **COUNTERPARTS:** This Agreement may be executed in counterparts by the Parties.

DATED this ____ day of _____, 2015.

**BOARD OF COUNTY COMMISSIONERS
SKAGIT COUNTY, WASHINGTON**

Kenneth A. Dahlstedt, Chair

Lisa Janicki, Commissioner

Attest:

Ron Wesen, Commissioner

Clerk of the Board

For contracts under \$5,000:
Authorization per Resolution R20030146

Recommended:

County Administrator

Department Head

Approved as to form:

Civil Deputy Prosecuting Attorney

Approved as to indemnification:

Risk Manager

Approved as to budget:

Budget & Finance Director

EXHIBIT A: SCOPE OF WORK

Providers shall provide trauma verified ambulance services on a twenty-four (24) hours per day, seven (7) days per week basis, with appropriate ambulances and equipment in accordance with WAC Chapter 246-976, North Region EMS & Trauma Care Council, and other applicable laws, regulations, ordinances and established policies of the Skagit County Medical Program Director when authorized by state law.

A. Definitions:

- a. "Call" is defined as a unique call ID assigned by Skagit 911. If the Provider responds with more than one unit, it will be counted as only one call.
- b. "In-service unit" is defined as a unit that is appropriately staffed per Washington State standards, is appropriately equipped per Washington State and Skagit County Medical Program Director standards and is available for immediate dispatch and response.
- c. "Time on task" is defined as the time from when a unit is assigned to call until that unit is available for another response. If the unit remains out of service for any reason other than patient care or call related (reasons like mechanical issues or crew change), the time on task will be calculated to the point when the unit went out of service for the other reason.
- d. "Primary Service Area" is defined as the City in the Provider's Response Zone as shown in Exhibit A1.
- e. "Secondary Service Area" is defined as the remainder in the Provider's Response Zone as shown in Exhibit A1.
- f. "QI" is Quality Improvement.
- g. "QA" is Quality Assurance.
- i. "Unavailable in the CAD system" is when a Provider's unit is not able to respond to an ALS or BLS call due to any unforeseeable reason, such as, mechanical failure of the unit, the unit being involved in a vehicle accident, or otherwise unable to respond due to an act of god.
- j. "Criteria Based Dispatch" is an emergency medical dispatch triage program that is based on patient signs and symptoms collected by 911 dispatchers or other dispatch protocols established by the MPD.
- k. "Closest Unit Dispatch" is sending the unit that fits the call type based on Criteria Based Dispatch that is the closest unit to respond to the incident.
- l. "Medical Program Director" or "MPD" is a physician recognized to be knowledgeable in the county's administration and management of pre-hospital emergency medical care and services and functions under RCW 18.71.212 and WAC 246-976-920, as appointed by the Washington State Department of Health.
- M. "EMS" is Emergency Medical Services
- N. "ALS" is Advanced Life Support
- O. "BLS" is Basic Life Support

B. Response and Coverage Plan:

1. Unless all of Provider's units are Unavailable in the CAD System or assigned to an emergency response incident Provider shall respond to ALS and BLS calls they are dispatched to in their portion of Skagit County designated as response areas on the Service Provider map attached as (EXHIBIT A1), and other areas of Skagit County. ~~as dispatched frequent instances of unit unavailability or~~

~~inadequate resources to respond to dispatch calls~~ County can ~~result in a~~ request for a ~~corrective action plan~~ QIP to address nonperformance, frequent unavailability, responding with inadequate resources and if not sufficiently resolved in a timely manner could be grounds for default. Any Provider may request that the County initiate a QIP if another provider is unavailable or responding with inadequate resources. Response times outside Provider's designated zones shall be evaluated separately from primary and secondary zones.

2. Provider shall participate in the creation and implementation of a county wide response and coverage plan, to include all trauma verified providers and other available transportation resources. Annually on the second Tuesday of December at 13:00 or as soon thereafter as practical, the plan will evaluate and modified as necessary. Either Party may call for a plan modification at any time and within 30 days of such call, the County will convene all trauma verified Providers and other available transportation resources to evaluate and consider modifications to the plan. All ~~parties~~ Parties will work in good faith to implement Closest Unit dispatch and Criteria Based dispatch protocols.

C. Operations:

1. Providers agrees that they are responsible to meet all state, local and federal requirements for records retention and that the County possessing copies of any records does not release the Provider from that responsibility.
2. Providers, on reasonable request, will make available proof that the Provider is in compliance with any or all State, local or federal rules and regulations of laws pertaining to operation of their agency, as it pertains to this contract.
3. Providers shall notify the County's EMS Director within 3 business days in writing when a certified individual is disciplined for circumstances that would be unprofessional conduct under RCW 18.130.180 of the Uniform Disciplinary Act.
4. Providers and County shall participate in the creation and implementation of a county wide EMS Delivery Standard Operating Guidelines manual. In the event Providers of EMS services in Skagit County (i.e. the cities of Sedro-Woolley, Anacortes, Burlington, Mount Vernon, and Aero Skagit Emergency Services) reach agreement with the County in the creation of a county wide EMS Delivery Standard Operating Guidelines manual, then the Provider shall operate under the EMS Delivery Standard Operating Guidelines. Provider agree to work with the county and other Providers in good faith to reach agreement on a county wide EMS Delivery Standard Operating Guideline. Provider objections to guidelines shall be limited to specific guidelines on the grounds that the guideline results in unreasonable increased legal risk, unreasonable increased financial risk or unduly interferes with Provider's right to control means and methods of the contracted work. In the event that Provider objects to a specific guideline pursuant to this paragraph, Provider shall be obligated to operate and perform in compliance with all other Guidelines which are not objected to contained in the Standard Operating Guidelines and shall be obligates to negotiate with the County and other Providers to resolve the objection.

The EMS Delivery Standard Operating Guidelines may contain but are not limited to:

- o System specific definitions
- o Standardized supply minimums
- o System specific recertification procedures
- o System specific record keeping procedures
- o System specific response requirements

Failure of Provider to participate in the creation of the EMS Delivery Standard Operating Guidelines manual does not eliminate the Provider's responsibility to function under all or part of the manual in the event all providers reach agreement.

D. Reporting and Audits:

1. For each month, the Provider shall provide the County with a report detailing its call volume, response fractals by individual Primary and Secondary Service Areas and combined service areas, transport number and financial performance for each month, as well as year-to-date. Additionally, Provider on a monthly basis shall report response times to all calls dispatched. Upon commencement of services pursuant to this Agreement, Providers shall in good faith work toward meeting the response time and targeted percentages listed below. By, April 1, 2020, Providers must meet the below listed response time targeted percentages. In the event, Provider does not make sufficient efforts to work toward meeting the below listed targeted response time percentage, or if by April 1, 2020, Provider does not meet the targeted response time percentages then County can request a quality improvement plan to address nonperformance. For the propose of response time calculations aid non-priority citizen assist and welfare checks or as otherwise required under the Standard Operations Guidelines will not be included.
 - a. Primary Service Area Response Times and Targeted Percentage. Percentage of time first transport capable unit arrives in under 8 min, or as otherwise required under the Standard Operations Guidelines, from toned time in primary service area, target is 90 percent, evaluated on a monthly basis.
 - b. Response Times and Targeted Percentages including the Secondary Service. Percentage of time first transport capable unit arrives in under 12 min, or as otherwise required under the Standard Operations Guidelines, from toned time in the service area, target is 90 percent, evaluated on a monthly basis.
 - c. Aero Skagit Response Times: Aero Skagit response times will match Washington State Department of Health response times unless mutually agreed upon by Aero Skagit and the County.
 - d. Closest and Criteria- Based Dispatch. Upon implementation of closest unit and criteria-based dispatch, the Parties shall meet and may by agreement adjust the primary and secondary response area response

times and targeted percentages ~~may be adjusted upon agreement by the Parties.~~

2. Yearly Providers will provide an annual report summarizing their activities from the last year and describing innovations and efficiencies to the EMS delivery in the upcoming year
3. Weekly, Providers shall provide the County and the MPD with completed Advanced Airway Audit Forms (Exhibit A2), for all calls on which advanced airway procedures were performed including the video information from the video laryngoscope.
4. Providers shall complete by Skagit county MPD standards electronic Patient Care Reports ("ePCR") documenting all incidents where patient contact happens, on all calls received by Provider from Skagit 911 to create a single uniform county-wide ePCR and Data Collection System and close the record prior to the end of the provider's shift.
5. Providers will work towards a QA and improvement process within the first 24 months of the contract. This will include:
 - a. Monthly reporting with templated reviews for:
 - All Patients requiring Advanced Airway Management (Supraglottic airway, CPAP, Intubation, and/or Surgical Airway attempts)
 - All STEMI patients (ST-Elevation Myocardial Infarction)
 - All Trauma Activation Patients as defined by Washington State Department of Health DOH 689-164 July 2016
 - All Cardiac Arrests
 - NOTE: All Cardiac Arrests involving a shockable rhythm should require a Zoll Data Code Review
 - All Code Stroke Activation Patients
 - All Sentinel Events as defined by Version 1.22 Skagit County EMS Sentinel Events Implementation Date: 4/13/17
 - Identified QA/QI and/or Unusual Event Calls
 - ADDITIONAL NOTE: In the setting of an MPD requested review of a specific call or incident, Provider will provide the initial review within (4) weeks of the official request.
 - b. At least quarterly reporting of reviews for the following:
 - A random selection of charts for documentation review (NOTE: no less than 15% of patient transports per month should be reviewed. This 15% total can include the special patient categories reviewed above)
 - Special Topic Reviews (Once a quarter a special topic shall be identified for review (e.g., diabetic emergencies, seizures, etc.)
 - New Project Rollout or Issue Identification Reviews (When a new project is developed, or an issue of concern developed, a period of initial intense reviews followed by periodic follow up reviews will be developed and approved by the MPD)

- c. When a Provider begins transporting with BLS, Provider will review (and will include as part of the monthly reporting) 25% of BLS transports for the first six months of providing BLS transports.
- d. QA/QI personnel will be expected to participate in case and educational presentations. (OTEP credit will be awarded.)
- e. County reserves the right at the MPD's discretion to require additional provider quality assurance checks.

E. Medical Protocols:

- 1. Provider shall follow the Skagit County EMS Sentinel Events Protocol and provide information as described in Exhibit A3 for all incidents meeting any portion of this protocol.
- 2. All Provider field personnel shall be under the direct medical control and supervision of the Skagit County Medical Program Director (MPD) or its designee, and shall comply with medical protocols, online medical control, and other requirements as established by the MPD, the county and the state.

F. Licensing and Accreditation:

- 1. At all times Provider personnel performing medical services under this Agreement shall be certified to practice in the State of Washington and Skagit County when required or allowed by law.
- 2. In the current levy cycle, the Provider shall pursue CAAS accreditation or approved similar option.

G. Equipment and Supplies:

- 1. Provider is responsible to purchase all equipment, vehicles, and supplies needed to provide services to fulfill the contract.
- 2. Provider is responsible for maintenance and replacement of their equipment and vehicles.
- 3. Provider will make available, upon reasonable request, service and maintenance records for equipment and vehicles use for fulfilling this contract.

H. Federal Funding and HIPAA:

- 1. Provider is responsible for complying with all current rules and regulations associated with providing services for recipients of and being reimbursed by Medicare, Medicaid and other state and federally funded programs, and any amendment there to.
- 2. The County and Provider will comply with all applicable rules and regulations. The County and Provider agrees to adhere to any specific HIPAA protocols,

including any required training related to transmitting, storing, and using HIPAA information pursuant to this Agreement.

3. Any suspected or actual violations of HIPAA rules and regulations, including a breach of PHI, shall be reported within three business days to the other party's designated official, along with their actions to mitigate the effect of such violations.

I. Billing:

1. Providers agrees to use the approved User Fees Schedule as set forth in EXHIBIT A4 at all times.
2. It is Provider's obligation to expend reasonable efforts to maximize allowable reimbursement to offset their EMS expenses.
3. Provider shall participate in an annual meeting to be scheduled in the month of May by the EMS Department to discuss ambulance rate setting, billing and collection services for the following calendar year. Provider shall bring rate recommendations and all supporting documentation to the meeting. Provider shall present rate recommendations and their financial impacts. The County will review all presented information and issue rates for the next calendar year no later than August 1. To the extent applicable, rates and charges shall be set in compliance with RCW 35.21.766 (3).

EXHIBIT A1 Service Provider Map

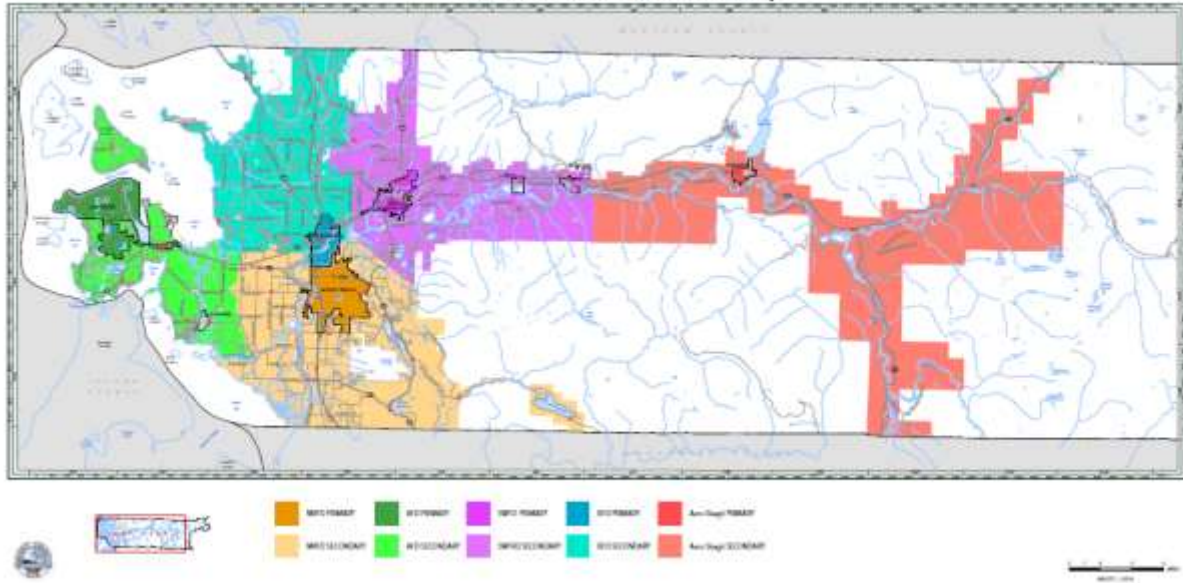


EXHIBIT A2

Version 1.2
Last Reviewed 7-16-16

QA REVIEW

Implementation Date: 7-1-16
Total Approval by Dr. Russell

ALS Template for Structured Chart Review - **ADVANCED AIRWAY MANAGEMENT**

Call # _____

Reviewer (circle one) BLS / ALS / County

☐ EMS Online Airway Report Attached

☐ Zoli data file attached

☐ Video data file attached

	Yes	No	N/A
Are Complete vital signs charted?			
Are 2 sets of vitals documented if transport >5 minutes?			
Is pre-airway intervention O2 saturation documented?			
Is intubation procedure documented properly in ESO Flow?			
Is the provider performing the procedure documented properly?			
Does procedure in FLOW match narrative description?			
Was intubation procedure ultimately successful?			
Was 1st pass attempt successful?			
How many attempts were required? (Document # under N/A)			
Were any adjunctive medications used documented properly?			
Tube confirmation documented appropriately?			
Tube depth documented appropriately?			
If used, was rescue device/procedure successful?			
If used, was rescue device/procedure documented appropriately?			
Is post procedure quantitative ET/CO2 documented?			
Are complete post procedure vitals documented?			
Does FLOW description match narrative?			
Does EMS Online Airway description match ESO?			
Post procedure care and monitoring appropriate?			
Is overall care/documentation appropriate?			
This chart should be reviewed by Agency Supervisor			
This chart should be reviewed by the MPD			

Version 1.2
Last Reviewed 7-16-16

QA REVIEW

Implementation Date: 7-1-16
Trial Approval by Dr. Russell

Any Additional Reviewer Feedback/Comments:

GENERAL DOCUMENTATION NOTE

Are allergies documented appropriately?	☐
Is pertinent medical history (PMH) documented appropriately?	☐
Are patient medications documented appropriately?	☐
If performed, are procedures documented correctly?	☐
Are administered medications documented appropriately?	☐
Is an appropriate physical exam documented?	☐
Is the narrative adequate/appropriate?	☐
Are only approved abbreviations used?	☐
Are Primary and Secondary Impressions appropriate?	☐

ADDITIONAL EMS QI/QA OFFICE REVIEW OF OUTCOMES

Prehospital Care Appropriate or without concerns?	☐
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Quality Improvement - Confidential
This document (and any attachment to it) is protected by coordinated quality improvement/peer review confidentiality under RCW
70.41: 2009A.24.230463.70.510

EXHIBIT A3

Version 1.07

Skagit County EMS Sentinel Events

Implementation Date: 4/13/17

Date Last Reviewed: 4-12-17

Approved for use by Dr. James

The following are event indicators that require Quality Assurance/Quality Improvement (QA/QI) reporting to both the EMS Agency and the County QA/QI representatives:

Sentinel Events	Notes
Unanticipated Patient Death	Notify MPD and County QA/QI ASAP
Unanticipated Potential Patient Harm, Injury, or Adverse Event	Includes: dropped patient, adverse medication reaction, etc....
Failed Airway ALS	Any patient for which intubation was attempted and not ultimately successful. (Includes patients for which an alternate airway such as a King Airway or Surgical Airway ultimately established). Also includes patients for whom an alternate airway was attempted (King/Surgical) and not successful.
Surgical Airway ALS	Any time a surgical airway is performed
Failed Airway BLS	Unsuccessful attempt at placement or ventilation using a Super-glottic Airway (e.g. King Airway)
Delayed Recognition of Esophageal Intubation	Notify MPD and County QA/QI ASAP
Critical Diagnostic or Therapeutic Error	Any case for which an individual has concern for a critical error in problem identification or treatment
Medication Dosing Error	
EMS Personnel Injury	Any time an EMS Responder is injured. In setting of severe injury, notify MPD and County QA/QI ASAP. Include exposure incidents.
EMS Motor Vehicle Crash	With Injuries --> Notify MPD and County QA/QI ASAP
EMS Severe Safety Concern/Event	Any issue for which a safety event is known not identified in the above categories and for which expedited County level review is warranted. Examples: Concern for EMS responder intoxication or controlled substance diversion.
Major Equipment Failure	Any major equipment failure (e.g. monitor, vehicle, etc....)
Suspected or Potential Controlled Substance Diversion	Notify MPD and County QA/QI ASAP
Assault on EMS Personnel	With or without injuries. All incidents should be reported.
Mass Casualty Incidents	Incidents with ≥3 patients should be a) reported and b) initial review for potential of MCI status and formal review. All declared and retrospectively identified MCI's should be formally reviewed.

Notes:

- It is important to follow the designated QA/QI process. Reporting a Sentinel Event is NOT part of the patient medical record/MCI but is a separate, legally protected process and each component of the process should be clearly marked as a QA/QI component. An event can always be reported at <http://www.skagitcounty.net/Departments/EmergencyMedicalServices/communications.htm>
- When MPD and County QA/QI ASAP notification is required, it should occur by a combination of phone call to (360) 416-1837 and email skagit@skagitcounty.net as soon as practically possible.
- If the MPD is not available, notify the MPD Physician Designate Supervisor Dr. Clemen: Phone (360) 566-0972 and Forward.MCI@skagitcounty.net
- The Skagit County EMS QA/QI Contact is Karen Chase at (360) 416-1835 and kchase@skagitcounty.net

EXHIBIT A4

SKAGIT COUNTY
Resolution # R20170145
Page 1 of 2

RESOLUTION NO.

RESOLUTION AMENDING SKAGIT COUNTY RESOLUTION NO. R20150181

REGARDING REVISION OF SKAGIT COUNTY
AMBULANCE FEE SCHEDULE

WHEREAS, Skagit County Ordinance No. 020030003 was passed by the Skagit Board of Commissioners effective December 30, 2002, to provide efficient and effective emergency medical and related services throughout Skagit County in compliance with state law; and

WHEREAS, pursuant to the Ordinance referenced above, the Skagit County Board of Commissioners has the responsibility to establish ambulance user fee rates; and

WHEREAS, a public hearing was held on June 27, 2017, considering the revision of ambulance fees to residents and non-residents of Skagit County; and

WHEREAS, the proposed rate schedule incorporates a higher rate for Skagit County residents and non-residents who utilize the service;

NOW, THEREFORE, BE IT RESOLVED AND IT IS HEREBY ORDERED that the following Ambulance Rate Schedule be established effective July 1, 2017, for all contracted ambulance service providers pursuant to the above-referenced Ordinance:

CM5#	Level of Service Codes	Resident Fee	Non-Resident Fee
A0428	BLS – Non Emergency Transport	\$ 630.00	\$ 850.00
A0429	BLS – Emergent Transport	\$ 685.00	\$ 900.00
A0426	ALS – Non Emergency Transport, Level 1	\$ 820.00	\$ 1,163.00
A0427	ALS – Emergency Transport, Level 1	\$ 875.00	\$ 1,168.00
A0433	ALS – Emergency Transport, Level 2	\$ 985.00	\$ 1,230.00
A0434	Specialty Care Transport	\$ 1,150.00	\$ 1,330.00
A0425	Intensive	\$ 18.00	\$ 18.00

RESOLUTION

PASSED this day 3 of July, 2017.



BOARD OF COUNTY COMMISSIONERS
SKAGIT COUNTY, WASHINGTON

Ron Wesen

Ron Wesen, Chair

Kenneth A. Dahlstedt

Kenneth A. Dahlstedt, Commissioner

Lisa Janicki

Lisa Janicki, Commissioner

Attest:

Linda Hansen

Clerk of the Board

Approved as to form:

J. N. Q. (6/28/2017)

Civil Deputy Prosecuting Attorney

Approved as to Content:

T. R. Chan

Department Head

Exhibit B - Compensation

1. Skagit County has forecast a total of \$40,035,518 will be available, assuming the Board of County Commissioners approves a 1% property tax increase annually for the provision of services detailed in this Agreement. Skagit County shall pay Providers the following amounts which shall be inclusive of all supplies, equipment, labor and any other costs and expenditures for the provision of services pursuant to this ~~agreement~~Agreement.

- A. Aero Skagit – Annual amount, to be billed in equal monthly installments, at the end of each month, as follows:

Year	Amount
2019	\$ 964,000
2020	\$ 992,920
2021	\$ 1,022,708
2022	\$ 1,053,389
2023	\$ 1,084,990
2024	\$ 1,117,540

- B. City of Anacortes - \$208,000 for one-time startup expenses to be billed at the end of the first month of service. Annual amount, to be billed in equal monthly installments, at the end of each month, as follows:

Year	Amount
2019	\$ 1,310,000
2020	\$ 1,349,300
2021	\$ 1,389,779
2022	\$ 1,431,472
2023	\$ 1,474,417
2024	\$ 1,518,649

- C. City of Burlington - \$184,800 for one-time startup expenses to be billed at the end of the first month of service. Annual amount, to be billed in equal monthly installments, at the end of each month, as follows:

Year	Amount
2019	\$ 1,138,000
2020	\$ 1,172,140
2021	\$ 1,207,304
2022	\$ 1,243,523
2023	\$ 1,280,829
2024	\$ 1,319,254

- D. City of Mount Vernon - \$222,400 for one-time startup expenses to be billed at the end of the first month of service. Annual amount, to be billed in equal monthly installments, at the end of each month, as follows:

Year	Amount
2019	\$ 1,446,000
2020	\$ 1,489,380
2021	\$ 1,534,061
2022	\$ 1,580,083
2023	\$ 1,627,486
2024	\$ 1,676,310

- E. City of Sedro-Woolley - \$184,800 for one-time startup expenses to be billed at the end of the first month of service. Annual amount, to be billed in equal monthly installments, at the end of each month, as follows:

Year	Amount
2019	\$ 1,137,000
2020	\$ 1,171,110
2021	\$ 1,206,243
2022	\$ 1,242,431
2023	\$ 1,279,704
2024	\$ 1,318,095

2. Capital equalization funding for the depreciated value equipment

- A. In July 2019, City of Anacortes, upon presentation of an invoice, will receive \$153,231 of capital equalization funding for the depreciated value of the following equipment: (1HTMRAAM44H674211).
- B. In October 2019, City of Mount Vernon, upon presentation of an invoice, will receive \$145,312 of capital equalization funding for the depreciated value of the following equipment: (3C7VVRCLCL2EG224108).
- C. In February 2021, City of Mount Vernon upon presentation of an invoice, will receive \$103,564, of capital equalization funding for the depreciated value of the following equipment: (3C7VVRCLCLOEG224107).
- D. In September 2022, City of Sedro-Woolley, upon presentation of an invoice, will receive \$55,294 of capital equalization funding for the depreciated value of the following equipment: (3C7WRLCL6GG325610).

3. If and when the ~~parties~~Parties agree to renegotiate the payment for services after the implementation of closest unit dispatch, all ~~P~~parties agree that Skagit County will not contribute any funds other than what is defined above as the total payment amount ~~ef~~

currently projected as \$40,035,518. A redistribution of allocated funds may be acceptable upon agreement of the Providers.

4. If at any time during the term of this agreementAgreement, there is a reduction in assessed value such that an increase of 1% of the levy above the previous year is not possible, all Parties agree to a proportionate reduction of funding in the payment amounts listed above.
5. In the event there are excess funds from CVAA after the dissolution and winding up of CVAA's affairs, the county will add the excess funds to the closest unit and priority dispatch implementation line item of the budget.

In the event the agreementAgreement is terminated pursuant to paragraph 5 of the agreementAgreement, other than termination for convenience invoked by the county, the one-time startup expenses and the value of the capital received will be reimbursed to the County based on the schedule set forth below. Payments shall be calculated at the time Provider actually ceases to provide services under this Agreement. In the event this agreementAgreement is terminated in regards to one or more Provider(s), if the Provider or other EMS servicer agreeing to assume the terminating Providers remaining response area agrees to take ownership of any surplus unit or monitor belonging to the terminated Provider(s), the County may agree to an offset for the value of some or all of the unit/monitor from the return of capital amounts listed below. Additionally, Provider is not required to make the below listed payments to County for return of Start Up Costs or unit/monitor costs if this agreementAgreement is terminated pursuant to paragraph 5.3 "immediate termination" before January 31, 2019, due to the Provider not obtaining the necessary ambulance licenses from the state or inability to employ sufficient labor to perform the services conditioned upon the terminated provider returning the unit/monitor pursuant to County direction and that County has not made payment of start-up costs to the terminated Provider. No Provider will be required to pay startup or unit and monitor costs if they have not yet received payment for those items from the County at the time of termination of services.

		100%	100%	90%	80%	60%	0%
Start Up		2019	2020	2021	2022	2023	2024
AFD		\$208,000	\$208,000	\$187,200	\$166,400	\$124,800	\$0
MVFD		\$222,400	\$222,400	\$200,160	\$177,920	\$133,440	\$0
BFD		\$184,800	\$184,800	\$166,320	\$147,840	\$110,880	\$0
SWFD		\$184,800	\$184,800	\$166,320	\$147,840	\$110,880	\$0
Capital		2019	2020	2021	2022	2023	2024
AFD		\$200,000	\$200,000	\$180,000	\$160,000	\$120,000	\$0
MVFD		\$400,000	\$400,000	\$360,000	\$320,000	\$240,000	\$0
BFD		\$200,000	\$200,000	\$180,000	\$160,000	\$120,000	\$0
SWFD		\$200,000	\$200,000	\$180,000	\$160,000	\$120,000	\$0

6. In the event the agreementAgreement is terminated for public convenience by one of the Providers pursuant to paragraph 5.1 of the Agreement and the terminating Provider

agrees to be bound by the same requirements of any other EMS providers, including any required insurance.

- A. and the Provider provides no transport services they will receive levy funds similar to any other non-transporting fire provider
- B. and the Provider provides BLS transport services throughout the EMS system they will receive levy funds similar to any other BLS transport services provider
- C. and the Provider provides BLS transport services only in their municipal boundaries they will receive 50% of the levy funds similar of any other BLS transport services provider
- D. and the Provider provides ALS transport services only in their municipal boundaries they will receive 30% of the levy funds listed in the paragraph above

Pursuant to Skagit County Ordinance # 020090004 paragraph 9 the Board of Skagit County Commissioners provides the transfer of these assets, of the Central Valley Ambulance Authority these qualified entities, which will fulfill the purposes for which Central Valley Ambulance Authority was created.

Ambulances and Equipment - Mileage as of 9-11-18			
Med 1 - SWFD	Med 2 - MVFD	Med 3 - MVFD	Med 4 - BFD
Ambulance - Mileage 51,870	Ambulance - Mileage 90,466	Ambulance - Mileage 124,046	Ambulance - Mileage 9,767
AED Pro 1	AED Pro 2	AED Pro 5	AED Pro 3
Airway Kit 1	Airway Kit 2	Airway Kit 3	Airway Kit 4
Bone Gun 1	Bone Gun 2	Bone Gun 3	Bone Gun 4
Clam Shell 1	Clam Shell 2	Clam Shell 3	Clam Shell 4
CPAP Kit 1	CPAP Kit 2	CPAP Kit 3	CPAP Kit 4
Fetal Doppler 1	Fetal Doppler 2	Fetal Doppler 3	Fetal Doppler 4
Med Kit 1	Med Kit 2	Med Kit 3	Med Kit 4
			Spare Med Kit 4
Zoll Monitor 5	Zoll Monitor 2	Zoll Monitor 4	Zoll Monitor 1
Stretcher 2	Stretcher 1	Stretcher 3	Stretcher 4
Suction Unit w/Mounting	Suction Unit w/Mounting	Suction Unit w/Mounting	Suction Unit w/Mounting
Thermometer 1	Thermometer 2	Thermometer 3	Thermometer 4
VLS 6630 Edge Plus 1	VLS 6630 Edge Plus 2	VLS 6630 Edge Plus 3	VLS 6630 Edge Plus 4
Stair Chair 1	Stair Chair 2	Stair Chair 3	Stair Chair 4
Toughbook 1	Toughbook 2	Toughbook 3	Toughbook 4
Radio 1	Radio 1	Radio 1	Radio 1
Radio 2	Radio 2	Radio 2	Radio 2
Backup Radio	Backup Radio	Backup Radio	Backup Radio

			Reserve Radio
SPO2 Monitor 1	SPO2 Monitor 2	SPO2 Monitor 3	SPO2 Monitor 4
Tablet Med 1	Tablet Med 2	Tablet Med 3	Tablet Med 4
*For first round of purchases for each Frontline Med Units (Med 1-4), pro-rated funds will be dispersed to purchase new ambulances at 150,000 miles.			

Backup Ambulances and Equipment

CV-3 - SWFD	CV-1 - BFD	CV-20 - Anacortes? Or BFD	CV-21 - MVFD
Ambulance - Mileage 147,219	Ambulance - Mileage 127,826	Ambulance - 99,601	Ambulance - 99,643
	Thermometer	Thermometer	
	Stretcher		Suction Unit w/Monitoring
Stair Chair CV3	Stair Chair CV1	Stair Chair CV20	
WiFi CV3	WiFi 1	WiFi20	

MSO Rigs

CV6 - S-WFD	CV19 - MVFD	CV19 Equipment - BFD
Truck - Mileage 17,268	Sprint Flex - Mileage 127,106	
AED Pro 4		
Airway Kit		Airway Kit
Bone Gun		Bone Gun
CPAP Kit		CPAP Kit
Fetal Doppler		
Med Kit		Med Kit
Zoll Monitor		Zoll Monitor
Suction Unit		
VLS 6630 Edge Plus		
Toughbook MSO		Toughbook Flex
Rechargeable Battery 1		Jet Pack
Rechargeable Battery 2		
Radio		Radio
Radio Charger		
Tablet MSO		Tablet Flex Med

Furniture, Storage and Misc.

Med 1	Med 2	Med 3	Med 4
InterM Amplifier	Mattress 1	Desk 1	Lounge 1
Printer/Fax	Mattress 2	Desk 2	Lounge 2
Network Booster	Mini Fridge	Glass Table	Reclining Couch
	MiFi	Twin Bed 1	Couch
	Monitor 1	Twin Bed 2	Coffee Table
	Monitor 2	Night Table 1	Twin Bed
	Printer/Fax	Night Table 2	Desk
	Power Cot Battery Charger	Mattress 1	Crew Desk 1
		Mattress 2	Crew Desk 2
		File Cabinet	Crew Desk 3
		Bathroom Cabinet	Crew Desk 4
		Vacuum	Twin Bed 1
		Shop Vacuum	Twin Bed 2
		Printer/Fax	Twin Spare Bed
		Paper Shredder	Mattress 1
			Mattress 2
			Mattress 3
			Vacuum
			Monitor 1
			Monitor 2
			Printer/Copy/Fax
			Document Scanner 1
			Document Scanner 2
			Radio Charger Reserve
			Gigabit Switch
			Microphone Spare
			Paper Shredder
*All things listed in each Fire Station will be kept at each Fire Station			

Exhibit C - Insurance

1. Agreement to provide coverage per specifications:

Prior to the beginning of and throughout the duration of the Work, Providers agrees to provide and maintain insurance in accordance with requirements set forth here. Providers acknowledges that the insurance coverage and policy limits set forth in this section constitute the minimum amount of coverage required. Any insurance proceeds in excess of the limits and coverage required in this ~~agreement~~Agreement and which is applicable to a given loss, will be available to the County.

2. Additional insured requirements:

Provider agrees to obtain endorsements for third party general liability coverage required here to include as Certificate Holder and additional insureds "Skagit County, its officials, employees and agents." Provider also agrees to require this same provision of all providers, subcontractors, agents or other ~~parties~~Parties engaged by or on behalf of Provider in relation to this ~~agreement~~Agreement. This provision shall also apply to any excess liability policies. Public Agencies are not required to name the County as an additional insured on required policies. All non-public agency subcontractors must comply with the additional insured requirements.

3. Evidence of insurance:

Provider agrees to provide evidence of the insurance required herein, satisfactory to County, consisting of:

- a) certificate(s) of insurance evidencing all of the coverages required **and**,
- b) an additional insured endorsement to Providers generally liability policy using Insurance Services Office (ISO) form CG 20 10 with an edition date prior to 2004.

If the Provider's insurer provides additional insured coverage through either the ISO "Automatic Additional Insured" endorsement or through direct incorporation in policy language, Provider must provide a copy of the automatic endorsement or a copy of the section of the policy granting such status.

Providers agrees, upon request by County, to provide complete, certified copies of any policies and/or endorsements required within 10 days of such request. Any actual or alleged failure on the part of County or any other additional insured under these requirements to obtain proof of insurance required under this Agreement in no way waives any right or remedy of County or any additional insured, in this or in any other regard.

4. Prohibition of undisclosed coverage limitations:

None of the policies required herein shall be in compliance with these requirements if they include any limiting endorsement that has not been first submitted to County and approved of in writing.

5. Priority of interpretation:

The requirements in this Section supersede all other sections and provisions of this Agreement to the extent that any other section or provision conflicts with or impairs the provisions of this Section.

6. Acceptable insurers.

All insurance policies shall be issued by an insurance company currently authorized by the Insurance Commissioner to transact business of insurance in the State of Washington, with an assigned policyholders' Rating of A- (or higher) and Financial Size Category Class VII (or larger) in accordance with the latest edition of Best's Key Rating Guide, unless otherwise approved by the County's Risk Manager.

7. Notice of cancellation/change:

Provider agrees to require insurers to provide notice to County 30 days prior to cancellation of any coverage required herein or of any material alteration or non-renewal of any such coverage, other than for non-payment of premium. Provider shall assure that this provision also applies to any subcontractors, joint ventures or any other party engaged by or on behalf of Provider in relation to this ~~agreement~~Agreement. Certificate(s) are to reflect that the issuer will provide 30 days' notice to County of any cancellation of coverage.

8. Primary and non-contributing:

Provider's insurance coverage shall be primary. Any insurance or coverage available to the County, its officers, officials, employees or volunteers shall be excess of Provider's insurance and shall not contribute to it.

9. Prohibition against self-insurance:

Self-insurance will not be considered to comply with these insurance specifications, unless otherwise agreed to in writing by the County. Any "self-insured retention" must also be declared and approved by the County. County reserves the right to require the self-insured retention to be eliminated or replaced by a deductible. Self-funding, policy fronting or other mechanisms to avoid risk transfer are not acceptable. If Provider has such a program, Provider must fully disclose such program to the County.

10. No change in scope or limits:

All coverage types and limits required are subject to approval, modification and additional requirements by the County, as the need arises. Provider shall not make any reductions in scope of coverage (e.g. elimination of contractual liability or reduction of discovery period) that may affect County's protection without County's prior written consent.

11. Provider's waiver of subrogation:

All insurance coverage maintained or procured pursuant to this ~~agreement~~Agreement shall be endorsed to waive subrogation against the County, its elected or appointed officers, agents, officials, employees and volunteers or shall specifically allow Provider or others providing insurance evidence in compliance with these specifications to waive their right of recovery prior to a loss. Provider hereby waives its own right of recovery against the County and shall require similar written express waivers and insurance clauses from each of its subcontractors.

12. Insurance "flowdown":

Provider agrees to require all subcontractors or other ~~parties~~Parties hired for this project to provide the same insurance as required of Provider unless otherwise agreed to in writing by the County. The subcontractor's general liability insurance shall add as additional insureds all ~~parties~~Parties to this Agreement using Insurance Services Office form CG 20 10 with an edition date prior to 2004. Provider agrees to obtain certificates evidencing such coverage as required here.

13. County's right to revise requirements:

The County reserves the right at any time during the term of the contract to change the amounts and types of insurance required by giving Provider ninety (90) days advance written notice of such change. If such change results in substantial financial impact to Provider, the Parties agree to meet and discuss appropriate increased compensation to offset increased Provider cost.

14. County's rights of enforcement:

In the event any policy of insurance required under this Agreement does not comply with the specifications in this Exhibit or is canceled and not replaced, the County has the right but not the duty to exercise one of the following options: 1) obtain the insurance it deems necessary and any premium paid by the County will be promptly reimbursed by Provider or the County will withhold amounts sufficient to pay premium from Provider payments, 2) the County may cancel this Agreement. If the County exercises option 1 above, upon receipt of evidence of full compliance, payments not otherwise subject to withholding or set-off will be released to the Provider.

15. Enforcement of contract provisions (non-estoppel): Provider acknowledges and agrees that any actual or alleged failure on the part of the County to inform Provider of non-compliance with any requirement imposes no additional obligations on the County nor does it waive any rights hereunder.

16. Insurance is a Condition of Payment:

Payments due to Provider under this Agreement are expressly conditioned upon the Provider's strict compliance with all insurance requirements under this Agreement. Payment to the Provider shall be suspended in the event of non-compliance, unless other resolution is agreed to by the County. Upon receipt of evidence of full compliance, payments not otherwise subject to withholding or set-off will be released to Provider.

17. Non-limitation of contract language:

Requirements of specific coverage features are not intended as limitation on other requirements or as waiver of any coverage normally provided by any given policy. Specific reference to a coverage feature is for purposes of clarification only as it pertains to a given issue and is not intended by any party or insured to be all-inclusive.

18. Annual renewal requirement:

Provider will renew the coverage required here annually as long as Provider continues to provide any services under this or any other contract or agreement with the County. Provider shall provide proof that policies of insurance required herein expiring during the term of this Agreement have been renewed or replaced with other policies providing at least the same coverage. Proof that such coverage has been ordered shall be submitted prior to expiration. A coverage binder or letter from Provider's insurance agent to this effect is acceptable. A certificate of insurance and/or additional insured endorsement as required in these specifications applicable to the renewing or new coverage must be provided to County no less than five days prior to the expiration of the coverages. Failure to provide such evidence may result in a stop of payment to Provider, or other resolution agreed to by the County.

19. Claim notice requirement:

Provider agrees to provide immediate notice to County of any claim or loss against Provider in excess of \$50,000 arising out of the work performed under this ~~agreement~~Agreement. County assumes no obligation or liability by such notice but has the right (but not the duty) to monitor the handling of any such claim or claims if they are likely to involve County.

20. Additional insurance:

Provider shall also procure and maintain, at its own cost and expense, any additional kinds of insurance, which in its own judgment may be necessary for its proper protection and prosecution of the Work.

21. Membership in a governmental risk pool

Full membership in a governmental Risk Pool in Washington State is sufficient coverage to meet the insurance requirements of this ~~agreement~~Agreement. Provided that the insurance coverage of the Pool does not exclude the providing of medical services unless such exclusion provides an exemption for emergency medical services.

Provider shall provide the following types and amounts of insurance:

☒ Commercial General Liability Insurance using ISO "Commercial General Liability" policy form CG 00 01, with an edition date prior to 2004, or the exact equivalent. Coverage for additional insured may not be limited to vicarious liability. Defense costs must be paid in addition to limits. Limits shall be no less than \$10,000,000 per occurrence and \$10,000,000 annual aggregate for all covered losses.

☒ Worker's Compensation Insurance on a state-approved policy form providing statutory benefits as required by law with employer's liability limits no less than \$1,000,000 per accident for all covered losses. *Enrollment in the state worker's comp program provides this coverage.*

☒ Business Auto Coverage on ISO Business Auto Coverage form CA 00 01 including owned, non-owned, and hired autos, or the exact equivalent. Limits shall be no less than \$5,000,000 per accident and combined single limit. If Provider or Provider's employees will use personal autos in any way on this project, Provider shall obtain evidence of personal auto liability coverage for each person.

If Excess or Umbrella Liability Insurance is used to meet limit requirements over the primary insurance as per this contract, such insurance shall provide coverage at least as broad as specified for the underlying coverages. Such policy or policies shall include as insured those covered by the underlying policies, including additional insureds. Coverage shall be "pay on behalf", with defense costs payable in addition to policy limits. There shall be no cross-liability exclusion precluding coverage for claims or suits by one insured against another. Coverage shall be applicable to County for injury to employees of Provider, subcontractors or others involved in the Work. The scope of coverage provided is subject to approval of County following receipt of proof of insurance as required herein.

PROFESSIONAL LIABILITY INSURANCE REQUIREMENTS:

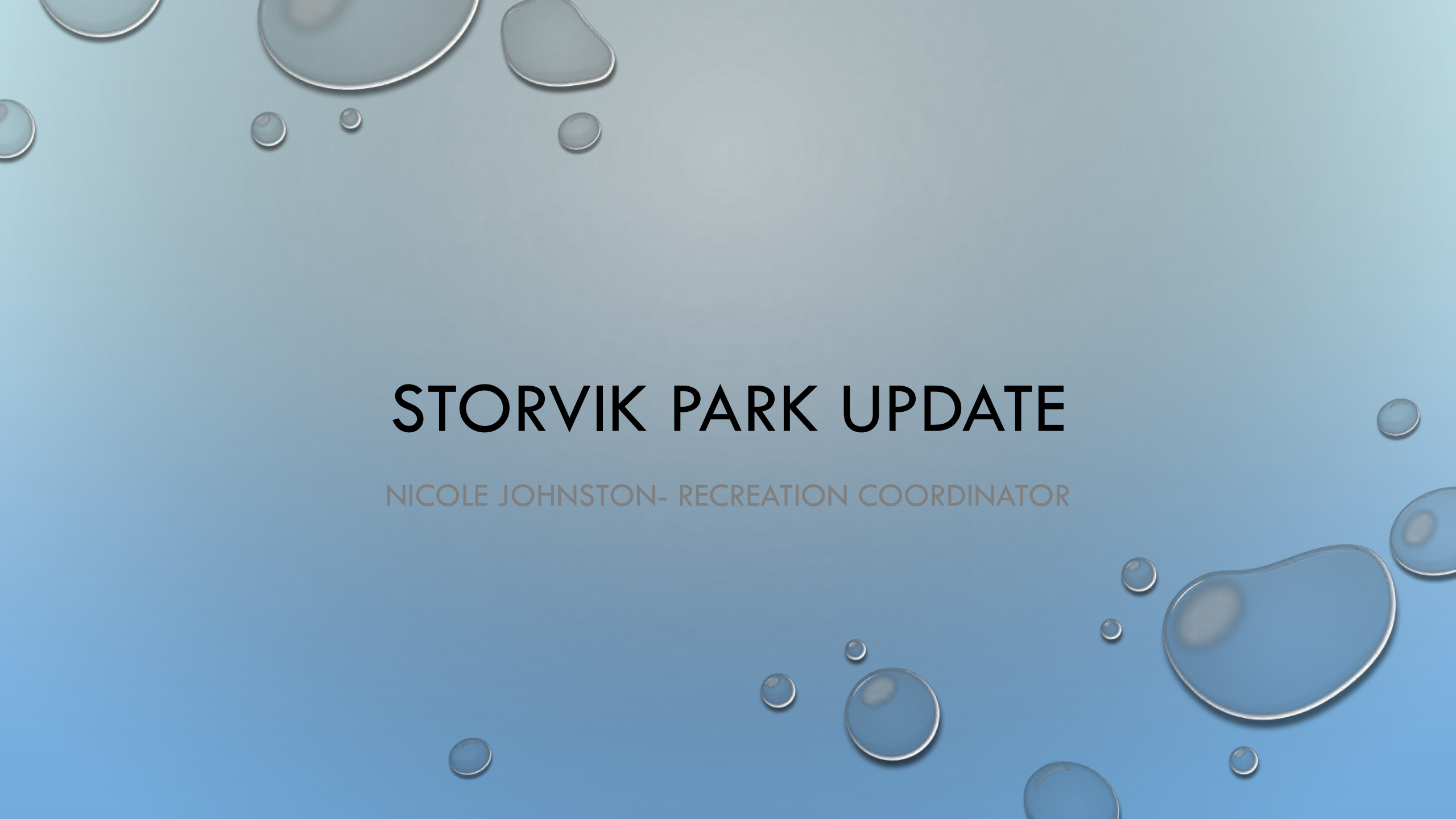
In addition to the insurance requirements outlined in Exhibit C, Provider shall maintain professional liability insurance that covers the Emergency Medical Services performed in connection with this ~~agreement~~Agreement, in the minimum amount of \$10,000,000 per claim and \$10,000,000 in the aggregate.

Any policy inception date, continuity date, or retroactive date for professional liability coverage must be before the effective date of this ~~agreement~~Agreement and Provider agrees to maintain continuous coverage through a period no less than three years after completion of the services required by this ~~agreement~~Agreement.

If Excess or Umbrella Liability Insurance is used to meet limit requirements over the primary insurance, such insurance shall provide coverage at least as broad as specified for the underlying coverages. Such policy or policies shall include as insured those covered by the

underlying policies, including additional insureds. Coverage shall be “pay on behalf”, with defense costs payable in addition to policy limits. There shall be no cross-liability exclusion precluding coverage for claims or suits by one insured against another. The scope of coverage provided is subject to approval of County following receipt of proof of insurance as required herein.

If the Provider’s General Liability policy includes coverage for professional liability, then the General Liability policy shall meet the above professional liability requirements. In such a case, the per occurrence and per claims limits must meet the minimum set forth above for each coverage type and the annual program aggregate limit must be at a minimum of \$20,000,000. The County’s Risk Management department will need to review the full policy document prior to final approval.

The background is a light blue gradient with several realistic water droplets of various sizes scattered across the surface. The droplets have highlights and shadows, giving them a three-dimensional appearance.

STORVIK PARK UPDATE

NICOLE JOHNSTON- RECREATION COORDINATOR

SUPER POPULAR PARK

-MORE USE IN GENERAL AT STORVIK PARK- PARTY RENTALS,
PLAYGROUND USE, MORE GARBAGE, MORE EVENTS AND LOTS
OF SPRAY PAD FUN.

-THE COST OF ALL THAT WATER FUN (THIS INCLUDES THE SPRAY
PAD, IRRIGATION OF THE PARK AND THE RESTROOM)...

JUNE WATER BILL- \$2,180

JULY WATER BILL- \$3,277

AUGUST WATER BILL- \$4,223

-THANKS TO THE MAYOR, THE CITY COUNCIL FOR SUPPORTING
THIS PROJECT, THE RCO AND THE COMMUNITY.



WORKING WITH THE NEIGHBORS...

- RESEARCHED OPERATING HOURS OF SPRAY PADS AND WE HAVE THE SHORTEST HOURS 11 AM-6 PM

- WE'VE DIMMED THE LIGHTS..

- WE PLANTED A TREE, TO ENHANCE THE PARK AND TO ALSO PROVIDE A BARRIER

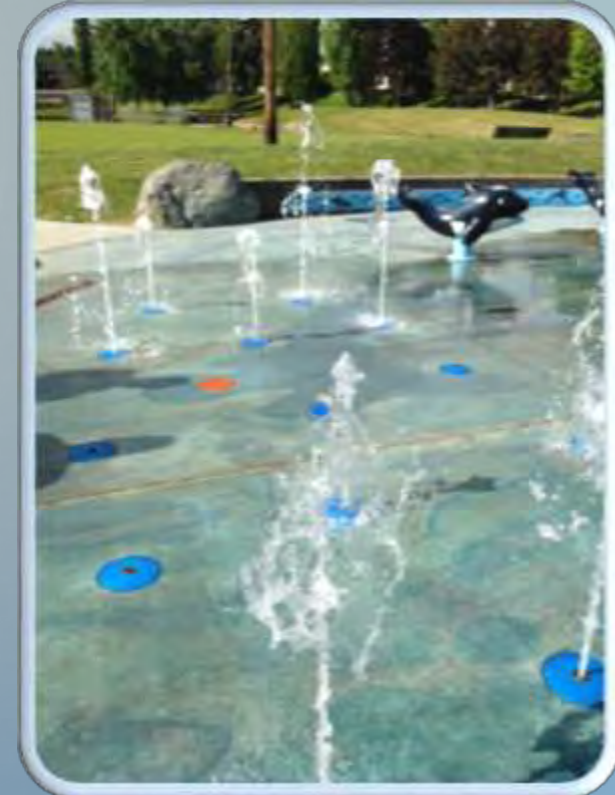
- WE PLAN TO PLANT A ROW OF ARBORVITAE NEAR THE CONDOS

- WE ARE GOING TO RE-STAIN THE PAD, TO MAKE IT BLUE LIKE THE OCEAN.

- SEPT. 29TH FORMER CHIEF BONNIE IS HOSTING A WORK PARTY
FOCUS WILL BE ON THE "OUR TOWN OUR PARK " PLAYGROUND

WE'VE COMMUNICATED WITH THE HOME OWNERS ASSOCIATION OF THE CONDO AND HAVE FOUND THAT THE MAJORITY LIKE THE PARK AND THE LIGHTS... AND THAT FEELS GOOD.





WHAT PROJECT IS
NEXT FOR STORVIK
PARK ?



Boat Launch, Restrooms and Revenues

Washington Park





Boat lot parking lot
Industry standard spaces = 25% reduction



Reduce amount of turns
needed to back trailer
onto launch





Thank you for all the support and patience needed to complete campground restroom remodel

Campers now greeted
with a shiny happy
restroom entrance





New partition design creates safer,
more private changing and shower
area

Additional privacy
design



Revenue Comparisons

Revenues as of Aug 31, 2017

- Boat Lot:
- \$79,199
- Camping:
- \$154,464
- Total: \$233,663

Revenues as of Aug 31, 2018

- Boat Lot:
- \$98,033
- Camping:
- \$160,957
- Total: \$258,990

Working to find alternatives
to herbicides in Parks

- The Parks and Recreation Department works to diminish the herbicide we use in city parks.
- Eliminated the use of “weed and feed” in athletic fields and park lawns (2003-2004)
- Use organic fertilizers (costs & benefits)
- Mow and trim instead of spraying.
- Use alternative herbicides when possible.
- Rely on community groups who have “work parties” in the parks to pull weeds and mulch flower beds.
- Designate Tursi Park and Ace of Hearts Park as “organic” and limit herbicide use.

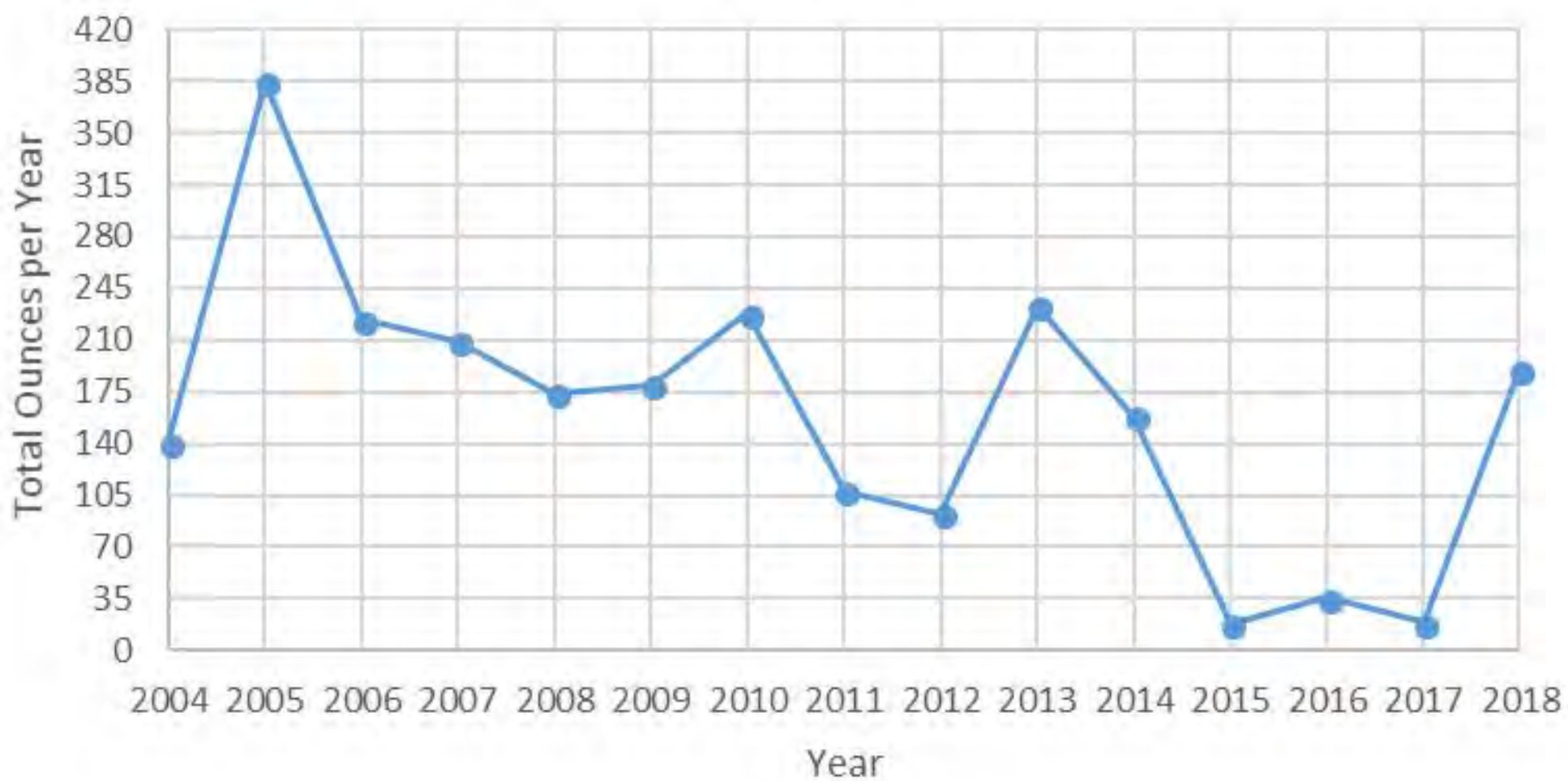


Causland Park flower beds

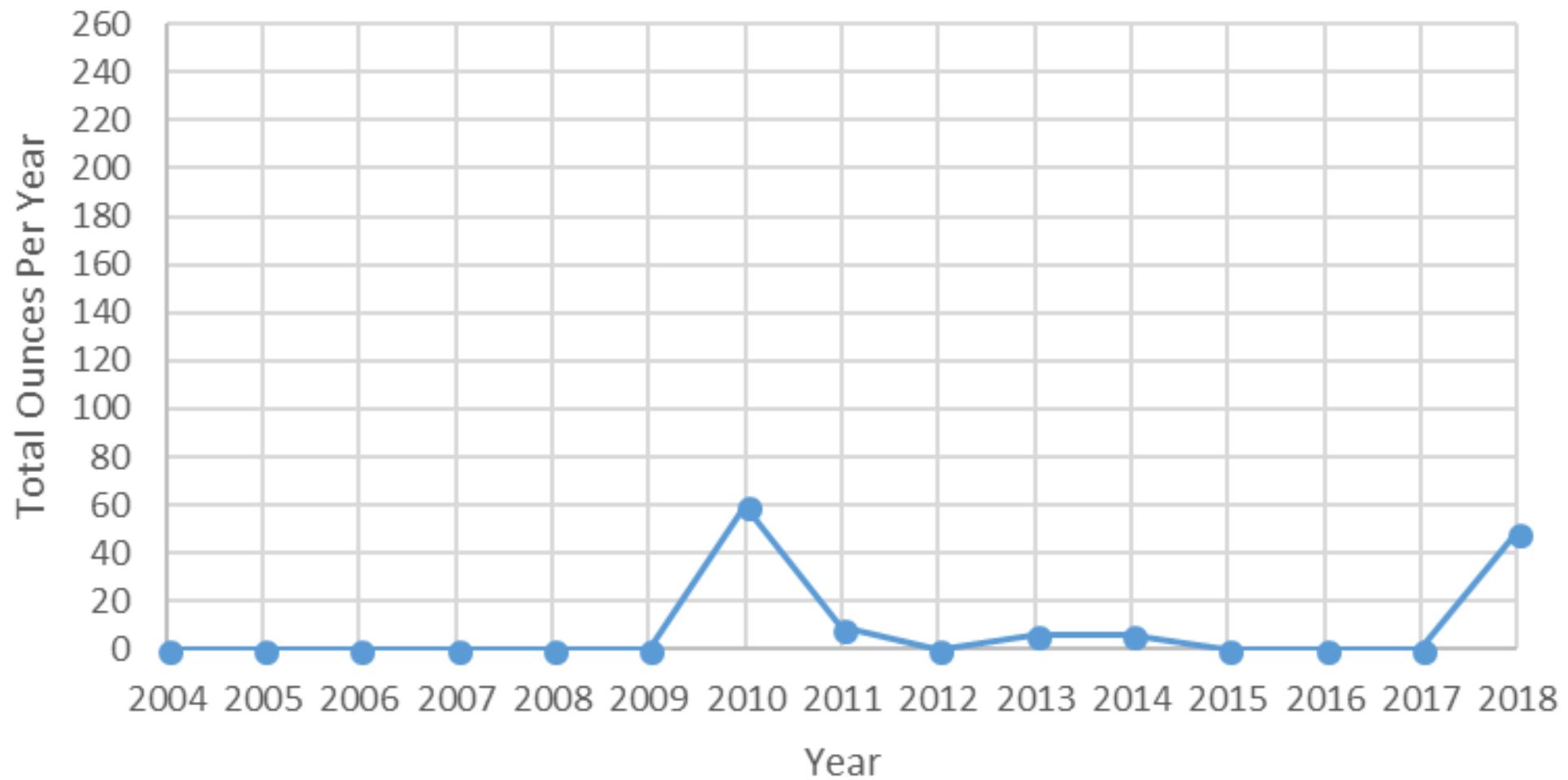


Veterans Volunteer Work Party @ Causland Park

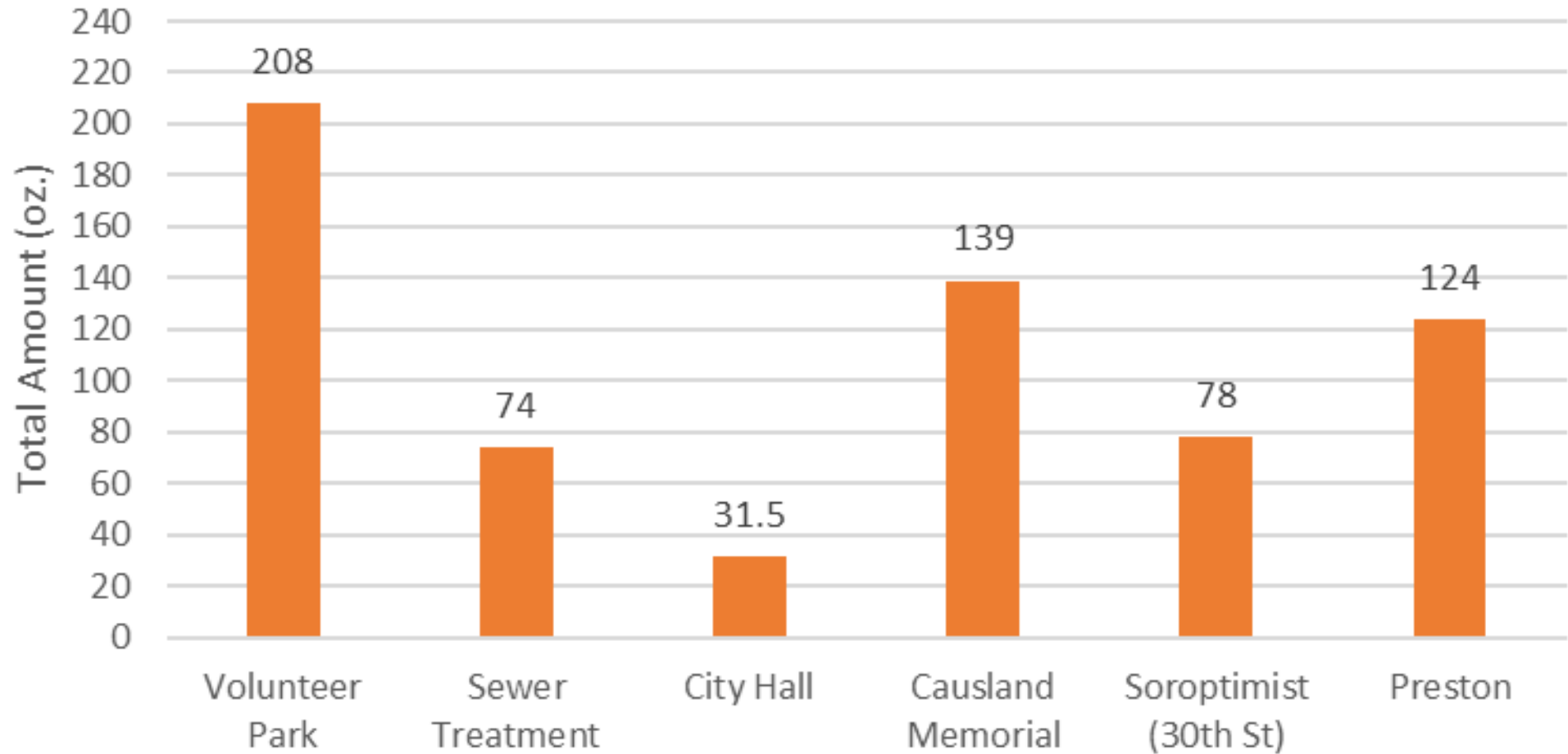
Glyphosate Usage 2004-2018



2,4D Usage 2004-2018



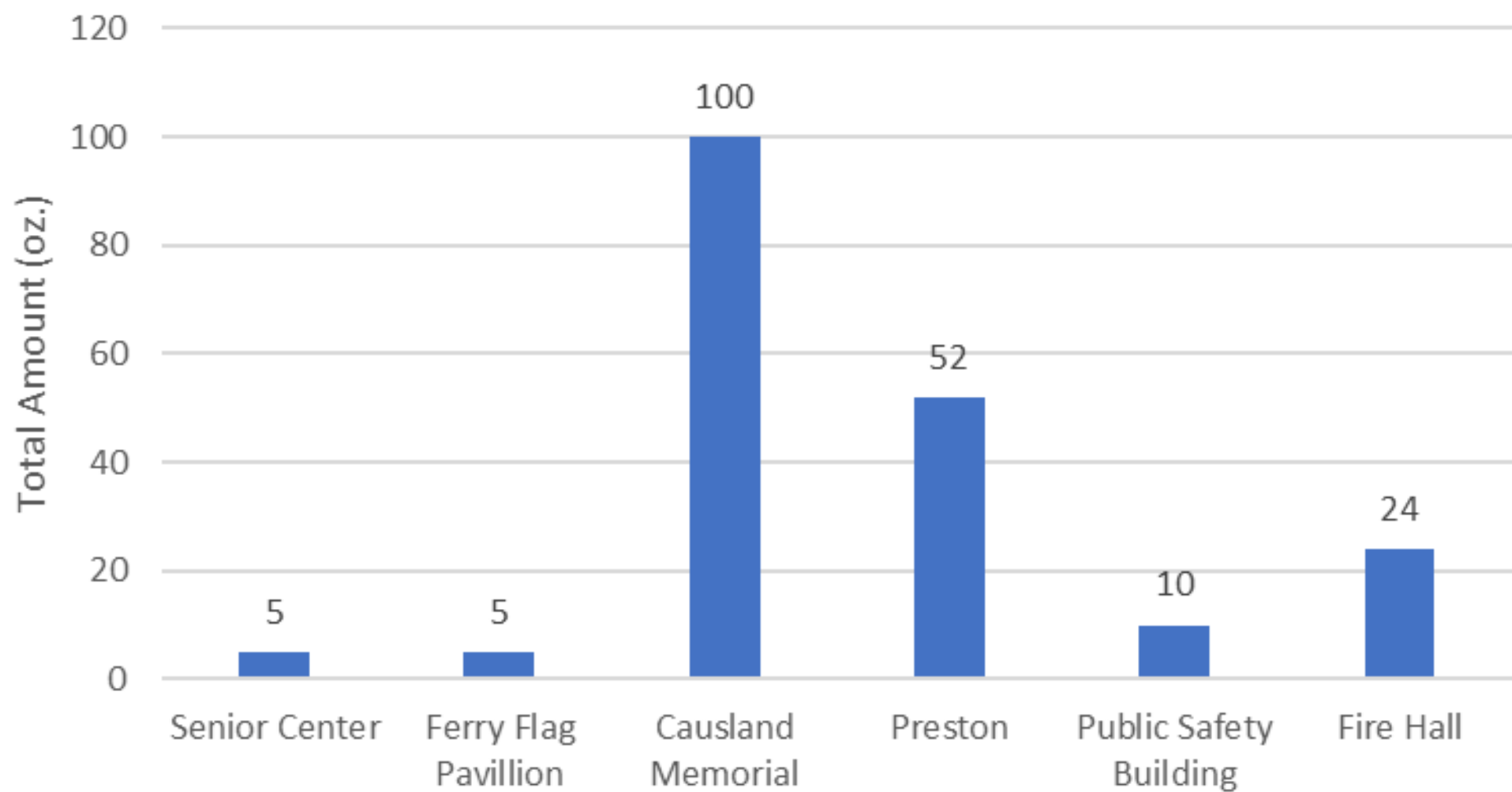
Top 6 Locations of Pesticide Use (2006, 2008, 2010, 2013, 2018)





Alton Daniels synthetic turf field

Top 6 Locations in 2018





W.T. Preston flower beds

Everyone Needs Recreation

















City Council Agenda Bill

Meeting Date: 9/24/2018

Agenda Item: 7c

Subject: Update to Anacortes Municipal Code

Staff Contact: Steve Hoglund

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

Action Type	
x	Ordinance No. 3028
x	Code Revision? Yes
	Resolution No.
	Contract
	Public Hearing
	Staff Report

Summary Statement: All Cities that issue business licenses are required by an RCW update to adopt model language and a minimum revenue threshold requiring a business license by January 1, 2019. Cities that use the State's Business License Services (BLS) are required to adopt the model ordinance by October 17, 2018.

Background: EHB 2005 drove a change to RCW 35.90 to develop a general business licensing model ordinance. The ordinance was required to include a definition of "engaging in business within the city" and a uniform minimum licensing threshold under which a person is exempt from obtaining a license. The attached ordinance identifies the changes to the City Code section on business licensing in red font. The language for the changes comes directly from the model ordinance provided by the State. The minimum revenue threshold for non-resident businesses to obtain a city business license is established at \$2,000. The ordinance also increases the cost of an Anacortes business license from \$30 to \$40, which would be the first increase since 2006. This is the same cost as Bellingham, and lower than Mount Vernon and Stanwood. In 2017 the City collected \$71,767 in business license fees. Under the City's BLS agreement the State receives \$19 for each business license sold.

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

Proposed Contract	
Contractor	
Amount	
Start Date	
End Date	

Previous Council/Committee Action: [Click here to enter text.](#)

Competing Viewpoints Considered: Anacortes should not charge for City business licenses, and a different ordinance to remove business licensing requirements should be adopted. Or, we should not be increasing the cost of a license from \$30 to \$40.

Recommended Motion: I move adopt Ordinance 3028 updating Anacortes Municipal Code Section 5.04.

Alternative Actions: [Click here to enter text.](#)

Attachments (listed in order presented): City Ordinance 3028, AWC Model ordinance, AWC white paper, EHB 2005 Final bill report

ORDINANCE 3028

AN ORDINANCE AMENDING ANACORTES MUNICIPAL CODE CHAPTER 5.04 DEALING WITH BUSINESS LICENSE REQUIREMENTS AND FEES

WHEREAS, The City of Anacortes uses Washington State's (the State) Business Licensing Services (BLS) for the processing and maintenance of its business licensing needs, and

WHEREAS, The State has ordered that all cities are required to develop a model ordinance for business licensing by July 1, 2018. The ordinance includes a mandatory definition of "engaging in business" and a minimum threshold (or occasional sale) exemption to establish when out-of-town or transient businesses are required to be licensed. All business license cities must adopt it by the end of the year (RCW 35.90.080), and

WHEREAS, The edits to the current code are outlined in red in the text included in this ordinance, and come directly from example language provided by the State.

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

Section 1. AMC Chapter 5.04 is hereby repealed and replaced with the following:

Chapter 5.04 **BUSINESS LICENSE REQUIREMENTS AND FEES**

5.04.010 Exercise of revenue license power.

The provisions of this chapter shall be deemed an exercise of the power of the city to license for regulation and revenue.

5.04.020 Definitions.

In construing the provisions of this chapter, save when otherwise declared or clearly apparent from context the following definitions shall be applied:

"Business" means and includes all activities engaged in with the object of gain, benefit, or advantage to the licensee or to another person or class, directly or indirectly.

~~"Engage in business" or "engaging in business activities," means commencing, conducting, or continuing in business and also the exercise of corporate or franchise~~

~~powers as well as liquidating a business when the liquidators thereof hold themselves up to the public as conducting such business.~~

"Engaging in business"

- (1) The term "engaging in business" means commencing, conducting, or continuing in business, and also the exercise of corporate or franchise powers, as well as liquidating a business when the liquidators thereof hold themselves out to the public as conducting such business.
- (2) This section sets forth examples of activities that constitute engaging in business in the City, and establishes safe harbors for certain of those activities so that a person who meets the criteria may engage in de minimus business activities in the City without having to pay a business license fee. The activities listed in this section are illustrative only and are not intended to narrow the definition of "engaging in business" in subsection (1). If an activity is not listed, whether it constitutes engaging in business in the City shall be determined by considering all the facts and circumstances and applicable law.
- (3) Without being all inclusive, any one of the following activities conducted within the City by a person, or its employee, agent, representative, independent contractor, broker or another acting on its behalf constitutes engaging in business and requires a person to register and obtain a business license.
 - a. Owning, renting, leasing, maintaining, or having the right to use, or using, tangible personal property, intangible personal property, or real property permanently or temporarily located in the City.
 - b. Owning, renting, leasing, using, or maintaining, an office, place of business, or other establishment in the City.
 - c. Soliciting sales.
 - d. Making repairs or providing maintenance or service to real or tangible personal property, including warranty work and property maintenance.
 - e. Providing technical assistance or service, including quality control, product inspections, warranty work, or similar services on or in connection with tangible personal property sold by the person or on its behalf.

- f. Installing, constructing, or supervising installation or construction of, real or tangible personal property.
 - g. Soliciting, negotiating, or approving franchise, license, or other similar agreements.
 - h. Collecting current or delinquent accounts.
 - i. Picking up and transporting tangible personal property, solid waste, construction debris, or excavated materials.
 - j. Providing disinfecting and pest control services, employment and labor pool services, home nursing care, janitorial services, appraising, landscape architectural services, security system services, surveying, and real estate services including the listing of homes and managing real property.
 - k. Rendering professional services such as those provided by accountants, architects, attorneys, auctioneers, consultants, engineers, professional athletes, barbers, baseball clubs and other sports organizations, chemists, consultants, psychologists, court reporters, dentists, doctors, detectives, laboratory operators, teachers, veterinarians.
 - l. Meeting with customers or potential customers, even when no sales or orders are solicited at the meetings.
 - m. Training or recruiting agents, representatives, independent contractors, brokers or others, domiciled or operating on a job in the City, acting on its behalf, or for customers or potential customers.
 - n. Investigating, resolving, or otherwise assisting in resolving customer complaints.
 - o. In-store stocking or manipulating products or goods, sold to and owned by a customer, regardless of where sale and delivery of the goods took place.
 - p. Delivering goods in vehicles owned, rented, leased, used, or maintained by the person or another acting on its behalf.
- (4) If a person, or its employee, agent, representative, independent contractor, broker or another acting on the person's behalf, engages in no other activities in or with the City but the following, it need not register and obtain a business license.
- a. Meeting with suppliers of goods and services as a customer.

- b. Meeting with government representatives in their official capacity, other than those performing contracting or purchasing functions.
 - c. Attending meetings, such as board meetings, retreats, seminars, and conferences, or other meetings wherein the person does not provide training in connection with tangible personal property sold by the person or on its behalf. This provision does not apply to any board of director member or attendee engaging in business such as a member of a board of directors who attends a board meeting.
 - d. Renting tangible or intangible property as a customer when the property is not used in the City.
 - e. Attending, but not participating in a "trade show" or "multiple vendor events". Persons participating at a trade show shall review the City's trade show or multiple vendor event ordinances.
 - f. Conducting advertising through the mail.
 - g. Soliciting sales by phone from a location outside the City.
- (5) A seller located outside the City merely delivering goods into the City by means of common carrier is not required to register and obtain a business license, provided that it engages in no other business activities in the City. Such activities do not include those in subsection (4).

“Person” means any individual, receiver, assignee, trustee in bankruptcy, trust, estate, firm, co-partnership, joint venture, company, joint stock company, business trust, corporation, association, society, or any group of individuals acting as a unit, whether mutual, cooperative, fraternal, nonprofit, or otherwise.

5.04.030 License—Required.

It is unlawful for any person to engage in or carry on business, trade, profession or calling, for which the transaction or carrying on of which a license is required, without first taking out or procuring the license required for such business, trade, profession, or calling, as set forth in this chapter.

Threshold Exemption: To the extent set forth in this section, the following persons and businesses shall be exempt from the registration, license and/or license fee requirements as outlined in this chapter: (1) Any person or business

whose annual value of products, gross proceeds of sales, or gross income of the business in the city is equal to or less than \$2,000 and who does not maintain a place of business within the city shall be exempt from the general business license requirements in this chapter. The exemption does not apply to regulatory license requirements or activities that require a specialized permit.

5.04.035 License fee exemption.

Nonprofit businesses must comply with the requirements of this chapter. Nonprofit organizations properly registered as such with the Washington Secretary of State are exempt from the city license fee provision of Section [5.04.120](#) of this chapter.

5.04.040 License—Applications.

Applications for licenses required hereunder shall be made by filing a **business license** application with the **business licensing service**, in coordination with by the city clerk-treasurer or his or her designee. The application may request the residence of the applicant, the nature of the proposed business or business activity, the place where it is proposed to be conducted, and the amount of the fee prescribed by this chapter. Provided the operation of said business will be in conformance with all applicable laws, and upon payment of the required fee, said license shall be issued in accordance herewith. Any place of business located within the city may be subject to inspection by city building and fire department officials prior to issuance or renewal of a business license. Failure to permit an inspection or to comply with a valid correction notice shall result in a denial of a license to do business within the city.

5.04.050 License—Renewable annually.

The business license referred to in this chapter shall expire on the date established by the **business license service** for the business, and must be renewed annually on or before that date. Renewal of the license shall be accomplished through the master license service.

5.04.070 Separate license for each business—Posting.

The business license is specific to the business named on it and is nontransferable. A new license shall be required in the event of change of ownership of the business licensed. In case business is transacted at two or more separate places by one person within the city, a separate application for license must be made, and a separate license for each place in which business is transacted shall be required, and the person shall pay the fees for the licensing of each place of business a fee in accordance with said classification. Each license shall, at all times, be conspicuously posted in the place of business for which it is issued. Persons licensed by the city, but without a physical location within the city must carry a copy of the license while conducting business within the city. Where a place of business of the license within the city is changed, the licensee shall notify the master license service of the change, in coordination with the city clerk. The relocation of a business may require the filing of a new master application with the master license service. Upon approval by the city clerk-treasurer of the relocation of the business, a new license shall be issued for the new place of business.

5.04.080 No person may operate under another's license.

No person to whom a license has been issued pursuant to this chapter shall suffer or allow any other person for whom a separate license is required, to operate under or display such license, nor shall any other person operate under or display such license.

5.04.090 Due date.

The licenses required by the terms of this chapter shall be procured by the licensee prior to commencing business. In the case of renewals, the license must be renewed prior to the expiration date established by the **business license service** for the business. For any license procured after the required date set forth in this chapter, the city clerk-treasurer, may assess and require, in addition to the annual license fee, a delinquency charge equal to ten percent of the annual license fee for each month or part of a month accruing between the time such license is procured and the time when the same should have been procured under the terms of this chapter.

5.04.100 License constitutes debt to city.

Any license fee due or unpaid under this chapter, and all penalties thereon, shall constitute a debt to the city, and may be collected by court proceeding in the same manner as any other debt in like amount, which remedy shall be in addition to all other existing remedies.

5.04.110 City clerk-treasurer duties.

The city clerk-treasurer shall keep full and accurate records of all funds received under the provisions of this chapter. Upon receipt of any license fee and/or penalties collected under the provisions of this chapter, the city clerk-treasurer shall deposit the same to the current expense fund.

5.04.120 Fees.

Effective for all licenses applied for on or after January 31, 2007, and all licenses expiring on or after December 31, 2007, there is levied upon and shall be collected from and paid as provided in this chapter, by every person, on account and for the privilege of engaging in business activities within the city, an annual license fee in a sum of **forty** dollars, **or as otherwise established in the City of Anacortes Unified Fee Schedule**. Business license applicants and licensees shall also pay the respective **business** license service application or renewal handling fee.

5.04.160 Violation—Separate offenses each day.

Any person who engages in or carries on any business subject to a license under this chapter without having the business licensed to do so, shall be guilty of a violation of this chapter for each day during which business is so engaged in or carried on; and any person who fails or refuses to pay the license fee or any part thereof on or before the due date, shall be deemed to be operating without having his license to do so.

5.04.170 Violation—Penalty.

Any person violating or failing to comply with any of the provisions of this chapter, or who knowingly provides any false statement in his application for license, upon conviction thereof, shall be guilty of a crime which shall be punishable by imprisonment for up to ninety days or shall be fined up to one thousand dollars or both such fine and imprisonment.

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

PASSED AND APPROVED THIS 24th day of September, 2018

CITY OF ANACORTES, WASHINGTON

BY: _____
Laurie Gere, Mayor

ATTEST:

(Corporate Seal)

Steven D. Hoglund, City Clerk

APPROVED AS TO FORM

Darcy Swetnam
City Attorney

Model Business License Threshold Final Version

June 2018

Model business license threshold options: (cities would adopt one of the options)

1. Threshold Exemption:

To the extent set forth in this section, the following persons and businesses shall be exempt from the registration, license and/or license fee requirements as outlined in this chapter:

- (1) Any person or business whose annual value of products, gross proceeds of sales, or gross income of the business in the city is equal to or less than \$2,000 (or higher threshold as determined by city) and who does not maintain a place of business within the city shall be exempt from the general business license requirements in this chapter. The exemption does not apply to regulatory license requirements or activities that require a specialized permit.

2. Threshold with Fee-free License/ Registration-only Option:

For purposes of the license by this chapter, any person or business whose annual value of products, gross proceeds of sales, or gross income of the business in the city is equal to or less than \$2,000 (or higher threshold as determined by city) and who does not maintain a place of business within the city, shall submit a business license registration to the Director or designee. The threshold does not apply to regulatory license requirements or activities that require a specialized permit.

[Qty would list this fee-free license in its business license rates section as \$0 or no fee.]

Engaging in business model definition:

"Engaging in business"

(1) The term "engaging in business" means commencing, conducting, or continuing in business, and also the exercise of corporate or franchise powers, as well as liquidating a business when the liquidators thereof hold themselves out to the public as conducting such business.

(2) This section sets forth examples of activities that constitute engaging in business in the Qty, and establishes safe harbors for certain of those activities so that a person who meets the criteria may engage in de minimus business activities in the Qty without having to pay a business license fee. The activities listed in this section are illustrative only and are not intended to narrow the definition of "engaging in business" in subsection (1). If an activity is not listed, whether it constitutes engaging in business in the Qty shall be determined by considering all the facts and circumstances and applicable law.

(3) Without being all inclusive, any one of the following activities conducted within the Qty by a person, or its employee, agent, representative, independent contractor, broker or another acting on its behalf constitutes engaging in business and requires a person to register and obtain a business license.

(a) Owning, renting, leasing, maintaining, or having the right to use, or using, tangible personal property, intangible personal property, or real property permanently or temporarily located in the Qty.

(b) Owning, renting, leasing, using, or maintaining, an office, place of business, or other establishment in the Qty.

(c) Soliciting sales.

(d) Making repairs or providing maintenance or service to real or tangible personal property, including warranty work and property maintenance.

(e) Providing technical assistance or service, including quality control, product inspections, warranty work, or similar services on or in connection with tangible personal property sold by the person or on its behalf.

(f) Installing, constructing, or supervising installation or construction of, real or tangible personal property.

(g) Soliciting, negotiating, or approving franchise, license, or other similar agreements.

(h) Collecting current or delinquent accounts.

(i) Picking up and transporting tangible personal property, solid waste, construction debris, or excavated materials.

(j) Providing disinfecting and pest control services, employment and labor pool services, home nursing care, janitorial services, appraising, landscape architectural services, security system services, surveying, and real estate services including the listing of homes and managing real property.

(k) Rendering professional services such as those provided by accountants, architects, attorneys, auctioneers, consultants, engineers, professional athletes, barbers, baseball clubs and other sports organizations, chemists, consultants, psychologists, court reporters, dentists, doctors, detectives, laboratory operators, teachers, veterinarians.

(l) Meeting with customers or potential customers, even when no sales or orders are solicited at the meetings.

(m) Training or recruiting agents, representatives, independent contractors, brokers or others, domiciled or operating on a job in the City, acting on its behalf, or for customers or potential customers.

(n) Investigating, resolving, or otherwise assisting in resolving customer complaints.

(o) In-store stocking or manipulating products or goods, sold to and owned by a customer, regardless of where sale and delivery of the goods took place.

(p) Delivering goods in vehicles owned, rented, leased, used, or maintained by the person or another acting on its behalf.

(4) If a person, or its employee, agent, representative, independent contractor, broker or another acting on the person's behalf, engages in no other activities in or with the City but the following, it need not register and obtain a business license.

(a) Meeting with suppliers of goods and services as a customer.

(b) Meeting with government representatives in their official capacity, other than those performing contracting or purchasing functions.

(c) Attending meetings, such as board meetings, retreats, seminars, and conferences, or other meetings wherein the person does not provide training in connection with tangible personal property sold by the person or on its behalf. This provision does not apply to any board of director member or attendee engaging in business such as a member of a board of directors who attends a board meeting.

(d) Renting tangible or intangible property as a customer when the property is not used in the City.

(e) Attending, but not participating in a "trade show" or "multiple vendor events". Persons participating at a trade show shall review the City's trade show or multiple vendor event ordinances.

(f) Conducting advertising through the mail.

(g) Soliciting sales by phone from a location outside the City.

(5) A seller located outside the City merely delivering goods into the City by means of common carrier is not required to register and obtain a business license, provided that it engages in no other business activities in the City. Such activities do not include those in subsection (4).

The City expressly intends that engaging in business include any activity sufficient to establish nexus for purposes of applying the license fee under the law and the constitutions of the United States and the State of Washington. Nexus is presumed to continue as long as the taxpayer benefits from the activity that constituted the original nexus generating contact or subsequent contacts.



Final city business license model threshold

Contact: Victoria Lincoln, Andrew Pittelkau, Sheila Gall

Business license and city B&O tax simplification

In the 2017 session, **EHB 2005** (RCW 35.90) passed requiring three actions by cities with business licenses and local B&O taxes. The law:

1. Requires cities with business licenses to establish a workgroup to create a model business license with a licensing threshold by July 2018 for adoption by all business license cities by January 1, 2019;
2. Requires all cities with business license to administer their business license through the state's Business Licensing System (BLS) by 2022 or FileLocal by 2020; and
3. Establishes a task force on local B&O tax service apportionment under RCW 35.102.130 to report to the Legislature by October 2018.

Final model ordinance for local business licenses – minimum threshold

Cities were required to develop a model ordinance for business licensing by July 1, 2018. The ordinance includes a mandatory definition of “engaging in business” and a minimum threshold (or occasional sale) exemption to establish when out-of-town or transient businesses are required to be licensed. All business license cities must adopt it by the end of the year ([RCW 35.90.080](#)).

What is in the model?

The [model threshold](#) has two pieces: a model threshold and a definition of “engaging in business.”

1. The model business license threshold language would:
 - Apply a minimum threshold of \$2,000 per year in the city for businesses that do not have a location in the city;
 - Require a license for businesses with a location in the city without regard to the threshold;
 - Allow cities the option to require registration with no fee for businesses under the threshold; and
 - Only apply to general business licenses, not regulatory licenses or local taxes.
2. The definition of “engaging in business” includes examples of what constitutes business activities in cities that would subject a business to license requirements, as well as those activities that would not. The model language is adapted from the definition that the 45 cities with local B&O taxes have already adopted for the definition of “engaging in business” in the B&O tax model ordinance.

What are the deadlines for all cities with business licenses to adopt the model?

Cities with a business license must adopt the model by January 1, 2019. However, cities that currently partner with the state's Business Licensing Service (BLS) for business licensing administration have a deadline of October 17, 2018, because they must provide BLS 75-day notice of any changes to their business licenses (including this mandatory change).

Where can I learn more about implementing the threshold?

AWC is hosting a webinar to tell you everything you need to know to comply with the mandatory model threshold.

[Prepare to streamline your business license](#)

August 8 at 10 am | Webinar

AWC also held a presentation on this topic at its [Annual Conference](#) in June and will present at the WFOA Annual Conference on September 19 and EWFOA on October 12.

What happens if we don't enact the threshold by the deadline?

RCW 35.90.090 provides that a city cannot enforce its business license after January 1, 2019, until it has adopted the mandatory threshold.

RCW 35.90.090: "A city that has not complied with the requirements of this section by January 1, 2019, may not enforce its general business licensing requirements on any person until the date that the mandatory provisions of the model ordinance take effect within the city."

What if my city wants a higher threshold?

Cities can choose to enact a higher threshold. The \$2,000 threshold level per city per year for out-of-city businesses is the minimum level that every city must enact.

How was the business license threshold developed?

Section 8 of **EHB 2005** required cities to work through the Association of Washington Cities (AWC) to develop a model business license threshold by July 1, 2018 with a focus on determining a threshold for when a license should be required for out-of-city businesses. The bill also required input from the business community.

AWC convened a task force of city business license officials to begin drafting a model license threshold in August 2017. The group met monthly in person or via conference call to research city business license systems and existing options for establishing a model threshold and to review feedback on the proposed model from cities and the business community. AWC sent a survey to cities last fall on preferences for approaching the

model threshold and sent a draft for review to cities in March 2018. In April-June 2018, AWC sent drafts of the model to the business community for comment, and the task force met in person with business community representatives.

In response to business community concerns about the level of the threshold, the committee proposed doubling its initial proposed level to \$2,000 per year in the city for businesses without a location in the city. The committee agreed to review the threshold level in four years when the model B&O tax model ordinance will also be due for review and more information on impacts of the license threshold is known. In late June, the committee finalized the model language.

Business license model threshold implementation timeline

July 2017 – EHB 2005 takes effect

August 2017 – First meeting of city workgroup

July 1, 2018 – Deadline for city work group to develop model ordinance with minimum threshold to get a license

August 8, 2018 – AWC webinar on implementing model threshold

October 17, 2018 – Deadline for current BLS partner cities to adopt model minimum threshold and notify DOR of changes to business license for threshold adoption

(Cities on BLS plan but not yet onboarded would have later deadline of January 1, 2019)

January 1, 2019 – Deadline for all other cities to adopt model minimum threshold

How many cities does this impact?

More than 230 cities issue local business licenses.

Where can I find more information on the Business Licensing Service or FileLocal?

Business licensing service: citypartners.dor.wa.gov

FileLocal: filelocal.org

What about the provision of EHB 2005 and the scope of work for the B&O service apportionment task force?

The two-factor formula for B&O tax service apportionment was required by RCW 35.102.130, effective in 2008. The two factors, payroll and service income, have complicated multi-part tests to determine how much of business service revenues should be apportioned to a city.

EHB 2005 created a seven-member task force to make recommendations to simplify two-factor service apportionment by October 2018 with the following members:

- One Department of Revenue, non-voting chair
- Three cities with local B&O taxes
- Three business representatives

The task force has been meeting monthly since August 2017, and the deadline by which it must submit a report to the Legislature is October 31, 2018. The city representatives are:

- Chris Bothwell, Lake Forest Park
- Joseph Cunha, Seattle
- Danielle Larson, Tacoma

How did this legislation come about?

During the 2016 legislative session, lawmakers passed [HB 2959](#), establishing a task force to evaluate options to continue local business tax and licensing simplification. On December 30, 2016, the task force released its final report on local tax and licensing simplification with four main recommendations. The task force did not recommend that all cities with a business license be required to participate in the state's Business Licensing Service, nor did it recommend any centralized collection of city B&O tax at the state level. However, some of the items recommended represented a significant compromise on the part of cities.

Where can I find more information on the 2016 task force?

The report included four recommendations related to licensing, establishing a business license threshold, recommending a task force on service income apportionment, and providing for data sharing between DOR and FileLocal. Read the [full report](#).

FINAL BILL REPORT

EHB 2005

C 209 L 17

Synopsis as Enacted

Brief Description: Improving the business climate in this state by simplifying the administration of municipal general business licenses.

Sponsors: Representatives Lytton, Nealey, Kagi and Ormsby.

House Committee on Finance
Senate Committee on Commerce, Labor & Sports
Senate Committee on Ways & Means

Background:

City Business and Occupation Taxes.

Local Business and Occupation (B&O) taxes are levied at a percentage rate on the gross receipts of a business, less some deductions. Businesses are put in different classes such as manufacturing, wholesaling, retailing, and services. Within each class the rate must be the same, but it may differ among classes. Forty-three of Washington's 281 cities levy this tax.

In 2003 legislation directed the Association of Washington Cities (AWC) to convene a committee to develop a model ordinance that would be adopted by all cities imposing a B&O tax no later than December 31, 2004. The model ordinance was required to contain certain mandatory provisions: a system of credits that prevent multiple taxation of the same income; a gross receipts threshold for small businesses; tax reporting frequency requirements; and provisions for penalties and interest, refunds, and deductions comparable with state law. Beginning January 1, 2008, cities that levied a B&O tax were required to allow for allocation and apportionment of taxes between cities.

City Business Licensing.

Approximately 212 of Washington's 281 cities require a business license for any business conducting business activities within the city. Fees associated with business licenses vary from flat rate charges to fees based on factors, including employee count, square footage occupied, or business type. For cities imposing a B&O tax, business licensing fees and filing requirements are separate, and in addition to B&O taxes.

Administration of Local Business and Occupation Tax and Local Business Licensing.

This analysis was prepared by non-partisan legislative staff for the use of legislative members in their deliberations. This analysis is not a part of the legislation nor does it constitute a statement of legislative intent.

The Business Licensing Service (BLS) within the Department of Revenue (DOR) is the clearinghouse for business licensing, partners with 10 state agencies, and facilitates the issuance of local business licenses on behalf of approximately 70 cities. Agency programs and municipalities retain full regulatory control over their registration and compliance requirements.

In 2014 the cities of Seattle, Tacoma, Bellevue, and Everett signed an interlocal agreement to establish a "one-stop" system for tax payment and business license application filing to make it easier and more efficient for businesses to apply for local business licenses, and file local taxes, while the cities retain local control over local licensing, tax collection functions, and policies. The objective is to administer tax collection and business licensing functions collectively, and allow businesses operating in multiple cities to use a one-stop system for tax payment or local business license application filing. The project became operational in 2016 and is known as FileLocal.

Local Tax and Licensing Simplification Task Force.

In 2015 legislation was enacted directing the Department to lead a Local Tax and Licensing Simplification Task Force (Simplification Task Force) during the 2016 interim to evaluate and develop options to: (a) improve the local business licensing process; (b) examine the difference in nexus between the state and cities; (c) examine allocation and apportionment methods; (d) centralize B&O tax collection; and (e) share data between the Department and FileLocal.

In 2017 the Simplification Task Force prepared and presented a report for the Legislature that examined the differences in apportionment and nexus between state and local B&O taxes, and how these differences affect taxpayers and cities; evaluated additional and alternative options to improve the administration of local business taxes and licensing; and provided recommendations for options evaluated by the Simplification Task Force. The Simplification Task Force provided recommendations on four of the five topics and did not provide a recommendation about how to centralize B&O tax collection.

Summary:

City Business Licensing.

All cities that require a general business license (license), unless otherwise exempted (partnering cities) are required to partner with the Department to issue and renew licenses through the BLS. The Department must partner with all partnering cities by December 31, 2022, if specific funding is appropriated for that purpose. If specific funding is not appropriated, the Department must partner with at least six cities per year between January 1, 2018 and December 31, 2021. Between January 1, 2022 and December 31, 2027, the Department must partner with the remaining partnering cities.

The Department may delay assuming the duties of issuing and renewing general business licenses if insufficient funds are appropriated for this purpose, the Department cannot ensure the BLS is adequately prepared to handle all general business licenses due to unforeseen circumstances, or the Department determines that a delay is necessary to ensure that the transition to the mandatory Department issuance and renewal of general business license is as seamless as possible. Additionally, if a city submits written notice that it needs to delay

implementation due to fiscal or technical challenges, the Department may delay implementation for that city for up to three years.

Cities are exempt from partnering with the Department to issue and renew licenses through the BLS if the city participates in the FileLocal program as of July 1, 2020.

By January 1, 2018, and January 1 of each even-numbered year thereafter, the Department must establish a biennial plan for partnering with cities and submit it to the Governor, the Legislature, affected cities, the AWC, the AWB, the NFIB, and the WRA (stakeholders). The Department may alter the plan with a minimum notice of 30 days to affected cities.

By January 1, 2019, and each January 1 thereafter through January 1, 2028, the Department must submit a progress report to the Legislature to provide information about the progress of the efforts to partner with all cities that impose a license requirement.

Partnering cities may adopt a broad fee structure, but it must be within the Department's technological ability to administer. If the Department is unable to administer a city's fee structure, the city must work with the Department to adopt a fee structure that is administrable by the Department. If a city does not work with the Department, the city may not enforce its general business licensing requirements until the effective date of a fee structure that is administrable by the Department. Cities may not require businesses to renew a license more than once per year. The BLS is not required to accommodate fees imposed by a city on a business for failing to obtain or renew a license. The Department may refuse to administer any license ordinance that is inconsistent with the rest of the provisions.

The Department's authority to administer a partnering city's licensing laws is limited to: issuing or renewing licenses; and refusing to issue a license due to an incomplete application, nonpayment of fees, or nonpayments of penalties for late renewal. Partnering cities have the authority to set licensing fees, provide exemptions and thresholds, approve or deny licenses, and take appropriate administrative action against licensees. Cities may only require a business to obtain or renew a license if they engage in business within the respective city. Partnering cities must provide the Department with at least 75 days notice if the city changes who must obtain a license, who is exempt from obtaining a license, or the amount or method of determining any fee to issue or renew a license.

Cities, working through the AWC, must form a committee to develop and adopt a general business licensing model ordinance by July 1, 2018. The ordinance must include a definition of "engaging in business within the city" and a uniform minimum licensing threshold under which a person is exempt from obtaining a license. Cities must adopt the provisions of the model ordinance by January 1, 2019, or they may not enforce their licensing requirements until they adopt the ordinance. Cities must coordinate with the AWC to submit a report to the Governor, the Legislature, and stakeholders to provide information about the model ordinance and identify cities that have and have not adopted the provisions. The report must incorporate comments from statewide business organizations concerning the model ordinance process and substance. Business organizations must be allowed 30 days to submit comments for inclusion in the report.

Local Business and Occupational Tax Apportionment.

Cities, towns, and identified business organizations must partner and recommend changes to simplify the two-factor municipal B&O tax apportionment formula. The Local Business and Occupation Tax Apportionment Task Force (Apportionment Task Force) is created and must consist of the following seven representatives: three voting representatives selected by the AWC that are tax managers representing municipalities that impose a B&O tax, including at least one jurisdiction that has performed an audit where apportionment errors were discovered; three voting representatives selected by the AWB, including at least one tax practitioner or legal counsel with experience representing business clients during municipal audits that involved apportionment errors or disputes; and one nonvoting representative from the Department who will serve as the Apportionment Task Force chair. The Department must staff the Apportionment Task Force. The Apportionment Task Force may seek input or collaborate with other parties if necessary. The Apportionment Task Force must present its recommendations to the Legislature by October 31, 2018.

Votes on Final Passage:

House	96	2	
Senate	49	0	(Senate amended)
House	97	0	(House concurred)

Effective: July 23, 2017



Anacortes City Council

Proposed Agenda Items for the Next Eight Weeks Beginning October 1, 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.

October 1, 2018

- Contract Award: WWTP Chemicals 18-143-IDS
- 2019-2024 Capital Facilities Plan (Discussion)

October 8, 2018

- Public Hearing on Budgeted Revenue Sources, including 1% Property Tax Increase (Discussion)
- Waste Management Recycling (Discussion)

October 15, 2018

- Review of Budget - Public Works (Discussion)

October 22, 2018

- Review of Budget - Non Public Works Departments (Discussion)
- Sewer Rate Discussion - FCS Group (Discussion)

November 5, 2018

- Public Hearing: 2019/2020 Biennial Budget

November 13, 2018

November 19, 2018

- Resolution ____: Authorizing a 1% Property Tax Increase (Discussion/Possible Action)
- Ordinance ____: Adopting the 2019-2024 Capital Facilities Plan (Discussion/Possible Action)
- Ordinance ____: Adopting the 2019/2020 Biennial Budget (Discussion/Possible Action)

November 26, 2018

Upcoming City Council Committee Meetings

The public is welcome to attend City Council Committee Meetings.

- Planning, Monday, Sep 24, 2018, 5:00 PM, Main Conference Room, City Hall
- Finance, Wednesday, Sep 26, 2018, 5:00 PM, Main Conference Room, City Hall
- Public Works, Monday, Oct 1, 2018, 5:00 PM, Main Conference Room, City Hall
- Port/City Liaison, Tuesday, Oct 2, 2018, 8:30 AM, City Hall
- Public Safety, Tuesday, Oct 2, 2018, 10:00 AM, Mayor's Office, City Hall
- Housing Affordability & Community Services, Thursday, Oct 4, 2018, 1:30 PM, City Hall
- Planning, Monday, Oct 8, 2018, 5:00 PM, Main Conference Room, City Hall
- Skagit County Law & Justice Council, Wednesday, Oct 10, 2018, 8:15 AM, Mount Vernon
- Finance, Wednesday, Oct 10, 2018, 5:00 PM, Main Conference Room, City Hall
- Public Works, Monday, Oct 15, 2018, 5:00 PM, Main Conference Room, City Hall
