



Anacortes City Council
Municipal Building Council Chambers
904 6th Street

December 3, 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. Public Works Committee
4. **Public Comment**
5. **Consent Agenda (Action)**
 - a. Minutes of November 19, 2018 and November 26, 2018
 - b. Approval of Claims in the amount of: \$187,548.20
 - c. Contract Award: Retrofit Commercial Avenue Lighting with LED 18-063-IDS-003, 004
6. **Public Hearings**
 - a. * Continued Public Hearing: Ordinance 3032: Adopting the 2019/2020 Biennial Budget (Action)
7. **Other Business**
 - a. * Waste Management Anacortes Recycling Presentation and Rate Relief Request (Discussion/Possible Action)
 - b. * Resolution 2027: 2019 Lodging Tax Funding Awards (Discussion/Possible Action)
8. **Adjournment**

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

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 December 10, 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.

December 10, 2018

- Contract Modification: Update Zoning, Development and Design Standards for Anacortes Municipal Code 16-081-IDS-001
- Contract Modification: 32nd & D Ave Intersection Improvements 16-004-TRN-004
- Resolution 2026: Declaring AGA Systems as the the Sole Source Supplier for Propane Vehicle Conversion Kits
- Fire Impact Fee Presentation from Berk and Associates (Discussion)
- Ordinance 3030: Fire Impact Fees (Discussion/Possible Action)
- Ordinance 3033: Adopting the 2019-2024 Capital Facilities Plan (Discussion)
- Sewer System Assessment Presentation & HDR Contract (Discussion/Action)

December 17, 2018

- Public Hearing: Ordinance 3033: Adopting the 2019-2024 Capital Facilities Plan (Action)
- EDASC 2019 Work Plan Presentation (Discussion)
- Year End Finance Update (Discussion)
- Ordinance ____: 4th Quarter Amendment of the 2017/2018 Biennial Budget (Action)

December 24, 2018 - CANCELLED

January 7, 2019

- City of Anacortes Legislative Priorities (Discussion)

January 14, 2019

- Public Hearing: Ordinance 3031 Updating AMC Titles 16, 17 and 19 for Low Impact Development (Discussion)
- WA Cities Insurance Authority 1-Hour Elected Official Training Regarding Liability Exposures and Recommended Risk Controls (Discussion)

January 22, 2019

January 28, 2019

February 4, 2019

Upcoming City Council Committee Meetings

The public is welcome to attend City Council Committee Meetings.

- Public Works, Monday, Dec 3, 2018, 5:00 PM, Main Conference Room, City Hall
- Port/City Liaison , Tuesday, Dec 4, 2018, 8:30 AM, City Hall
- Public Safety, Tuesday, Dec 4, 2018, 10:00 AM, Mayor's Office, City Hall
- Finance, Wednesday, Dec 5, 2018, 5:00 PM, Main Conference Room, City Hall
- Housing Affordability & Community Services, Thursday, Dec 6, 2018, 1:30 PM, City Council Chambers,
- Planning, Monday, Dec 10, 2018, 5:00 PM, Main Conference Room, City Hall
- Skagit County Law & Justice Council, Wednesday, Dec 12, 2018, 8:15 AM, Mount Vernon
- Finance, Wednesday, Dec 12, 2018, 5:00 PM, Main Conference Room, City Hall
- Public Works, Monday, Dec 17, 2018, 5:00 PM, Main Conference Room, City Hall

Continue on back of sheet as needed

City Council Minutes – November 19, 2018

At 5:00 p.m. Mayor Laurie Gere called to order the regular Anacortes City Council meeting of November 19, 2018. Councilmembers Eric Johnson, Ryan Walters, Brad Adams and Liz Lovelett were present. Councilmembers Anthony Young, Bruce McDougall and Matt Miller were absent. The assembly joined in the Pledge of Allegiance.

Executive Session (30 Minutes) per RCW 42.30.110 (i)

At approximately 5:01 p.m. Mayor Gere announced that City Council and the City Attorney would convene in Executive Session for approximately 30 minutes to discuss potential litigation. At approximately 5:32 p.m. the mayor and councilmembers returned to the Council Chambers and Mayor Gere called the meeting back into regular session. No action was taken in the Executive Session.

Mr. Young and Mr. McDougall joined the meeting during the executive session.

Announcements and Committee Reports

Shell Puget Sound Refinery Presentation for Disaster Preparedness:

Corey Ertel of Shell Puget Sound Refinery presented a check for \$4800 to the Skagit Amateur Radio Club in recognition of the group's work to further disaster preparedness in the community. Shell personnel described the equipment that would be purchased with the grant, including radio repeaters to expand the radio coverage on Fidalgo Island in case of emergency. SARC thanked Shell, the mayor and the City Council for their support.

Skagit Law & Justice Council: This report was postponed to the next meeting due to Mr. Miller's absence.

Mr. Johnson moved, seconded by Mr. Young, to excuse the absence of Mr. Miller. The motion carried unanimously by voice vote. Mr. Adams noted that Mr. Miller had emailed his comments on the 2019/2020 biennial budget to be included in the record for the meeting in his absence and that copies of his comments were on the dais for each councilmember.

Finance Committee: Mr. Johnson reported from the committee meeting the prior Wednesday at which those present reviewed the latest draft of the revised purchasing policy. Mr. Johnson said the group had been unable to locate a City of Redmond purchasing policy but had found that the City of Bothell allows local sales tax revenue to be considered when determining the lowest possible price but explicitly states that other local preferences are not permitted. Mr. Johnson referenced RCW 39.30.040 which governs local purchasing by Washington cities. He read the proposed language for the Anacortes policy regarding soliciting price quotes from local vendors. Mr. Johnson said that changes to the mayor's contract authority threshold would be proposed in conjunction with the new purchasing policy. In response to a question from Mr. Young about bid threshold levels, City Attorney Darcy Swetnam read from the matrix in the draft policy which sets out thresholds in conformance with state law. Ms. Swetnam emphasized that after careful research, staff recommended adoption of the language as proposed. She said she anticipated that the policy and an ordinance establishing mayor's contract authority would come back to Council for consideration and action early in 2019.

Parks & Recreation Committee: Mr. Adams reported from the committee meeting the prior Thursday evening. He described the committee's discussion of the Grand View cemetery, the Ship Harbor section of the Guemes Channel Trail and the Parks Comprehensive Plan. Mr. Adams indicated that a public participation plan for the GCT could come before Council before year end. He added that the Park Commissioners were investigating funding mechanisms for the facilities recommended in the Parks Comprehensive Plan.

Public Works Committee: Ms. Lovelett reported that the committee meeting scheduled for earlier in the evening had been cancelled to accommodate the early start time of the City Council meeting.

Public Comment

John Morgan advocated a plastic grocery bag ban. Mr. Morgan read a list of local cities that have banned plastic bags and described the problems posed for marine life from waste plastic. He said that banning plastic bags would also combat climate change by reducing the use of oil. Mr. Morgan described the toxins emitted by plastic as it degrades. He specified a ban that would only ban single use bags at point of sale for retail establishments, would encourage the use of reusable bags, and that would give retailers one year to use up existing bag stock. Mr. Morgan shared with Mayor Gere a biodegradable plastic bag made of corn.

Consent Agenda

Ms. Lovelett removed Item 5c, Interlocal Agreement 276 with Skagit County for Library Materials. Mr. Young removed Item 5b, Approval of Claims in the amount of \$821,051.38. Mr. Johnson moved, seconded by Mr. McDougall, to approve the following Consent Agenda items. The motion carried unanimously by voice vote.

- a. Minutes of November 5, 2018 and November 13, 2018
- d. Interlocal Agreement 277 with Whatcom County for Plantation Rifle Range Use
- e. Interlocal Agreement Amendment 9 to Ambulance Contract C20140640 with Skagit County
- f. Contract Modification - FRP Chemical Tanks 18-036-WTR-002
- g. Ordinance 3029: Updating AMC to Add Section 2.32.020 Providing an Option for Councilmembers to Obtain Medical Insurance

The following vouchers/checks were approved for payment:
EFT numbers: 91210 through 91276, total \$544,913.84
Check numbers: 91277 through 91333, total \$273,249.17
Wire transfer numbers: 240120 through 240797, total \$6,058.57

- c. Interlocal Agreement 276 with Skagit County for Library Materials

Ms. Lovelett inquired about the timing of the proposed interlocal agreement, which specified an ending date of December 2018. Finance Director Steve Hoglund explained that this annual agreement with Skagit County was typically enacted at the end of each calendar year and that the city invoiced Skagit County immediately thereafter for the allocated funding.

- b. Approval of Claims in the amount of: \$821,051.38

Mr. Young commended staff for choosing to spend money locally when appropriate, stating that it is important to support local businesses whenever possible.

Ms. Lovelett moved, seconded by Mr. Young, to approve Consent Agenda Items 5b and 5c. The motion carried unanimously by voice vote.

PUBLIC HEARINGS

Continued Public Hearing: Budgeted Revenue Sources, including 1% Property Tax Increase

Mr. Hoglund observed that public hearings on budgeted revenue sources, on the 2019/2020 biennial budget, and the 2019-2024 capital facilities plan remained open. He noted that a property tax resolution in some amount was

due to Skagit County by November 30, 2018. He suggested concluding the public hearing on budgeted revenue sources and then taking action at the current meeting.

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

Stephanie Meehan spoke in opposition to increasing the property tax by 1%. Ms. Meehan listed a wide range of Anacortes residents with whom she had discussed finances, then reminded Council that Anacortes has very wealthy people and regular people. She listed factors that make it more and more difficult for working people to save for retirement. Noting the number of new staff positions proposed for the 2019/2020 biennial budget, Ms. Meehan observed that some of those positions could be outsourced rather than taking on additional long term pension liability. Ms. Meehan said that the cost of living and of housing was pricing many residents out of Anacortes. She suggested that Anacortes can embrace everyone who lives here including seniors on fixed incomes and working class residents who are struggling to pay their bills. She encouraged finding alternatives to increasing the property tax. Ms. Meehan also commented on the environmental cost of purchasing from Amazon.

No one else present wished to address the Council on this topic. At approximately 6:06 p.m. Mayor Gere closed the public hearing on Budgeted Revenue Sources, including 1% Property Tax Increase.

Mr. Hoglund recommended adopting Resolution 2025 setting the city's year 2019 property tax regular levy increase at 1%. He confirmed that the increase would cost the owner of an average \$384K home an additional \$5.74 annually. Mr. Walters noted that even a 1% increase in the property tax does not keep up with the rate of inflation in the cost of goods and services purchased by the city. He observed that state law limiting property tax increases to 1% per year had put cities on a collision course with the future. Mr. Walters supported Resolution 2025. Ms. Lovelett reminded citizens of the existing programs to reduce utility and property tax bills for low income residents.

Mr. Johnson moved, seconded by Mr. McDougall, to adopt Resolution 2025 to increase the property tax by 1% for 2019. Vote: Ayes – Young, Walters, Adams, Lovelett, McDougall and Johnson. Motion carried.

OTHER BUSINESS

2019/2020 Biennial Budget

Mr. Hoglund recapped the remaining budget schedule for the duration of 2018.

Mayor Gere addressed Council regarding the new staff position requests included in the budget. She explained the significant increase in new positions compared to the prior biennium, noting that the four new firefighter/paramedic positions would be funded by the EMS levy, the four new fiber network positions would be self-supporting within a year, and the additional police officer to ensure full staffing for the growing population. Mayor Gere assured councilmembers that city staff offer high value to the taxpayers.

Mr. Walters observed that Resolution 2018 called for \$1.8M of annual spending on *professional services* for street maintenance and that spending \$100K of that to fund an additional in house engineer ran counter to that direction.

Public Works Director Fred Buckenmeyer reviewed his packet memoranda regarding the four new positions requested for his department: two engineers, a fleet mechanic and a sanitation driver.

Councilmembers questioned Mr. Buckenmeyer about the additional sanitation driver, asking if solid waste rates would increase to cover the cost of the position and asking for specific information about water crew tasks that were not being accomplished because water crew staff were backing up the sanitation department. Mr.

Buckenmeyer discussed his packet memorandum regarding an alternative to hiring an additional sanitation driver, which would be transitioning to every other week trash collection. Several councilmembers expressed interest in exploring that alternative further, particularly in light of expected increases in Skagit County tipping fees and possibly recycling charges as well. Ms. Lovelett suggested allocating funding for the additional driver in the biennial budget but not filling the position until alternatives had been explored and other rate factors had been established. Mr. Johnson reported that Portland collects trash biweekly.

Councilmembers questioned Mr. Buckenmeyer about the additional fleet mechanic position, attempting to establish how much outsourced equipment maintenance cost was included in the proposed budget and how much savings could be realized against those budget line items if an additional mechanic were funded instead. Mr. Adams emphasized the value of preventive maintenance to extend equipment life and also to maintain safety. He supported funding the mechanic position. Mayor Gere asked Mr. Buckenmeyer to bring back to Council the potential savings in the proposed budget that could offset the cost of the additional mechanic. Mr. Hoglund suggested that the position would result in hard cost savings of \$40K annually and that because utility funds share the cost of the mechanic, the position could be funded with no single large additional contribution by any one department or fund.

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

Mr. Buckenmeyer elaborated on the proposed additional Engineering position for the pavement management program. He reiterated his previous statements that increasing the overlay budget from \$1.1M to \$1.8M annually would require additional staff. He discussed with councilmembers how large a budget a single engineer can manage effectively, noting that there is not an established industry standard for that metric. He did note that outsourcing all the street project management would likely cost \$900K and that the labor cost for four in house engineers was less than half that. Mr. Buckenmeyer said that adding a fourth engineer would also reduce overtime charged to the street maintenance fund. Mr. Walters asked if the OT had already been reduced in the budget since the engineering position was proposed to be funded. Mr. Buckenmeyer said it had not. Ms. Lovelett suggested funding only one of the additional engineering positions for 2019, then adding a second in 2020 if the workload justified the addition and if adding the first position did in fact reduce overtime and consultant costs. Mr. Buckenmeyer agreed that was an option. Mr. Walters and Mr. Young concurred with Ms. Lovelett's suggestion. Mr. Johnson reported that the Ohio DOT standard was one engineer for each \$1M of projects.

Mr. Buckenmeyer then addressed the budgeted \$40K to support the Cartegraph asset management program. Mayor Gere spoke to the need to widen the pool of staff trained to use the software. Mr. Buckenmeyer clarified that this was not an initial implementation need but an ongoing need to manage and maintain the large and robust system. He advised that he would recommend consideration of transitioning to a staff position at the mid-biennium review.

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

Mr. Hoglund then addressed the new positions proposed in the Administrative Services department, including four new positions for the new fiber network that had previously been approved in principle by Council. Mr. Walters suggested advertising for the fiber manager in 2018 so a new hire could begin work early in 2019. Mayor Gere spoke to the need to add a Human Resources manager now that Administrative Services Director Emily Schuh would be overseeing a much larger department. The mayor noted that the Anacortes Human Resources department was much leaner than in other jurisdictions of similar size or larger. Ms. Lovelett asked if the fiber network would contribute to the Administrative Services Director's salary. Mr. Hoglund advised that staff would conduct a time study after the network was up and running but had no basis for quantifying

allocation of director time to the fiber network at this point. Mr. Adams noted Mr. Miller's email in absentia expressing lack of support for the HR Manager position. Mayor Gere read Mr. Miller's comments into the record; they were added to the packet materials for the meeting. Mr. Adams agreed with Ms. Lovelett that the fiber network should contribute to the director's salary. He said he'd like to support an HR Manager position but was cautious about the cost. After considerable ongoing discussion, most councilmembers agreed to defer to Mayor Gere's judgement in this matter. Mr. Hoglund clarified with councilmembers that all six new positions in the Administrative Services department should stay in the budget.

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

Stephanie Meehan counseled against comparing Anacortes to Oak Harbor which she said doesn't do the best job of management. She reported that her private company of 850 employees had had five HR staff. Ms. Meehan urged councilmembers to focus the budget on the mashed potatoes of reality which is infrastructure and public safety, not a large parks department or glossy magazines or other "nice to have" services.

Ward MacKenzie, 1302 7th Street, called on his experience in government HR and said he was shocked Anacortes could keep things afloat with its current HR staffing. He said an HR Manager and HR Generalist need separate skill sets. He recommended one HR staff per 90 employees, noting that demands on HR staff have dramatically increased. He cautioned against spreading the Administrative Services Director too thin.

Brian Wetcher, 814 26th Street, said that for many years he had watched city staff make do with very lean departments, relying on volunteers and serving double duty. Mr. Wetcher said the new positions proposed addressed bottlenecks causing underperformance which could lead to liability. He said he'd love to see those positions in place so citizens get the services they want. Mr. Wetcher urged councilmembers not to apologize for asking citizens to pay for the level of service they want.

Sara Holahan, 1511 38th Street, requested more detail on how fiber would contribute to the Administrative Services Director's salary. She said department heads needed to provide more convincing data to justify the positions requested. Ms. Holahan commented that every other week solid waste collection would be a great improvement. Ms. Lovelett suggested establishing a consistent formula or format for proposal of additional staff positions, clearly establishing for Council and the public the need for and potential cost savings of each new position. Mayor Gere agreed. Mr. McDougall summarized the fiber network startup model, reminding that only if the subscription rate for the first 1000 buildings supported a viable business at the end of the first year, able to pay both for staff and construction costs, would the city expand the project. He said that with a 35% minimum subscriber rate the network would pay off the construction costs in 15 years as well as ongoing operating expenses. He confirmed for Ms. Holahan that the city planned to borrow from general fund cash reserves for the first year then repay the general fund once the network was cash positive.

At 7:55 p.m. Mayor Gere called a five-minute recess. At approximately 8:03 p.m. the mayor called the meeting back to order.

Mr. Hoglund resumed review of the draft budget, displaying a slide responding to councilmember questions about consultant funding. Councilmembers proposed alternative options for the Emergency Manager position but no consensus was reached on an alternative to outsourcing the position in the near term. Mr. Hoglund and Mr. Measamer explained the professional services amounts budgeted for economic development, code updates, Critical Areas Ordinance update, Sub Area Plan and the Shoreline Master Plan update. Mr. Measamer alerted Council that following meetings with consultants the prior week, he proposed an additional \$75K to ensure completion of the CAO update in 2019. Councilmembers agreed with that request. Mr. Measamer outlined the economic development projects slated for 2019/2020. He said that the proposed budget did not include a renewal of the city's \$20,500 annual contract with EDASC. Mr. Measamer advised that EDASC would be addressing Council on December 17 and that a portion of the professional services budget for economic

development could be directed to EDASC during the upcoming biennium if that was determined to be the best use of the funds. Ms. Lovelett reiterated her request for a Discover Anacortes app.

Mr. Hoglund addressed two other specific line items councilmembers had asked about at prior meetings, the new roof at the Senior Activity Center and the code enforcement budget. Mr. Hoglund advised that switching to a metal roof would add \$60K to the roof cost. Councilmembers supported making that change.

Mr. Hoglund next addressed the Police Department budget. He advised that in response to councilmember requests, the budget had been updated to add one additional police officer in 2020. Councilmembers concurred. Police Chief John Small reported that the national standard level of service is 1.5 officers per 1000 residents, which was the current nominal staffing level, but that due to long hiring and training times and illness and vacation coverage the department almost never had all 26 officers available. He concurred with councilmember assessments that increasing mental health and drug problems in communities were increasing the workload for the officers. Mr. Walters asked Chief Small to address Council outside the budget process regarding mental health needs in the community. Mr. Walters asked that the Comprehensive Plan be updated to specify a level of service of 1.6 officers per 1000 residents, to match the budget. He suggested budgeting for the 27th officer beginning in 2019 rather than 2020. Ms. Lovelett and Mr. Young agreed. Mayor Gere indicated that public safety was one of the highest priorities and said staff would find funding for the position.

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

Mr. Hoglund revisited the topic of the EDASC contract with a separate slide summarizing the city's current contract with EDASC. Councilmembers agreed with Mayor Gere that they did not support budgeting to renew the contract until after Mr. Sternlicht's presentation to Council scheduled for December 17. Mr. Walters asked if any other cities were opting out of EDASC, asked why Skagit County had cancelled its subsidy to cities for EDASC dues, and said he wanted the quarterly reports required by the EDASC contract.

Mr. Hoglund concluded with slides summarizing expenditures on outside counsel in 2018, alerting Council that solid waste rates may be updated during the biennium and would be addressed through a budget amendment if necessary, and listing potential sources of revenue to fund the added expenditures: cash reserves, utility tax increases and assessments on municipal water customers, or reductions in other budget line items.

Contract Award: Skagit River 42" Water Line Project - Phase 1 Preliminary Engineering 18-070-WTR-002

Water System Manager Jeff Marrs requested City Council consent to award contract 18-070-WTR-002 in the amount of \$204,902.00 to HDR Engineering, Inc. to perform the Skagit River 42" Water Line Project – Phase 1 Preliminary Engineering. Mr. Marrs's slide presentation was added to the packet materials for the meeting.

He explained the purpose of adding the second intake line to the water plant, then listed the scope objectives for phase 1 of the project. He summarized the schedule for the project and its phases that would be addressed in different contracts. He responded to councilmember questions about the alignment and material selection for the second intake pipe, noting that the subject contract would evaluate both those topics. Ms. Lovelett moved, seconded by Mr. Adams, to approve the contract award for the Skagit River 42" Water Line Project – Phase 1 Preliminary Engineering. Vote: Ayes – Walters, Adams, Lovelett, McDougall, Johnson and Young. Motion carried.

Ordinance 3031: Updating AMC Titles 16, 17 and 19 for Low Impact Development

City Attorney Darcy Swetnam presented draft Ordinance 3031, an interim zoning ordinance for the purpose of updating certain sections of AMC Titles 16, 17 and 19 to further establish low impact development while the City development regulations were being completed in compliance with the requirements of the City's NPDES

Phase II MS4 permit under the Clean Water Act. Ms. Swetnam reminded that RCW 36.70A.390 allows the City to adopt interim zoning controls effective for up to six months, provided a public hearing is held within sixty days of adoption. She said staff would schedule a public hearing on the ordinance no later than January 18, 2019. Mr. Walters and Ms. Swetnam observed that AMC Title 19 already established that LID controls in the case of any conflict with existing city code, and has done so since the adoption of Ordinance 2991 in 2016. Ms. Swetnam briefly summarized the topics addressed by the interim ordinance. Mr. Walters moved, seconded by Mr. Young, to approve Ordinance 3031 as presented. Vote: Ayes – Adams, Lovelett, McDougall, Johnson, Young and Walters. Motion carried.

2019-2024 Capital Facilities Plan

Mr. Hoglund advised that Berk and Associates would present the results of its fire impact fee study to Council on December 10, following which staff would invite Council to discuss the interaction between the impact fee structure and the 2019-2024 CFP as currently drafted. He added that the CFP was currently scheduled to come to Council for final adoption on December 17.

Mr. Hoglund confirmed with councilmembers the list of changes Council wished to see in the final 2019/2020 biennial budget that would be presented for approval by ordinance on December 3, 2018:

- Street Maintenance Fund 104: Overlay professional service budget increases from \$1.7M to \$1.8M using REET
- Street Funds 104/105: Only one of the two requested engineering positions will be funded
- Planning Department: professional services increases to \$152K
- Police Department: add one patrol officer in 2019, retain that added position in 2020
- Fleet Services: add one mechanic position in 2019, retain that added position in 2020, to be funded at least partially with cost savings in other line items
- Sanitation: budget for but do not yet approve hiring the additional driver position until solid waste rates are finalized for the biennium
- Planning Department: no additional funding will be allocated to contract with EDASC but staff has discretion to use some portion of the economic development professional services budget for such a contract

There being no further business, at approximately 9:18 p.m. the Anacortes City Council meeting of November 19, 2018 was adjourned.

City Council Minutes – November 26, 2018

At 6:00 p.m. Mayor Laurie Gere called to order the regular Anacortes City Council meeting of November 26, 2018. Councilmembers Eric Johnson, Ryan Walters, Anthony Young, Brad Adams, Liz Lovelett, Bruce McDougall and Matt Miller were present. The assembly joined in the Pledge of Allegiance.

Announcements and Committee Reports

Mr. Young thanked staff for shopping locally where possible within the law.

Mr. Walters announced that the Planning Committee meeting normally scheduled for earlier in the evening had been cancelled.

Public Comment

Chris MacKenzie, 1302 7th Street, alerted Council that the texturing on the new painted sidewalk ramps became very slippery when wet. Ms. MacKenzie said the black, unpainted ramps were not slippery and she suggested removing the paint from the tops of the texture dots. Ms. MacKenzie also thanked the Parks Department for taking such good care of Causland Memorial Park. She said the park felt much safer after the vegetation had been trimmed.

Consent Agenda

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

- a. Approval of Claims in the amount of: \$946,135.23
- b. Contract Award: Library Generator Electrical 18-096-FAC-002
- c. Contract Award: Library Boilers Replacement 18-173-FAC-001
- d. Interlocal Agreement C20170106 Amendment 1 with Skagit County

The following vouchers/checks were approved for payment:

EFT numbers: 91334 through 91373, total \$708,178.46

Check numbers: 91374 through 91420, total \$234,140.73

Wire transfer numbers: 240938 through 241130, total \$3,791.04

OTHER BUSINESS

Sewer Rate Discussion - FCS Group

Finance Director Steve Hoglund introduced the discussion by recalling that the 2015 wastewater comprehensive plan had predicted projected revenue and expenditure streams intersecting and that a wastewater rate increase would be needed. He advised that staff subsequently contracted with FCS Group to analyze the utility's revenue requirements and recommend rate structures. Mr. Hoglund introduced Gordon Wilson, Tage Aaker and Amanda Levine from FCS Group.

Gordon Wilson, Senior Project Manager, introduced his firm's analysis, referring to the detailed slide presentation included in the packet materials for the meeting. Mr. Wilson said that the first phase of the study addressed the capital spending plan and the revenue needed to complete that work. He said early in 2019 FCS would perform a second phase of their work to recommend means of equitably apportioning the rates between customer classes.

Tage Aaker, Project Manager, then proceeded with the presentation. He reviewed the tools used to forecast revenue requirements to meet the operating costs and capital project costs for the utility, then explained the assumptions behind the forecast including tax rates, overall economic conditions, the city's fiscal policies, and fund balance in the sewer fund. Mr. Johnson noted that the Utility Rate Stabilization Fund established as part of the city's fund balance policy could help smooth out a rate increase over time.

Mr. Aaker displayed the capital expenditure plan for the sewer utility as presented in the Capital Facilities Plan. He demonstrated that fund balance and projected General Facilities Charges would not be sufficient to meet the capital needs of the utility through 2024. Ms. Lovelett confirmed with Mr. Hoglund that the proposed 2019/2020 biennial budget included the sewer capital projects listed in the CFP for 2019 and 2020 and budgeted spending cash reserves and GFCs to fund that work, with no change in the rate structure. Mr. Hoglund noted that the budget document forecast higher GFC revenue than that assumed by the FCS study. Mr. Aaker displayed the annual GFC revenue for 2008 through 2018 and projected through 2024, noting that GFC revenue is responsive to national economic cycles and that the FCS analysis projected GFC's conservatively to avoid the possibility of a second round of upward rate adjustments during the six year period. Mr. Wilson added that FCS would be conducting further analysis of both water and sewer GFC rates in 2019 and that the sewer GFC rate could possibly decrease. Mr. McDougall inquired how the past several years of sewer capital expenditures had been funded if rate revenue was only covering the utility's operating costs. Mr. Hoglund explained that the utility had accumulated some cash reserves over the 20 years that the wastewater treatment plant bond was being paid down but that significant capital spending had been deferred during those years to build up that reserve. Ms. Lovelett asked if the potential Combined Sewer Overflow project was reflected in the CIP. Public Works Director Fred Buckenmeyer said the CSO project was not explicitly listed in the CIP but would likely be funded using the I&I Reduction line item as the CSO project served the same purpose as replacing existing pipe to reduce stormwater infiltration: reduction of peak event demand on the wastewater treatment plant. Mr. Walters confirmed with Mr. Buckenmeyer that there were no additional known sewer capital projects on the horizon other than those addressed in the CIP.

Mr. Aaker then addressed the projected revenue needs to fund the \$17.3M of planned capital expenditures through 2024. He explained the proposed capital funding strategy based on approximately \$4.1M of fund balance, \$4.4M of GFC revenue, \$7.6M of rate revenue and \$1.25M of debt towards the end of the 6-year planning period. Mr. Aaker discussed the rate scenario included in the strategy, involving increasing sewer rates by 7% per year across the board for six years (with no additional CPI increase during that time) to put the utility on a healthy footing for capital expenditures after than time with only CPI increases to the annual rates. Mr. Wilson added that an alternative scenario of 8% annual rate increases through 2024 would allow the utility to avoid debt altogether. However, FCS advised it would be prudent to re-evaluate the model and the rates every two years and adjust them if necessary in response to economic conditions, actual GFC revenue, relative interest rates and other factors. Several councilmembers expressed concern about unknown capital projects, including potential plant expansion, beyond 2024. Councilmembers requested that Mr. Buckenmeyer provide a categorization of the capital projects, including which are annual ongoing M&R and which are repeated on longer, even significantly longer, cycles.

Mr. Aaker displayed a slide demonstrating the impact of an annual 7% rate increase on a typical single family residential customer, projecting an additional \$3-\$5 monthly cost each year. He reminded that FCS would be continuing its study in 2019 to analyze alternative rate structures for customer classes, not necessarily flat increases across all customer classes. Mr. Walters urged a simpler rate structure, one easier for the public to understand, as the current winter averaging often confused customers. Mr. Aaker agreed, noting that some sort of winter averaging calculation was common among sewer utilities but that a variety of means were possible. He displayed a slide comparing Anacortes current sewer rates and a 7% higher rate to 2018 rates in effect at neighboring jurisdictions. Mr. Aaker concluded that Anacortes rates would not be out of line with other utilities in the region. Mr. Miller noted that Oak Harbor's significantly higher rates were related to the new treatment plant it had just constructed.

Mr. Aaker finally presented a slide comparing three rate increase scenarios ranging from 6% to 8% annually for 2019-2024. He explained the effect of rates on debt load, fund balance and customer bills. He concluded by summarizing the revenue requirements to fund planned sewer capital expenditures, the recommended next steps for rate adoption including a 7% increase effective January 1, 2019, and the next phase of the study to establish rate equity, rate design and appropriate GFCs. Mr. Hoglund reiterated that the proposed 2019/2020 biennial budget did not assume a sewer rate increase so Council was not required to adopt a rate scenario before the end of the year. Mr. Miller noted that the budgeted funding strategy would spend down cash reserves in the sewer utility. He recommended against further deferring needed maintenance. Mr. Adams observed that the GFC revenue projected by FCS was very conservative. Mr. Aaker acknowledged that, but noted that even at its highest (2016) annual GFC revenue would be insufficient to fund the entire capital program so some sort of rate adjustment would be necessary. Mr. Adams suggested not adopting a specific rate increase until staff was able to provide a better estimate of the cost of the CSO project. Mr. McDougall suggested that perhaps if GFC revenue exceeded FCS projections a 7% rate increase could be invoke for fewer than six years to achieve the same financial stability for the utility. Mr. Wilson advised that his recommendation of a 7% rate increase was partly predicated on the knowledge that the GFC revenue could likely come in higher than projected for at least some portion of the next six years. Mr. Johnson observed that the growth rate assumed by FCS's projected GFC revenue did not match Comprehensive Plan growth projections. Mr. Aaker agreed, explaining that comprehensive planning errs on the side of assuming higher growth rates in order to ensure adequate capacity, whereas rate planning errs on the side of assuming lower growth rates in order to ensure adequate funding. Ms. Lovelett asked what the debt service cost would be for \$1.25M of borrowing. Mr. Hoglund estimated a few hundred thousand in debt service depending on the payback schedule. Ms. Lovelett urged considering debt as part of the equation to provide some relief for ratepayers who have faced a number of sizable increases in recent years. Mr. Miller suggested that borrowing makes sense for large, irregular CIP projects rather than routine M&R. Mr. Young suggested that current low interest rates might make borrowing a better option in the near term rather than four years out as suggested in the FCS recommendation. Mr. Walters reminded that the utility could possibly borrow from another enterprise fund for relatively small, short duration needs.

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

There being no further business, at approximately 7:18 p.m. the Anacortes City Council meeting of November 26, 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 December 3, 2018 City Council meeting:
[Download this file in OpenDocument spreadsheet format.](#)

Invoice Doc #	Transaction Date	Invoice #	Vendor Full Name	Description	Total Amount	Approval Queue
241421	7/9/2018	180709125046	STRYKER SALES CORPORATION	MAINTENACE CONTRACT - ALL STRYKER COTS,	\$ 4,862.96	medic
241219	10/1/2018	2782	SKAGIT COUNTY SHERIFF'S OFFICE	INMATE MEDICAL; PERIOD ENDING 12/25/2018	\$ 12,478.56	apd
241145	10/20/2018	64635	LOWE'S BUSINESS ACCOUNT/GEMB	MOSS B WARE X 5	\$ 52.99	dwtpt
241305	10/26/2018	1251107	SURETY PEST CONTROL	PEST CONTROL FOR WASHINGTON PARK	\$ 55.34	pwfac
241308	10/26/2018	1248499	SURETY PEST CONTROL	RODENT CONTROL @ CITY HALL	\$ 43.40	pwfac
241217	10/30/2018	245631	BAY CITY SUPPLY	FACILITY SUPPLIES	\$ 1,876.37	pwfac
241356	10/30/2018	WAANA109200	FASTENAL COMPANY	CHANNEL NUTS FOR PUMP STATION 11	\$ 32.85	dwwtpt
241209	10/31/2018	S3669248.001	BUILDERS' HARDWARE & SUPPLY	LOCK FOR USE ON GENERATOR	\$ 394.39	pwfac
241328	10/31/2018	143951	INFOSEND, INC.	UB STATEMENTS PROCESSING~	\$ 3,524.35	finance
240738	10/31/2018	3091708897	LEXISNEXIS	ON-LINE LEGAL SUBSCRIPTION OCT. 2018	\$ 324.42	legal
241354	10/31/2018	T688409	PLATT ELECTRIC SUPPLY INC	CONDUIT FOR PUMP STATION 11	\$ 28.43	dwwtpt
241172	11/5/2018	86961^	BLYTHE PLUMBING & HEATING, INC	DISHWASHER REPAIR @ ASAC	\$ 751.70	pwfac
241204	11/5/2018	86999^	BLYTHE PLUMBING & HEATING, INC	LEAK REPAIR @ PUBLIC SAFETY BUILDING	\$ 451.63	pwfac
241206	11/5/2018	86650^	BLYTHE PLUMBING & HEATING, INC	WWTP CHILLED WATER FAULT	\$ 1,031.95	pwfac
241303	11/6/2018	2455631A	BAY CITY SUPPLY	FACILITY SUPPLIES	\$ 97.55	pwfac
241208	11/6/2018	S3668843.001	BUILDERS' HARDWARE & SUPPLY	DOOR HANDLES FOR REMODEL	\$ 1,835.82	pwfac
241127	11/6/2018	ReimbCollins	COLLINS, BOB	YOUTH SOCCER REFEREE	\$ 143.20	pkrec
241312	11/6/2018	236565	DEPT OF LABOR & INDUSTRIES	ELEVATOR INSPECTION	\$ 500.00	pwfac
241316	11/6/2018	236564	DEPT OF LABOR & INDUSTRIES	ELEVATOR INSPECTION	\$ 500.00	pwfac
240460	11/6/2018	Nov 2018	KORTERUD, WAYNE D	INDIGENT SCREENING FEE	\$ 375.00	court
241228	11/7/2018	788808	BAYSHORE OFFICE PRODUCTS INC	SHIPPING/HANDLING FEES	\$ 11.48	parks
241396	11/7/2018	181332	T-SHIRTS BY DESIGN	2018 PRIDE IN SERVICE AWARDS	\$ 1,591.67	hr
241369	11/8/2018	31-C18087284:1	BOSSEL, BARBARA N	REFUND AMBULANCE OVERPAYMENT~	\$ 1,002.06	finance
241170	11/8/2018	228854884001	OFFICE DEPOT, INC.	OPERATING SUPPLIES - MUSEUM	\$ 41.86	finance
241171	11/8/2018	228870370001	OFFICE DEPOT, INC.	OPERATING SUPPLIES - PLANNING	\$ 14.85	finance
241310	11/8/2018	BMS52132	OVERHEAD DOOR CO	INSTLLATION OF NEW GARAGE DOOR OPENER NORTH SALLY PORT	\$ 2,776.52	pwfac
241373	11/8/2018	31-C18019418:1	WPS/TRICARE FOR LIFE, ATTN: REFUNDS	REFUND AMBULANCE OVERPAYMENT	\$ 14.00	finance
240975	11/10/2018	27881919	LOWE'S BUSINESS ACCOUNT/GEMB	REFRIDGERATOR, HAND TRUCK	\$ 1,231.68	dwtpt
240960	11/11/2018	16967991	LOWE'S BUSINESS ACCOUNT/GEMB	PIPING MATERIALS	\$ 76.64	dwtpt
241213	11/12/2018	10315	DAKOTA CREEK INDUSTRIES, INC	GENERATOR ITEMS LIBRARY	\$ 935.27	publib
241392	11/12/2018	18606.00-2	GRAY & OSBORNE INC	2MG RESERVOIRS INSPECTION AND ANALYSIS - 10/14/18-11/10/18	\$ 3,672.50	pw1

Invoice Doc #	Transaction Date	Invoice #	Vendor Full Name	Description	Total Amount	Approval Queue
241306	11/12/2018	52745	KROESENS UNIFORMS COMPANY	UNIFORM JACKET - DO	\$ 139.94	medic
241311	11/12/2018	52744	KROESENS UNIFORMS COMPANY	VOLUNTEER UNIFORM PANTS- KAHNS	\$ 520.47	medic
241222	11/13/2018	WAANA109603	FASTENAL COMPANY	LADDER	\$ 187.67	dwwtp
241394	11/13/2018	1200156156	HDR ENGINEERING, INC	BLUE HERON CIRCLE RESERVOIR PROJECT DESIGN - 9/30/18-10/27/18	\$ 1,318.64	pw1
240952	11/14/2018	61802	CODE PUBLISHING COMPANY	CODIFICATION SERVICES - WEB UPDATE 10/8/18	\$ 285.79	legal
240958	11/14/2018	999225181	LOWE'S BUSINESS ACCOUNT/GEMB	REFRIGERATOR, COMPRESSION HOSE	\$ 1,045.03	dwwtp
241309	11/14/2018	BMS82218	OVERHEAD DOOR CO	SERVICE CALL FOR CABLES	\$ 805.88	pwfac
241307	11/14/2018	05931328	WASHINGTON TRACTOR, INC	NEW EQUIPMENT- #13942 & #11973	\$ 921.69	dshop
241397	11/15/2018	789738	BAYSHORE OFFICE PRODUCTS INC	OFFICE SUPPLIES	\$ 32.75	finance
241398	11/15/2018	789786	BAYSHORE OFFICE PRODUCTS INC	OFFICE SUPPLIES - EXEC	\$ 16.82	finance
241207	11/15/2018	87047^	BLYTHE PLUMBING & HEATING, INC	NEW BOX FILTERS FOR AIR HANDLER @ LIBRARY	\$ 1,143.38	pwfac
241313	11/15/2018	WAANA109701	FASTENAL COMPANY	PIPE CLAMPS AND WEDGE ANCHORS	\$ 130.18	dwwtp
240937	11/15/2018	1212528	FOSTER PEPPER PLLC	GENERAL MATTER NO. 1	\$ 7,316.00	legal
241385	11/15/2018	121252 8	FOSTER PEPPER PLLC	CLEAN WATER ACT LAWSUIT ID# 40021.103	\$ 43,000.00	legal
240954	11/15/2018	71319582	LOWE'S BUSINESS ACCOUNT/GEMB	BRASS PLUG, MOLD REMOVER	\$ 8.34	dwwtp
240956	11/15/2018	27310536	LOWE'S BUSINESS ACCOUNT/GEMB	COMPRESSION ADAPTER	\$ 5.57	dwwtp
241292	11/16/2018	177940G-5	BIRCH EQUIPMENT CO., INC	CONTAINER-DEPOT	\$ 151.90	parks
241391	11/16/2018	2914-21811002	FCS GROUP	SEWER COST OF SERVICE AND RATE DESIGN STUDY	\$ 1,628.75	finance
241381	11/16/2018	2570273	GAYLORD BROTHERS INC	CURATORIAL SUPPLIES	\$ 495.47	museum
241291	11/16/2018	1135420	SKAGIT PUBLISHING LLC	PUBLISH AA-1837067	\$ 112.84	finance
240950	11/17/2018	49800433	LOWE'S BUSINESS ACCOUNT/GEMB	HEADLAMPS X 5	\$ 113.43	dwwtp
241375	11/19/2018	1836	ANACORTES PRINTING	PRINTING; LETTERHEAD	\$ 206.15	apd
241225	11/19/2018	1990985703	ARAMARK	LAUNDRY SERVICE FOR WWTP	\$ 72.00	dwwtp
241144	11/19/2018	260 037 3822 1	CASCADE NATURAL GAS CORP.	DEPOT 10/19-11/16/18	\$ 167.30	parks
241256	11/19/2018	538 000 0000 1	CASCADE NATURAL GAS CORP.	411 HILLCREST DR. - 10/19-11/16/18	\$ 25.05	parks
241284	11/19/2018	638 000 0000 0	CASCADE NATURAL GAS CORP.	411 HILLCREST DR #B 10/19-11/16/18	\$ 20.01	parks
241285	11/19/2018	917 600 0000 9	CASCADE NATURAL GAS CORP.	1915 13TH ST. - 10/19-11/16/18	\$ 30.63	parks
241286	11/19/2018	989 800 0000 8	CASCADE NATURAL GAS CORP.	WWTP 10/19-11/16/18	\$ 14.42	dwwtp
241299	11/19/2018	22171	ISLAND OPTOMETRY CLINIC, INC.	PRESCRIPTION SCBA LENSES - HV	\$ 200.00	medic
241402	11/19/2018	001-419083	PISTON SERVICE OF ANACORTES	PART- VEH #513	\$ 1.54	dshop
241315	11/19/2018	Z374393	PLATT ELECTRIC SUPPLY INC	BULBS	\$ 14.84	dwwtp
241382	11/19/2018	98788	SUMMIT LAW GROUP, PLLC	TEAMSTER JANUS MOU REVIEW	\$ 260.00	hr
241376	11/20/2018	1841	ANACORTES PRINTING	PRINTING; LEAVE SLIPS	\$ 206.15	apd
241169	11/20/2018	5012337112	CINTAS CORPORATION	FIRST AID SUPPLIES - VARIOUS DEPTS	\$ 524.40	finance
241216	11/20/2018	316357	DOORMAN COMMERCIAL, LLC	REPLACE DOOR CLOSER @ CITY HALL	\$ 431.83	pwfac

Invoice Doc #	Transaction Date	Invoice #	Vendor Full Name	Description	Total Amount	Approval Queue
241387	11/20/2018	316355	DOORMAN COMMERCIAL, LLC	CITY HALL RESTROOM AUTOMATIC DOOR OPERATORS	\$ 18,330.21	pwfac
241405	11/20/2018	80089	GRANITE PRECAST INC.	4 X 30 RING AND COVER BLANK	\$ 584.44	wdist
241295	11/20/2018	18-1686	IMS ALLIANCE	PASSPORT NAMETAGS	\$ 136.82	medic
241293	11/20/2018	MV202010	MOTOR TRUCKS, INC	CABLE PARKING BRAKE FOR #213	\$ 107.66	dshop
241379	11/20/2018	1255296	SURETY PEST CONTROL	PEST CONTROL FOR WASINGTON PARK	\$ 55.34	pwfac
241380	11/21/2018	93817	A-1 MOBILE LOCK AND KEY, INC.	RE-KEY LOCK FOR FIRE STATION	\$ 97.65	pwfac
241210	11/21/2018	1990989952	ARAMARK	MAT SERVICE 29-3: 11/21	\$ 21.70	medic
241287	11/21/2018	001-419302	PISTON SERVICE OF ANACORTES	FILTER FOR #135	\$ 5.60	dshop
241403	11/21/2018	001-419294	PISTON SERVICE OF ANACORTES	PARTS- #90002	\$ 35.71	dshop
241302	11/21/2018	1135994	SKAGIT PUBLISHING LLC	PUBLISH AA-1837289	\$ 97.44	finance
241404	11/21/2018	300097	SMILEY'S INC	ANGLE IRON AND REBAR	\$ 188.79	dshop
241205	11/21/2018	8136 50 291 0005268	WAVE	FIBER LEASE WTP TO CITY HALL 12/1-12/31/18	\$ 320.12	finance
241168	11/22/2018	1990992038	ARAMARK	APD NYLON MATS CLEANED	\$ 16.28	apd
241211	11/22/2018	1990992034	ARAMARK	STA 2 MAT SERVICE: 11/22	\$ 21.70	medic
241212	11/22/2018	1990992035	ARAMARK	MAT SERVICE 29-1	\$ 21.70	medic
241327	11/22/2018	1990992045	ARAMARK	OPS: MAT CLEANING 11/22/18	\$ 70.13	dshop
241329	11/22/2018	1990992044	ARAMARK	OPS & PARKS LAUNDRY SVC FOR	\$ 70.96	finance
241203	11/22/2018	8126039354	SHRED-IT USA, LLC	CONTAINER SHREDDING - CITY HALL	\$ 38.83	hr
241220	11/22/2018	8126036310	SHRED-IT USA, LLC	OLD RECORDS DESTROYED - APD	\$ 52.32	apd
241223	11/23/2018	3736756	CARDINAL HEALTH 110, INC.	PHARMACEUTICALS	\$ 185.44	medic
241221	11/24/2018	0000WW5A83478	UNITED PARCEL SERVICE, INC	UPS SHIPPING CHARGES; WEEK END 11-24-18	\$ 30.99	apd
241372	11/25/2018	31:C17121085:1	GEHA	REFUND AMBULANCE OVERPAYMENT~	\$ 89.35	finance
241301	11/26/2018	5003403	ANACORTES AMERICAN	EXEC ANACORTES AMERICAN 12/12/18-12/11/19	\$ 50.00	admin
241374	11/26/2018	2935	ANACORTES TOWING, LLC	TOWING; APD CASE 18-A09040	\$ 162.75	apd
241318	11/26/2018	1990995855	ARAMARK	LAUNDRY SERVICE FOR WWTP	\$ 72.00	dwwtp
241296	11/26/2018	6479	DEPARTMENT OF ECOLOGY	WW OPERATOR CERTIFICATION - GATTO	\$ 30.00	dwwtp
241297	11/26/2018	7952	DEPARTMENT OF ECOLOGY	WW OPERATOR CERTIFICATION - VEAL	\$ 30.00	dwwtp
241298	11/26/2018	5140	DEPARTMENT OF ECOLOGY	WW OPERATOR CERTIFICATION - ZURCHER	\$ 30.00	dwwtp
241224	11/26/2018	253085	DOG WASTE DEPOT	DOG WASTE BAG DISPENSERS	\$ 119.98	parks
241218	11/26/2018	11/26/2018	FIDALGO CLEANING	APD CLEANING & SUPPLIES	\$ 700.00	apd
241294	11/26/2018	508285	FRONTIER BUILDING SUPPLY	RAM CARDBOARD FOR FLOORS AT OPS REMODEL PH 2	\$ 129.59	dshop
241401	11/26/2018	72254915	INTERSTATE BATTERIES	BATTERIES- #026 & #158	\$ 479.41	dshop
241290	11/26/2018	001-419427	PISTON SERVICE OF ANACORTES	AUTO CHARGING RELAY FOR TRUCK #182	\$ 110.15	dshop
241283	11/26/2018	300000300008	PUGET SOUND ENERGY INC	ENERGY BILLING FOR WWTP AND PUMP STATIONS	\$ 16,145.34	dwwtp
241330	11/26/2018	1182049	SIGNATURE FORMS, INC	TAX FORMS	\$ 195.22	finance

Invoice Doc #	Transaction Date	Invoice #	Vendor Full Name	Description	Total Amount	Approval Queue
241229	11/26/2018	000099E018468	UNITED PARCEL SERVICE, INC	OUTSIDE LAB SHIPMENT	\$ 14.76	dwwtp
241377	11/27/2018	November 27, 2018	ANACORTES CHAMBER OF COMMERCE	LTAC CHAMBER VIC REIMBURSEMENT 4TH Q	\$ 15,150.00	plan
241378	11/27/2018	3rd Q Nov 27, 2018	ANACORTES CHAMBER OF COMMERCE	LTAC 3RD QUARTER VIC REIMBURSEMENT	\$ 15,150.00	plan
241370	11/27/2018	7198	DEPARTMENT OF ECOLOGY	WASTEWATER OPERATOR CERTIFICATION RENEWAL	\$ 30.00	dwwtp
241386	11/27/2018	LTAC Shipwreck Day	FIDALGO ISLAND ROTARY	LTAC SHIPWRECK DAY REIMBURSEMENT	\$ 1,086.00	plan
241371	11/27/2018	31-C17122266:1	NATIONAL ASSOCIATION OF LETTER	REFUND AMBULANCE OVERPAYMENT	\$ 162.02	finance
241422	11/27/2018	58-52 NOV18	SKAGIT COUNTY INVESTIGATIONS	PUB DEF INV	\$ 302.50	court
240051	11/30/2018	November	SKAGIT LAW GROUP PLLC	PROSECUTION SERVICES CONTRACT NOVEMBER 2018	\$ 6,000.00	legal
241215	12/1/2018	20181201	CHOWANEC, WILLIAM	STA 3 RENT FOR DECEMBER	\$ 2,160.00	medic
241399	12/3/2018	December	SKAGIT LAW GROUP PLLC	PROSECUTING ATTORNEY SERVICES DEC. 2018	\$ 6,000.00	legal
241368	12/31/2018	December 2018	KORTERUD, WAYNE D	INDIGENT SCREENING	\$ 375.00	court

Total **\$187,548.20**



City Council Contract Agenda Bill

Meeting Date: 12/3/2018 **Agenda Item:** 5c

Subject: Contract Award - Retrofit Commercial Avenue Lighting
#18-063-IDS-003 and 18-063-IDS-004

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 two purchased services contracts for a total amount of \$86,593.25 to Puget Sound Energy to replace the existing HPS (high-pressure sodium) street lighting along Commercial Avenue from 12th to 2nd. The first contract is to change out 47 K-118 light fixtures with LED retrofit kits. The second contract is to replace 6 Early American post tops with LED Salem post top fixtures. Puget Sound Energy owns these light poles and fixtures; they would do the retrofit install themselves.

Contract #18-063-IDS-003

47 LED retrofit kits for the K118 streetlight fixture	\$81,276.09
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Contract #18-063-IDS-004

6 LED Salem Post Top Fixtures	\$5,317.16
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There are 53 fixtures to change out at a cost of \$86,593.25. Current electrical cost to us for these streetlights from PSE is \$894.13 per month. Once they have been all changed out to LED the cost would be \$434.22 per month. We would be saving 459.91 a month, \$5,518.92 a year. Payback is 15.7 years.

Background:

1. **History:** Our goal has been to change out all HPS street lighting in the city to LED. In 2015, we changed out all of our cobra head street lighting (over 1000) to LED. Should we receive your consent to change these lights out today that would leave us with about 20 HPS shoebox street lighting to change to complete our goal. We budgeted to do the shoebox lights this year as well but because of the increase in price, we are only proposing to do the lights on Commercial.
2. **Key Terms:**
 - Combined total contract price of \$86,593.25.

Previous Council/Committee Action: N/A

Competing Viewpoints Considered: N/A

Recommended Motion: I move that City Council authorize the Mayor to sign contracts 18-063-IDS-003 and 18-063-IDS-004 with Puget Sound Energy for a total amount of \$86,593.25 to retrofit Commercial Avenue lighting.

Alternative Actions: Cancel the project and leave the street lighting as it is with a higher monthly electrical cost.

Attachments: 18-063-IDS-003, 18-063-IDS-004



Contractor	Puget Sound Energy
Contract Amount	\$86,593.25
Earmarked Funds	\$64,000.00
BARS #	001.714.554.90.31
Budget Amendment Required?	No

EXHIBIT A**Form of Custom Street Lighting Order**

PROJECT NAME: Anacortes Commerical Ave Retro Kit Change out Phase 2 Order #:
 101115372 108109267
 LOCATION: Commerical Ave, Anacortes, Wa

CUSTOM STREET LIGHTING ORDER – SCHEDULE 52

This Custom Street Lighting Order (this “Order”), dated November 19, 2018, is made and entered into by and between PUGET SOUND ENERGY, INC. (“PSE”) and City of Anacortes (“Customer”) (each a “Party,” and collectively the “Parties”) under and pursuant to the terms of that certain Master Lighting Services Agreement No. 018, dated April 4, 2018, between the Parties (the “Agreement”). This Order covers certain Lighting and Construction Services authorized by this Order and is, along with the associated Schedule, incorporated into and made a part of the Agreement. Unless specifically defined otherwise herein, terms used in this Order with initial letters capitalized have the meanings given them in the Agreement. The Parties agree as follows:

ASSOCIATED SCHEDULE:

This Order is also entered into between the Parties in accordance with PSE’s Schedule 52, Electric Tariff G, and any future modifications of or changes to such Schedule as may be approved by the WUTC.

LIGHTING SERVICES DESCRIPTION:

The installation charge of the listed lighting units was estimated to be \$81,276.09. Value of the system used to determine the monthly facilities charge is the estimated cost less applicable taxes.

VOS = The construction charge of this installation was estimated to be \$81,276.09. Value of the system used to determine the monthly facilities charge is \$272,947.11 The 3 test lights are included in this VOS

Full payment of installation charge, is paid by the customer.

Monthly facilities charge is equal to $0.07\% \times \text{value of the system}$.

$$0.0007 \times \$272,947.11 = \$191.06$$

The basis of the monthly energy charge under Rate Schedule 51 is as follows:

$$47-100\text{W LED unit} \times \$3.44 = \$161.68$$

Monthly facilities charge	\$191.06
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Monthly energy charge	\$161.68
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Total monthly charge:	\$352.74
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Description:

Install 47) 100W LED Special Order retrofit kits for K118 post tops.

CONSTRUCTION SERVICES DESCRIPTION:

Install 47) 100W LED Special Order retrofit kits for K118 post tops.

BILLING:

Billing under this Order will be in accordance with the terms and conditions contained in the terms & conditions of Schedule 52, Electric Tariff G, and the Agreement, and any future modifications of or changes to such Schedule as may be approved by the WUTC.

The basis of the monthly energy charge for the Lighting Services as currently constituted under Rate Schedule 52 is as follows:

\$3.44 respectively

For Construction Services and Costs, these costs will be billed as follows:

Upon completion of the Construction Services, PSE shall provide the Customer with an invoice for the Construction Costs incurred by PSE. Customer shall remit payment to PSE for the Construction Costs within thirty (30) days of receiving the invoice.

SERVICE TERM/REMOVAL AND SALVAGE COSTS:

Service under this Order is effective for a minimum of fifteen (15) years from the date of this Order (the "Base Term") unless earlier terminated as provided for in the Agreement. If this Order is terminated for any reason during the Base Term, the Customer shall be responsible for all costs of removal of any Facilities associated with the Services, as well as any costs associated with PSE's efforts to salvage the removed Facilities, as set forth in the applicable Schedule. After the expiration of the Base Term, this Order shall continue on a year-to-year basis until terminated by either Party upon at least one (1) year's notice in writing (each, an "Extended Term" and, together with the Base Term, the "Term") unless earlier terminated as provided for elsewhere in this Agreement. The Term may be adjusted by PSE in writing for existing systems purchased by PSE, based on the estimated remaining life and purchase price. If this Order is terminated during any Extended Term, the Customer shall not be responsible for the costs of removal of any Facilities associated with the Services, or any costs associated with PSE's efforts to salvage the removed Facilities.

ADDITIONAL TERMS:

1. To transfer the energy and maintenance monthly billing, the new billing party must contact PSE in writing.
2. Non-standard facilities are not kept in PSE inventory for the purpose of maintenance; therefore replacement of non-standard components may not be within the same time as replacement of standard components.

If non-standard components are included in this Order, enter "X" here XX.

3. The monthly billing party for the energy and maintenance will be: City of Anacortes

This Order, executed by Customer's duly authorized representative as of the date first written above, is for the Lighting Services described above delivered under PSE's Schedule 52.

Customer:

By: _____

Date: _____

Print Name

Title: _____

Company: Puget Sound Energy, Inc.

By: _____

Date: _____

Title: _____

Account Manager _____

EXHIBIT A**Form of Street Lighting Order**

PROJECT NAME: Anacortes Commerical Ave LED CO Phase 2 Order #: 101115372
108109267

LOCATION: Commerical Ave, Downtown Anacortes

STREET LIGHTING ORDER – SCHEDULE 53

This Street Lighting Order (this “Order”), dated November 7, 2018, is made and entered into by and between PUGET SOUND ENERGY, INC. (“PSE”) and City of Anacortes (“Customer”) (each a “Party,” and collectively the “Parties”) under and pursuant to the terms of that certain Master Lighting Services Agreement No. 18, dated April 4, 2018, between the Parties (the “Agreement”). This Order covers certain Lighting and Construction Services authorized by this Order and is, along with the associated Schedule, incorporated into and made a part of the Agreement. Unless specifically defined otherwise herein, terms used in this Order with initial letters capitalized have the meanings given them in the Agreement. The Parties agree as follows:

ASSOCIATED SCHEDULE:

This Order is also entered into between the Parties in accordance with PSE’s Schedule 53, Electric Tariff G, and any future modifications of or changes to such Schedule as may be approved by the WUTC.

LIGHTING SERVICES DESCRIPTION:

The installation charge of the listed lighting units was estimated to be \$5,317.16.

Description:

Install 6- 49W LED GE Salem post top black to replace existing Early American post tops.

CONSTRUCTION SERVICES DESCRIPTION:

Install 6- 49W LED GE Salem post top black to replace existing Early American post tops.

BILLING:

Billing under this Order will be in accordance with the terms and conditions contained in the terms & conditions of Schedule 53, Electric Tariff G, and the Agreement, and any future modifications of or changes to such Schedule as may be approved by the WUTC.

The basis of the monthly energy charge for the Lighting Services as currently constituted under Rate Schedule 53 is as follows:

\$10.65 respectively

For Construction Services and Costs, these costs will be billed as follows:

Upon completion of the Construction Services, PSE shall provide the Customer with an invoice for the Construction Costs incurred by PSE. Customer shall remit payment to PSE for the Construction Costs within thirty (30) days of receiving the invoice.

SERVICE TERM/REMOVAL AND SALVAGE COSTS:

Service under this Order is effective for a minimum of twenty-five (25) years from the date of this Order (the "Base Term") unless earlier terminated as provided for in the Agreement. If this Order is terminated for any reason during the Base Term, the costs of removal or salvage of any Facilities associated with the Services will be allocated as set forth in Schedule 53. After the expiration of the Base Term, this Order shall continue on a year-to-year basis until terminated by either Party upon at least one (1) year's notice in writing (each, an "Extended Term") unless earlier terminated as provided for elsewhere in this Agreement. If this Order is terminated during any Extended Term, the Customer shall not be responsible for the costs of removal of any Facilities associated with the Services, or any costs associated with PSE's efforts to salvage the removed Facilities.

ADDITIONAL TERMS:

1. To transfer the energy and maintenance monthly billing, the new billing party must contact PSE in writing.
2. Non-standard facilities are not kept in PSE inventory for the purpose of maintenance; therefore replacement of non-standard components may not be within the same time as replacement of standard components.

If non-standard components are included in this Order, enter "X" here N/A.

3. The monthly billing party for the energy and maintenance will be: City of Anacortes

This Order, executed by Customer's duly authorized representative as of the date first written above, is for the Lighting Services described above delivered under PSE's Schedule 53.

Customer:

By: _____

Date: _____

Print Name

Title: _____

Company: Puget Sound Energy, Inc.

By: _____

Date: _____

Title: _____

Account Manager _____



City Council Agenda Bill

Meeting Date: 12/3/2018

Agenda Item: 6a

Subject: 2019 / 2020 Biennial Budget Ordinance adoption

Staff Contact: Steve Hoglund

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

Action Type	
x	Ordinance No. 3032
	Code Revision?
	Resolution No.
	Contract
	Public Hearing
	Staff Report

Summary Statement: Council comments and suggestions have been considered and the most recent requests incorporated into the current draft budget, which is now ready for adoption.

Background: The City's biennial budget has been in work since October 8th when the Mayor presented her budget message. Including that meeting there have been no fewer than four budget hearings. This is an aggressive and comprehensive budget that is ready for adoption by Council.

Budget Impact	
Amount Budgeted	2019: 64,966,034 2020: 69,963,031
Budget Account (BARS)	
Proposed Expenditure	
Budget Amendment Required?	
Revenue Source	

Proposed Contract	
Contractor	
Amount	
Start Date	
End Date	

Previous Council/Committee Action: CFP review [October 1, 2018](#); Public hearing on budgeted revenue sources [October 8, 2018](#); review of Public Works department budget [October 8, 2018](#); review of governmental department budgets [October 22, 2018](#), property tax [Resolution 2025](#) adopted November 19, 2018, continued review of budget [November 19, 2018](#)

Competing Viewpoints Considered: N/A

Recommended Motion: I move to adopt Ordinance number 3032 authorizing the 2019 / 2020 Biennial Budget.

Attachments (listed in order presented): PowerPoint outlining most recent budget changes and budget summary; budget Ordinance 3032

2019 / 2020 BIENNIAL BUDGET

Proposed changes and requests from November 19th budget hearing

- Police Department: add one patrol officer in 2019, retain that added position in 2020
- Fleet Services: add one mechanic position in 2019, retain that added position in 2020.
 - Cut \$40,000 annual generator load testing to partially fund
- Sanitation: retain budget for additional driver, but do not approve hiring position until solid waste rates are finalized for the biennium
- Planning Department: don't allocate additional funding for EDASC contract, but staff has the discretion to use economic development professional services for such a contract.

2019 / 2020 BIENNIAL BUDGET

Proposed changes and requests from November 19th budget hearing

- Street Maintenance Fund 104: Overlay professional service budget increases from \$1.7M to \$1.8M.
- Street Funds, 104 and 105: Only one of the two requested engineering positions will be funded. New position will support both overlays and new projects.
- Planning Department: professional services budget increases to \$152,000 to complete Critical Areas update and other code updates.

2019 / 2020 BIENNIAL BUDGET

Draft Budget Comparison pre and post November 19th

Fund/Department			2019 Request Pre 11/19/18	2020 Request Pre 11/19/18	2019 Request Post 11/19/18	2020 Request Post 11/19/18
001	General Fund		17,121,282	17,485,512	17,337,496	17,472,067
101	PARKS & RECREATION FUND		1,785,780	1,814,362	1,785,734	1,814,217
102	GRANDVIEW CEMETERY FUND		262,661	271,172	262,661	271,172
103	PUBLIC LIBRARY FUND		1,512,052	1,574,127	1,512,030	1,574,210
104	STREET MAINTENANCE FUND		2,880,238	2,916,174	2,952,088	2,969,439
105	ARTERIAL STREET CONSTRUCTION		572,136	1,723,434	530,860	1,678,105
106	ANACORTES TBD#1		1,136,431	1,164,845	1,136,431	1,164,845
107	WASHINGTON PARK FUND		311,048	318,718	311,048	318,718
108	PARKS CAPITAL IMPROVEMENT		2,870,000	5,525,000	2,870,000	5,525,000
110	AMBULANCE SERVICE FUND		3,752,628	3,846,645	3,745,631	3,835,580
112	DEVELOPMENT IMPACT FEE		160,000	1,100,000	160,000	1,100,000
113	ACFL MANAGEMENT FUND		36,279	36,949	36,279	36,949
135	TOURISM FUND		325,676	325,744	325,676	325,744
200	DEBT SERVICE		502,200	0	502,200	-
335	REET		1,120,863	1,032,805	1,180,863	1,032,805
401	WATER FUND		15,429,673	16,943,988	15,360,581	16,873,126
440	SEWER FUND		7,277,151	6,741,743	7,274,309	6,740,643
445	STORM DRAINAGE FUND		1,477,409	1,519,105	1,477,473	1,519,995
450	SANITATION FUND		3,642,161	3,664,656	3,657,518	3,680,913
501	EQUIPMENT RENTAL FUND		2,464,699	1,938,339	2,517,893	2,000,221
611	FIREMEN'S PENSION FUND		29,264	29,264	29,264	29,264
			64,669,631	69,972,583	64,966,034	69,963,013
		Change from prior year	3,736,438	5,302,952	4,032,841	4,996,980
		% Change from prior year	6.1%	8.2%	6.6%	7.7%

ORDINANCE NO. 3032

AN ORDINANCE ADOPTING THE BUDGET FOR ALL MUNICIPAL PURPOSES AND USES FOR THE 2019/2020 BIENNIUM

Section 1. The 2019/2020 Budget for the City of Anacortes, Washington as established by the City Council and made available for distribution to the general public through the office of the City Clerk-Treasurer, is hereby adopted by reference.

Section 2. The total estimated revenues and appropriations for each budgeted fund and the aggregate total for all such funds combined is itemized below. Estimated revenues and expenditures include overhead accruals to the General fund from the utility funds as authorized by state law. As the City of Anacortes utilizes the Mayor in a fulltime capacity overseeing all funds including the utility funds, such accruals provide for inclusion of the Mayor's office to recover associated costs. All revenues and expenditures for all budgeted funds are summarized and set forth as follows:

Fund		2019 Revenues/ Expenditures	2020 Revenues/ Expenditures
001	General Fund	17,337,496	17,472,067
101	PARKS & RECREATION FUND	1,785,734	1,814,217
102	GRANDVIEW CEMETERY FUND	262,661	271,172
103	PUBLIC LIBRARY FUND	1,512,030	1,574,210
104	STREET MAINTENANCE FUND	2,952,088	2,969,439
105	ARTERIAL STREET CONSTRUCTION	530,860	1,678,105
106	ANACORTES TBD#1	1,136,431	1,164,845
107	WASHINGTON PARK FUND	311,048	318,718
108	PARKS CAPITAL IMPROVEMENT	2,870,000	5,525,000
110	AMBULANCE SERVICE FUND	3,745,631	3,835,580
112	DEVELOPMENT IMPACT FEE	160,000	1,100,000
113	ACFL MANAGEMENT FUND	36,279	36,949
135	TOURISM FUND	325,676	325,744
200	DEBT SERVICE	502,200	-
335	REET	1,180,863	1,032,805
401	WATER FUND	15,360,581	16,873,126
440	SEWER FUND	7,274,309	6,740,643
445	STORM DRAINAGE FUND	1,477,473	1,519,995
450	SANITATION FUND	3,657,518	3,680,913
501	EQUIPMENT RENTAL FUND	2,517,893	2,000,221
611	FIREMEN'S PENSION FUND	29,264	29,264
	Total	64,966,034	69,963,013

Section 3. The City Clerk-Treasurer of the City of Anacortes is hereby authorized to transmit a complete copy of the final budget, as herein above adopted by reference, to the Division of Municipal Corporations in the Office of the State Auditor, to the Association of Washington Cities, and to the Municipal Research & Services Center of Washington.

Section 4. 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 3rd day of December, 2018

CITY OF ANACORTES, WASHINGTON

By: _____
Laurie Gere, Mayor

ATTEST

Steven D. Hoglund, City Clerk

APPROVED AS TO FORM

Darcy J. Swetnam, WSBA # 40530
City Attorney



City Council Agenda Bill

Meeting Date: 12/3/2018

Agenda Item: 7a

Subject: Waste Management's Extraordinary Recycling Increase Request

Staff Contact: Fred Buckenmeyer

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: Waste Management would like to increase residential recycling rates.

Background: Due to the new material bans and 0.5% contamination limits, recyclers have had to add operating expenses along with slower processing lines. This has increased the cost of recycling at the same time that commodity values are low. With new policies that have changed the recycling industry worldwide, Waste Management is requesting a price increase because of the uncontrollable recycling market changes.

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

Proposed Contract	
Contractor	
Amount	
Start Date	
End Date	

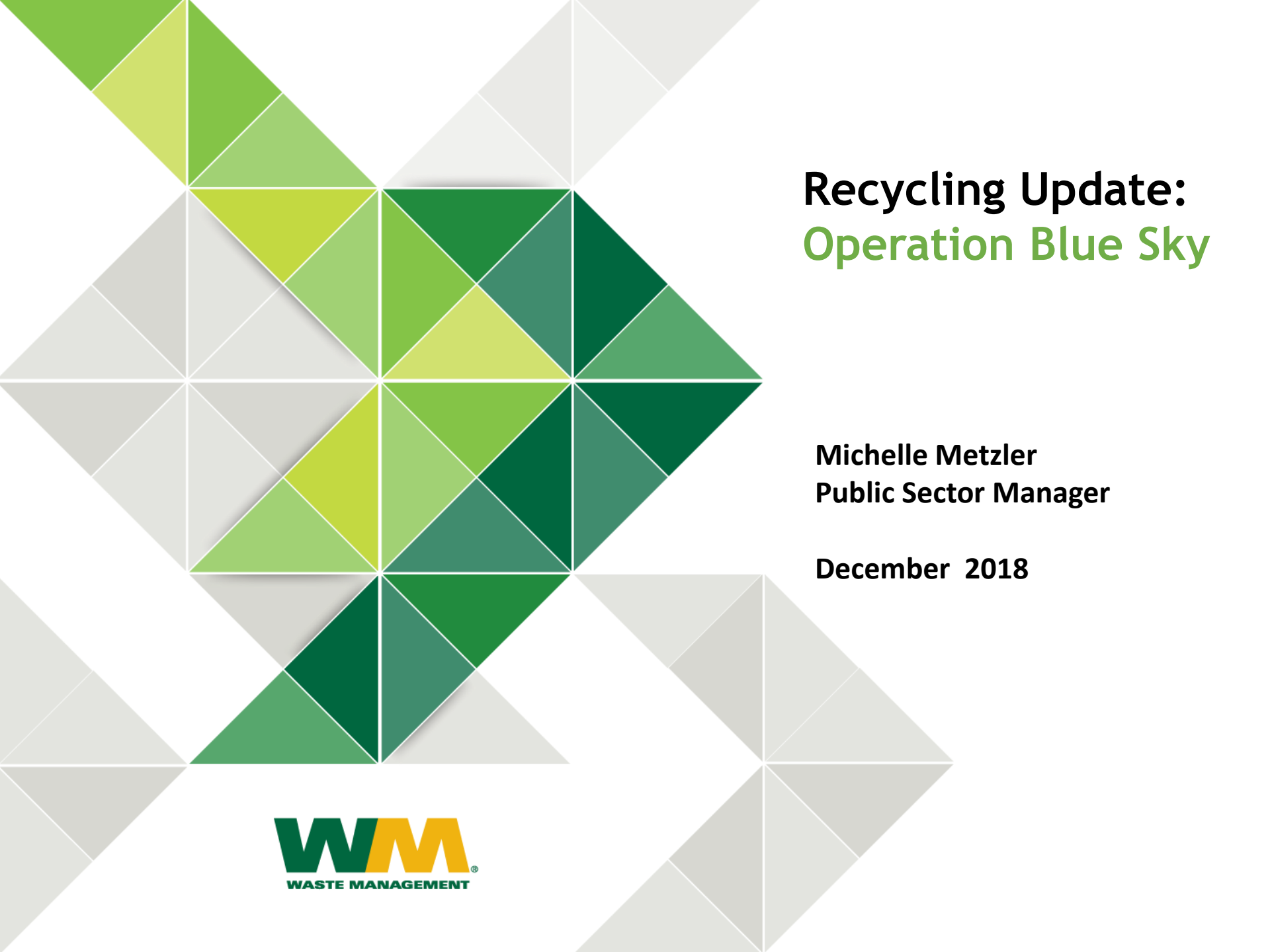
Previous Council/Committee Action: On [March 16, 2015](#) City Council approved the [Residential Recyclables and Residential Organics Collection 2015-2025 Contract](#). City Council approved an [amendment](#) to the contract on [April 25, 2016](#).

Competing Viewpoints Considered: N/A

Recommended Motion: I move to approve the new proposed increase to the current contract.

Alternative Actions: Deny the request

Attachments (listed in order presented): Recycling Rate Increase and New Recycling List, Anacortes Rate Sheet Recycling Relief, Extraordinary Increase Request



Recycling Update: Operation Blue Sky

Michelle Metzler
Public Sector Manager

December 2018



China's Operation Blue Sky

Resetting the Recycling Industry

Changing Economics

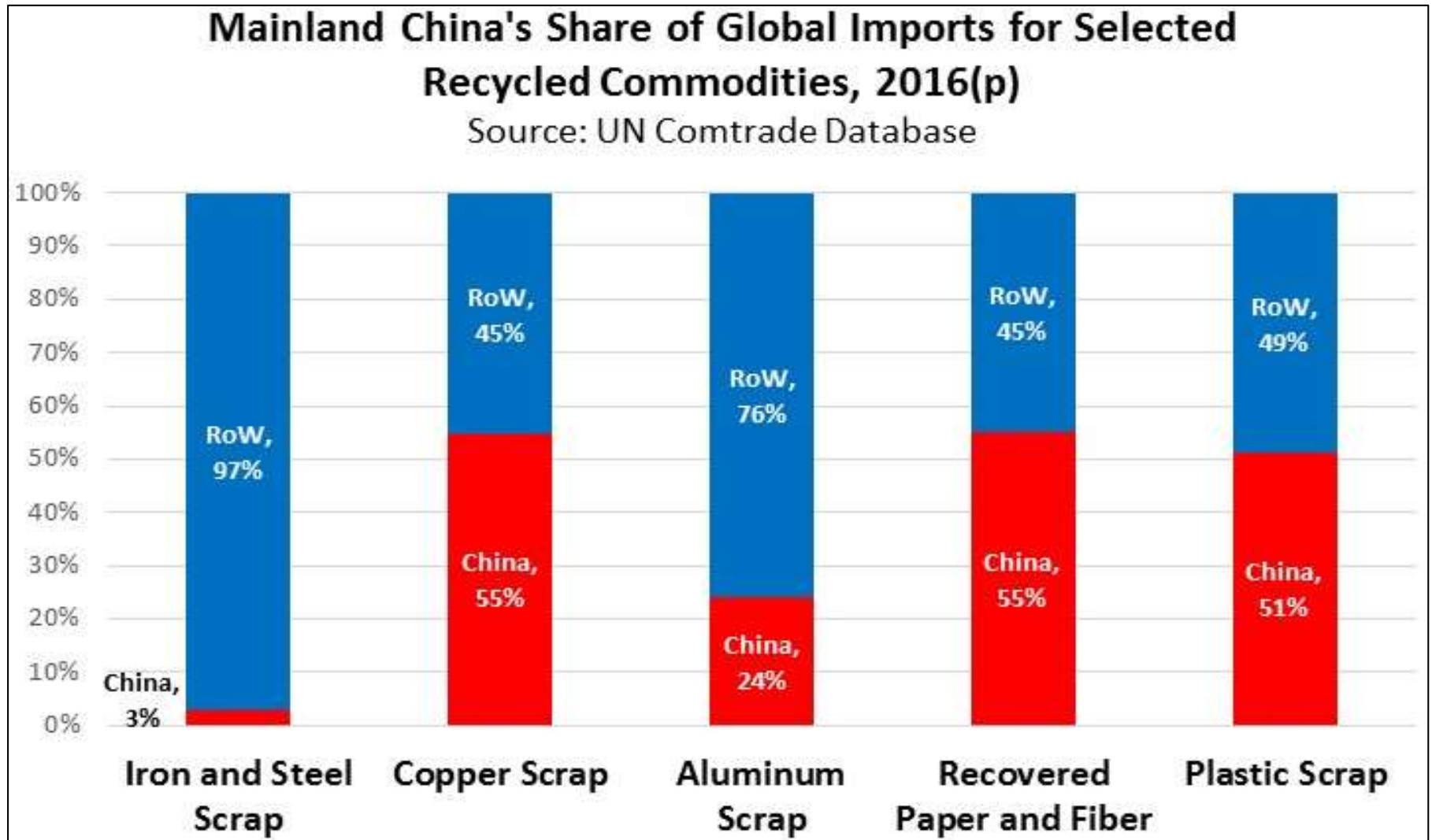
- Costs to prepare materials for market have increased
- Value of recyclables have decreased

Elevated Quality Standards

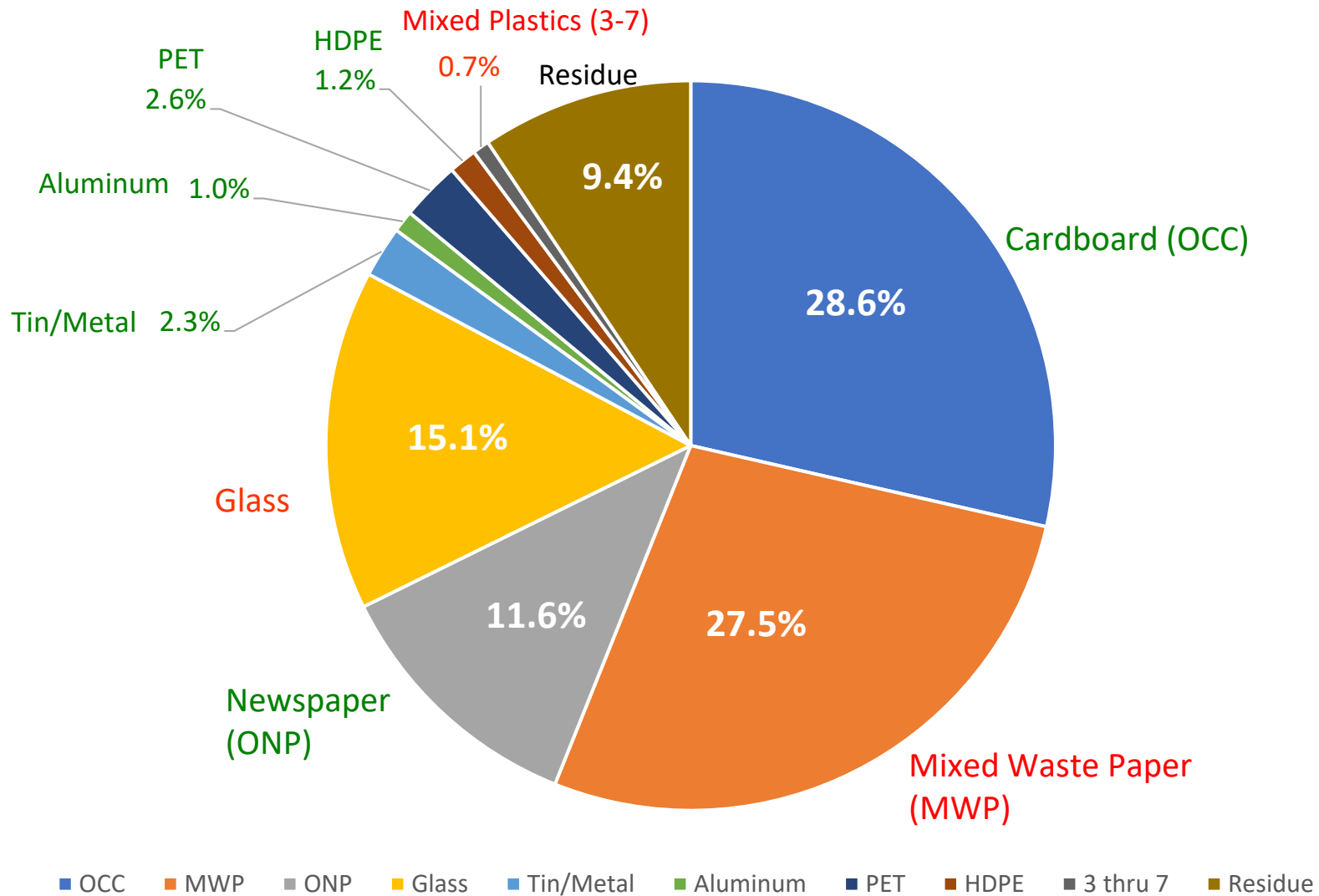
- Less tolerance for contamination from markets
- Tighter standards on allowable materials in bales of recyclables



Why China is so Important to Recycling?



Average PNW Single Stream Recycling Composition



WM Exports Materials Around the World

In 2017 WM shipped 27% of its material to markets around the world



WM continues to move commodities, although at lower prices and to a broad variety of customers across the globe

Customer Education & Outreach Contamination Reduction

Proactive Outreach

- Social media
- WM blog
- Customer bill insert

Customer Feedback

- Recycling Oops Tags
- Driver trainings



NO PLASTIC BAGS		
Item	Rule	Expert Tip
NO Bagged Recyclables 	Do not bag recyclables. They must be loose in the bin!	If you store your recyclables in a bag, simply dump them out when you get to your bin and re-use the bag!
NO Plastic Bags 	Plastic bags are not included in a few curbside programs. Check with your local program.	Do not bag recyclables. Plastic bags have a habit of getting tangled in equipment. Find where you can recycle them at www.therecycling.org
NO Plastic Wrap & Film 	Plastic wrap, bubble wrap, plastic sandwich bags or freezer bags shouldn't go in the recycle bin.	Please: whenever possible for privacy, moving or storage of similar items.
NO Flexible Packaging 	Flexible packaging like chip bags and juice or soup pouches cannot be recycled in curbside programs.	This type of packaging is made from multiple materials preventing it from being recycled. It must be disposed.

Oops!

Thank you for recycling and recycling right! Need help with recycling? Please contact the Waste Management Office for more information. www.therecycling.org

Subscribe to service at 1-800-592-9995

Please carts at designated curb. Carts only

Put carts out by 6 a.m.

Place carts at least 3 ft from mailboxes, cars, etc.

Place carts at least 2 ft apart opening toward street

Limit 65 lbs (33 gal cart, 500 lbs cart)

Bag packing peanuts, animal waste, litter

Bag coat hangers and sweaters

Do not put material on top of or around carts

Material scattered when not stored

Material stuck in container - unable to disengage safely

Bulky Item Call 1-800-592-9995

Access was blocked by:

Carts not available at time

Before garbage changes carts

Call 1-800-592-9995 for a larger garbage cart

Please Keep Out of Garbage & Recycling

TVs, Computers, Monitors
washingtonrec.net: 202-424-9532

Electronics, Appliances
earecycling.org

Appliances: Washers, Dryers, Stoves, Dishwashers
savetheplanet.org

Refrigerators, A/C Units, Freezers
www.refrigeratorrecycling.com

Stoves, Dishwashers, Washers, Dryers
www.dishwasherrecycling.com

Recycling

Empty bags & boxes into cart for sorting

Put extra recyclables in bin or cardboard boxes

Plastic cartons

To help make sure: 2 1/2" x 35 lbs

Do Not Put in Recycling

Plastic bags (Recycle or recycle at grocery stores)

Shredded paper (OK with yard waste)

Cables, hoses, garages, clothes

Plastic: other than bottles, jugs & dairy tubs

Styrofoam packing (Peanuts accepted at most houses)

Diapers, bathroom waste, latex, wood

Light bulbs, windows, mirrors

Grocery or sharp metal

Automotive parts, aluminum foil

Yard & Food Waste

No plastic bags

No dirt, rocks, metal, lumber, appliances or garbage

Put extra yard waste in 32-gal carts with handles & lids, reusable, compostable or paper yard bags or bundles (limit of 2' x 2', 25 lbs)

Call 1-800-592-9995 for an extra yard waste cart

Cut trees in 3-ft. lengths

Other:

Thank you for recycling and recycling right!

1-800-592-9995
www.wmrecycling.com
Informational Support

Waste Management

Resetting the Industry - WM Requests

✓ Rate Relief Recovery

City of Anacortes Rates

Service Level		3.65% CPI (Effective Jan 1, 2019)	Recycling Relief Request	New Rate
Residential	Recycling Cart	\$9.23	\$0.95	\$10.18
Multifamily	Recycling Cart	\$9.23	\$0.95	\$10.18
	Recycling 1 Yard	\$22.19	\$1.90	\$24.09
	Recycling 2 Yard	\$44.38	\$3.80	\$48.18
	Recycling 3 Yard	\$66.57	\$5.70	\$72.27
	Recycling 4 Yard	\$88.76	\$7.60	\$96.36
	Recycling 6 Yard	\$133.15	\$11.40	\$144.55

Resetting the Industry - WM Requests

✓ Recycling List Changes

- Remove items with limited markets or items that are now considered a contaminate in bales
- Mixed Paper: cups, cartons
- Metal: Scrap metal, aerosol cans
- Plastic: cups, plant pots

RECYCLING

Place rinsed and empty items in blue recycling cart. Do not bag.

No plastic bags!

Clean paper and cardboard

Flattened cardboard (limit 2x2 ft), newspapers, inserts, magazines, catalogs, phonebooks, paperback books, mail (window envelopes OK), paper bags, and food boxes.



Clean paper food containers

Clean paper cups, milk and juice cartons, juice boxes, and frozen food boxes. (rinse clean, no caps)



Clean glass bottles and jars

All colors and sizes. (rinse clean, no caps or lids; labels OK)



Clean metal

Aluminum and tin cans, empty aerosol cans, scrap metal (must not be sharp or greasy) and small metal appliances (limit 2x2 ft, 35 lbs). Please rinse and empty cans.



Clean plastic containers

Plastic bottles, cups, jars, jugs, plastic planter pots and tubs. (empty and rinse)



Resetting the Recycling Industry

The New Normal

International Recycling Markets

- Situation is not likely to improve
- Lower commodity prices and higher quality standards are the new normal

Local Recycling Programs

- Cities need to partner with haulers to create sustainable recycling systems
 - Increase costs to recycle
 - Focus on recycling quality



Thank you for your partnership
and supporting a sustainable
recycling system.

Questions?

Attachment B
CONTRACT RATES
City of Anacortes Rate Sheet

3.65%
January 1, 2019

Recycling Relief

Recycling Relief
January 1, 2019

	Service Level	Total Service Fee	Total Service Fee	Total Service Fee
Weekly Residential Service	Recycling Cart Service	\$9.23	\$0.95	\$10.18
	Subscription Weekly Organics Cart Service	\$11.52		\$11.52
	Additional Organics Cart	\$4.13		\$4.13
	Organics Extra (Residential) - 32 gallon increments	\$3.25		\$3.25
	Cart Cleaning (per cart per event)	\$10.87		\$10.87
	Return Trip Fee (Recycling/Organics)	\$7.93		\$7.93
Weekly Commercial Service	Subscription Weekly Food Scrap Cart Service	\$16.44		\$16.44
	Return Trip Fee (Food Scrap)	\$7.93		\$7.93
	Food Scrap Extra (Commercial) - 32 gallon increments	\$4.67		\$4.67
	Food Scrap Extra Lift (On Service day)	\$4.67		\$4.67
	Food Scrap Extra Service (Not on Service day)	\$9.02		\$9.02
Multifamily Service	Recycling Cart Service	\$9.23	\$0.95	\$10.18
	Recycling 1 Yard Service	\$22.19	\$1.90	\$24.09
	Recycling 2 Yard Service	\$44.38	\$3.80	\$48.18
	Recycling 3 Yard Service	\$66.57	\$5.70	\$72.27
	Recycling 4 Yard Service	\$88.76	\$7.60	\$96.36
	Recycling 6 Yard Service	\$133.15	\$11.40	\$144.55
	Return Trip Fee (Recycling)	\$7.93		\$7.93
Event Services		Cost/Day		Cost/Day
	Set of (2) 96-gal Carts, per event day	\$9.49		\$9.49
Hourly Rates	Service	Cost/Day		Cost/Day
	Rear/Side-load packer + driver	\$120.34		\$120.34
	Front-load packer + driver	\$120.34		\$120.34
	Drop-box Truck + driver	\$120.34		\$120.34
	Additional Labor (per person)	\$60.16		\$60.16



WASTE MANAGEMENT

720 4th Ave, Suite 400
Kirkland WA 98033

December 3, 2018

Mr. Fred Buckenmeyer
Public Works Director
City of Anacortes
906 6th Street
Anacortes, WA 98221

RE: Amendment to Contract - Recycling Rate Relief and Updated Recyclables List

Dear Mr. Buckenmeyer:

The purpose of this Letter of Understanding ("LOU") is to amend the Residential Recyclables and Residential Organics Collection Contract between the City of Anacortes ("City") and Waste Management of Washington, Inc. ("WM").

City and WM agree to modify rates in Attachment B, attached hereto, effective **January 1, 2019** to compensate WM for increased costs of recycling as a result of uncontrollable global recycling market changes. Additionally, the Parties agree to amend Attachment C, Recyclables List, as attached hereto.

By signing below, each of the City and Waste Management acknowledges its approval and acceptance of the terms of this LOU and acknowledges that this LOU: (a) creates a legally binding obligation upon the parties, (b) shall be governed and constructed in accordance with the laws of the State of Washington regardless of any conflict of law provisions, (c) sets forth the entire agreement between the City and WM with respect to the subject matter hereof and supersedes all prior negotiations, representations, understandings and agreements with respect to the subject matter hereof, and (d) may be executed in two or more counterparts, each of which shall be deemed an original and all of which together shall constitute one and the same instrument.

Sincerely,

Mindy Rostami
Senior Manager, Strategic Contracting and Municipal Legal Affairs
Waste Management of Washington, Inc.

Acknowledged and agreed upon by:

CITY OF ANACORTES

WASTE MANAGEMENT OF
WASHINGTON, INC.

By: _____

By: _____

Its: _____

Its: _____

(Attachments on following pages)

Attachment B
Contractor Rates

	Service Level	Service Fee
Weekly Residential Service	Recycling Cart Service	\$10.18
	Subscription Weekly Organics Cart Service	\$11.52
	Additional Organics Cart	\$4.13
	Organics Extra (Residential) - 32 gallon increments	\$3.25
	Cart Cleaning (per cart per event)	\$10.87
	Return Trip Fee (Recycling/Organics)	\$7.93
Weekly Commercial Service	Subscription Weekly Food Scrap Cart Service	\$16.44
	Return Trip Fee (Food Scrap)	\$7.93
	Food Scrap Extra (Commercial) - 32 gallon increments	\$4.67
	Food Scrap Extra Lift (On Service day)	\$4.67
	Food Scrap Extra Service (Not on Service day)	\$9.02
Multifamily Service	Recycling Cart Service	\$10.18
	Recycling 1 Yard Service	\$24.09
	Recycling 2 Yard Service	\$48.18
	Recycling 3 Yard Service	\$72.27
	Recycling 4 Yard Service	\$96.36
	Recycling 6 Yard Service	\$144.55
	Return Trip Fee (Recycling)	\$7.93
Event Services		Cost/Day
	Set of (2) 96-gal Carts, per event day	\$9.49
Hourly Rates	Service	Cost/Day
	Rear/Side-load packer + driver	\$120.34
	Front-load packer + driver	\$120.34
	Drop-box Truck + driver	\$120.34
	Additional Labor (per person)	\$60.16

Attachment C
Recyclables List

MATERIAL TYPE	DESCRIPTION	PREPARATION INSTRUCTIONS	EXCLUSIONS
Glass	Food or beverage containers	Remove lids; empty of all food or liquids. Labels do not need to be removed.	Leaded glass: windows, mirrors, baking dishes, storage dishes, ceramic, plates, glassware, storage/canning jars.
Paper	- Office paper, copy paper, construction paper - Newspaper and paper inserts - Magazines and paper inserts - Catalogs - Cardboard - Mail and paper inserts - Envelopes - Paper bags - Cereal, cookie and cracker boxes - Paper towel tubes - Toilet paper tubes - Tissue boxes - Non-foil wrapping paper - Kraft paper bags or boxes	Remove plastic bags (exterior or interior), plastic packaging, metal, electronics, magnets, twine, straws, lids and any food or liquids. Must be dry. Plastic windows in paper envelopes okay.	Shredded paper; paper envelopes with bubble wrap liners, insulation liners or envelopes made from plastic (Tyvek); laminated paper, stickers, labels, photos, carbon paper, receipts, paper affixed to magnets; wax or poly-coated cups, cartons, or aseptic containers; pet food bags; mixed material bags; wet or soiled paper; paper with large amounts of paint or glue.
Cardboard	- Cardboard boxes - Cardboard packaging - Cardboard beverage 'flats' or nursery 'flats'	Flatten all cardboard. Remove all interior packaging, block foam, packing peanuts and exterior plastic	Waxed cardboard, wet cardboard

		wrap. Do not bundle with tape or twine. External tape okay. Oversized cardboard can be placed next to card/container. Must be dry.	
Metal	Tin, aluminum and steel food or beverage containers	Remove all exterior packaging; remove lids; empty of all food or liquids. Labels do not need to be removed.	Aluminum foil and trays; sharp or greasy metal; batteries; propane tanks, microwaves; electrical cords; cell phones; car snow chains. Empty aerosol cans, Metal appliances
Plastic	- PET/PETE bottles (#1 plastic) - HDPE bottles/jugs (#2 plastic) - Dairy tubs, e.g. butter, yogurt, cottage cheese (#5 plastic)	Plastic bottles with plastic screw-on lids are okay <u>if</u> lids are screwed back on, remove all other lids; remove straws; empty of all food, liquids or other debris. Labels do not need to be removed.	#3, #4, #6 & #7 plastics, plastic bags, plastic cups, plastic film; plastic bottles that contained HHW listed materials; deli, bakery and produce clamshell containers; loose lids - any size; plant trays; PVC; large rigid plastic (outdoor furniture, laundry baskets, swimming pools, toys, etc.); hoses; landscaping/sprinkler tubing.



City Council Agenda Bill

Meeting Date: 12/3/2018 **Agenda Item:** 7b

Subject: Resolution No. 2027 Authorizing Execution of the Tourism Promotion Fund Contracts by and Between the City of Anacortes and Recipient Agencies

Staff Contact: Don Measamer

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

Action Type	
	Ordinance No.
	Code Revision?
X	Resolution No. 2027

Summary Statement: Twenty-two projects were submitted for the 2019 Lodging Tax funding, with twenty-one selected by the City Lodging Tax Advisory Committee to advertise, publicize, or distribute information or undertake other activities specifically authorized by RCW 67.28.180 for the purpose of attracting visitors to Anacortes.

Background: The Revised Code of Washington (RCW) 67.28.080 provides authority for cities to adopt a lodging tax of up to 4% of lodging charges made by hotels and motels in order to attract visitors for both overnight stays and day trips. The Lodging Tax Advisory Committee reviewed the requests during their meetings of October 18, November 1 and 8, 2018, and determined final recommendations on November 8, 2018.

Budget Impact	
Projected total fund available for 2019	\$430,970
25% Capital Set Aside	\$107,743
Total Projected Fund Available (excluding 25% Capital Set Aside)	\$323,227
Proposed Event Funding	\$314,150
Projected Capital Funding	\$19,648
Total Proposed Expenditure	\$333,798
Revenue Source	Lodging Tax
Budget Account (BARS)	135.240.557.30.41

Previous Council/Committee Action: LTAC recommends approval of contracts for each project listed in the attached Resolution 2027 for 2019 tourism funding.

Competing Viewpoints Considered: All proposals were reviewed by the LTAC and forwarded to City Council as recommended.

Recommended Motion: I move to approve Resolution No. 2027 Authorizing Execution of the Tourism Promotion Fund Contracts by and Between the City of Anacortes and Recipient Agencies.

Alternative Actions: Deny Resolution 2027 and extend the timeframe for approval of the contracts.

Attachments (listed in order presented): Resolution No. 2027, 2019 Funding Application Spreadsheet, and Individual Contracts for Anacortes Chamber projects Visitor Information Center, and Experience Anacortes (fka International Ferry & Marketing Program) (contracts over \$30,000).

REVISED

RESOLUTION NO. 2027

**A RESOLUTION AUTHORIZING EXECUTION OF TOURISM PROMOTION FUND CONTRACTS
BY AND BETWEEN THE CITY OF ANACORTES
AND RECIPIENT AGENCIES**

WHEREAS, the below listed agencies have been selected by the City through a competitive selection process to undertake a total of twenty-one projects designed to advertise, publicize, or distribute information or undertake other activities specifically authorized by RCW 67.28.180 for the purpose of attracting visitors to the City of Anacortes; and

WHEREAS, the City of Anacortes wishes to contract with these agencies for the provision of these services and is willing to provide certain monies to these agencies, which monies have been collected or will be collected as part of the Motel/Hotel Tax;

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

	Project	Grant Recipient	2019 Request	Capital fund, Approved	APPROVED
1	98221 Studio Tour	Anacortes Arts Commission	\$ 5,000		\$ 5,000
2	Anacortes Farmers Market	Anacortes Farmers Market	\$ 10,000		\$ 10,000
3	Anacortes Music Project	Anacortes Music Project	\$ 10,000		\$ 6,000
4	Chamber Experience Anacortes (fka International Ferry)	Anacortes Chamber of Commerce	\$ 165,000		\$ 165,000
5	Chamber Gateway Welcome Sign	Anacortes Chamber of Commerce	\$ 13,000	\$ 13,000	X
6	Chamber Hardware for Hanging Baskets	Anacortes Chamber of Commerce	\$ 1,998	\$ 1,998	X
7	Chamber Downtown Winter Wreaths	Anacortes Chamber of Commerce	\$ 4,650	\$ 4,650	X
8	Chamber Visitor Information Center	Anacortes Chamber of Commerce	\$ 62,600		\$ 62,600
9	City Anacortes 4th of July Fireworks	City of Anacortes	\$ 10,000		\$ 10,000
10	Fidalgo Island Quilters Quilt Walk	Fidalgo Island Quilters	\$ 2,000		\$ 2,000
11	Heart of Anacortes Restrooms	NW Cleaners	\$ 6,600		\$ 6,600

12	Anacortes Museum Brochure Production & Distribution	Anacortes Museum Foundation	\$ 5,000		\$ 5,000
13	Anacortes Museum Tourism Marketing	Anacortes Museum Foundation	\$ 2,000		\$ 2,000
14	Port Rock the Dock	Port of Anacortes	\$ 4,000		\$ 4,000
15	Port Summer Concert Series	Port of Anacortes	\$ 12,000		\$ 8,000
16	Tulip Festival Brochure	Skagit Valley Tulip Festival	\$ 2,500		\$ 2,400
17	Waterfront Festival Car Show	Majestic Glass Corvette Car Show	\$ 1,300		\$ 1,300
18	Shipwreck Day	Fidalgo Island Rotary	\$ 1,000		\$ 1,000
19	Art in Anacortes	Anacortes Arts Festival	\$ 10,000		\$ 10,000
20	Anacortes Vintage Market	Sassy Frass Co. LLC	\$ 20,000		\$ 10,000
21	Cascadia Poetry Festival	SPLAB (dba Cascadia Poetry Festival)	\$ 4,000		\$ 3,250
		TOTAL	\$ 352,648	\$ 19,648	\$ 314,150

PASSED and **APPROVED** on this 3rd day of December, 2018.

CITY OF ANACORTES

By _____
Laurie Gere, Mayor

ATTEST:

Steven Hoglund, City Clerk

APPROVED AS TO FORM:

Darcy Swetnam, WSBA #40530
City Attorney

**LTAC
2019 FUNDING REQUESTS**

	Project	Grant Recipient	Name	2018 Award	2019 Request	Capital fund	APPROVED	NEED FURTHER INFO
1	98221 Studio Tour	Anacortes Arts Commission	Lisa Rhoades	\$ 6,000	\$ 5,000		\$ 5,000	
2	Anacortes Farmers Market	Anacortes Farmers Market	Charity Payne	\$ 9,000	\$ 10,000		\$ 10,000	
3	Anacortes Music Project	Anacortes Music Project	Sommer Carter	\$ 2,700	\$ 10,000		\$ 6,000	
4	Chamber Experience Anacortes (fka International Ferry)	Anacortes Chamber of Commerce	Stephanie Hamilton	\$ 150,000	\$ 165,000		\$ 165,000	
5	Chamber Gateway Welcome Sign	Anacortes Chamber of Commerce	Stephanie Hamilton	\$ 31,667		\$ 13,000	X	
6	Chamber Hardware for Hanging Baskets	Anacortes Chamber of Commerce	Stephanie Hamilton			\$ 1,998	X	
7	Chamber Downtown Winter Wreaths	Anacortes Chamber of Commerce	Stephanie Hamilton			\$ 4,650	X	
8	Chamber Visitor Information Center	Anacortes Chamber of Commerce	Stephanie Hamilton	\$ 62,600	\$ 62,600		\$ 62,600	
9	City Anacortes Art Dash	City of Anacortes	Nicole Johnston		\$ 3,000		\$ -	
10	City Anacortes 4th of July Fireworks	City of Anacortes	Gary Robinson	\$ 10,000	\$ 10,000		\$ 10,000	
11	Fidalgo Island Quilters Quilt Walk	Fidalgo Island Quilters	Jane DeRemer	\$ 2,000	\$ 2,000		\$ 2,000	
12	Heart of Anacortes Restrooms	NW Cleaners	Rick Tolson	\$ 6,600	\$ 6,600		\$ 6,600	
13	Anacortes Museum Brochure Production & Distribution	Anacortes Museum Foundation	Bret Lunsford	\$ 2,000	\$ 5,000		\$ 5,000	

**LTAC
2019 FUNDING REQUESTS**

	Project	Grant Recipient	Name	2018 Award	2019 Request	Capital fund	APPROVED	NEED FURTHER INFO
14	Anacortes Museum Tourism Marketing	Anacortes Museum Foundation	Bret Lunsford	\$ 5,000	\$ 2,000		\$ 2,000	
15	Port Rock the Dock	Port of Anacortes	Nancy Rytand-Carey	\$ 4,000	\$ 4,000		\$ 4,000	
16	Port Summer Concert Series	Port of Anacortes	Nancy Rytand-Carey	\$ 8,000	\$ 12,000		\$ 8,000	
17	Tulip Festival Brochure	Skagit Valley Tulip Festival	Cindy Verge	\$ 2,400	\$ 2,500		\$ 2,400	
18	Waterfront Festival Car Show	Majestic Glass Corvette Car Show	Doug Gilbert	\$ 1,200	\$ 1,300		\$ 1,300	
19	Shipwrek Day	Fidalgo Island Rotary	Valerie Tibbetts	\$ 1,100	\$ 1,000		\$ 1,000	
20	Art in Anacortes	Anacortes Arts Festival	Meredith McIlmoyle	\$ 10,000	\$ 10,000		\$ 10,000	
21	Anacortes Vintage Market	Sassy Frass Co. LLC	Stacy Doyle	\$ 10,000	\$ 20,000		\$ 10,000	
22	Cascadia Poetry Festival	SPLAB (dba Cascadia Poetry Festival)	Paul Nelson		\$ 4,000		\$ 3,250	
		TOTAL		\$ 324,267	\$ 336,000	\$ 19,648	\$ 314,150	
				TOTAL AMOUNT REQUESTED:	\$ 355,648			
				Total Allocation			\$ 333,798	



AGREEMENT FOR TOURISM SERVICES
#19-005-PLN-###

THIS AGREEMENT is made by and between the **CITY OF ANACORTES**, a municipal corporation (“City”), and **ANACORTES CHAMBER OF COMMERCE** (“Recipient”) for the **ANACORTES VISITOR INFORMATION CENTER**.

WITNESSETH:

WHEREAS, the City of Anacortes has levied and continues to levy a special excise tax on charges made for the furnishing of lodging in motels, hotels, rooming houses, private campgrounds, RV parks and similar facilities.; and

WHEREAS, RCW 67.28.180 authorizes the expenditure of such funds, or a portion thereof, to pay for advertising, publicizing or otherwise distributing information and to pay for other specified activities for the purpose of attracting visitors and encouraging tourism; and

WHEREAS, the Recipient engages in activities designed to advertise, publicize, or distribute information or other activities specifically authorized by RCW 67.28.180 for the purpose of attracting visitors to our community:

WHEREAS, the Grant Recipient must expend the funds for such advertisement, publication and distribution of tourist promotion information or other activities specifically authorized by RCW 67.28.180 prior to December 31, 2019;

NOW, THEREFORE, for good and valuable consideration, the sufficiency of which is hereby acknowledged, the parties agree as follows:

1. SERVICES AND WORK BY RECIPIENT

The Recipient shall arrange for the services and work as specified in this Agreement and as necessary to accomplish the scope of work as outlined in recipient’s approved application for funding and attached hereto as Attachment A and incorporated herein by this reference as if set forth in full. The Recipient shall arrange for all services, labor, and related equipment to conduct and complete the work, except as specifically noted otherwise in this Agreement. The Recipient shall execute this Agreement by January 31, 2019, in order to receive funding, and all goods and services specified in this Agreement shall be provided during calendar year 2019. The scope of work set forth in Attachment A shall also include a project budget for the services and work to be performed for the City under this Agreement.

2. TERM AND TERMINATION OF AGREEMENT

A. This Agreement shall become effective upon execution by both parties and shall continue in full force until December 31, 2019, unless sooner terminated by either party as provided below.

B. This Agreement may be terminated by either party without cause upon thirty (30) days written notice to the other party. In the event of termination, all finished or unfinished documents, reports, or other material or work of the Recipient pursuant to this Agreement shall be submitted to the City, and the Recipient shall be entitled to just and equitable compensation at the rate set forth in Section 3 for any satisfactory work completed prior to the date of termination.

3. PAYMENT

- A. The City agrees to reimburse the Recipient after expenses have been incurred on a time and materials basis provided the total sum does not exceed \$62,600, for all services and work performed and all approved expenses incurred for the sole and specific purpose of accomplishing the scope of work, according to the budget provided within Attachment A.
- B. The Recipient shall submit an invoice, in a format acceptable to the City, for a lump sum upon completion of the work. Each project shall be the subject of a separate invoice. The Recipient shall maintain time and expense records and provide them to the City upon request.
- C. Prior to final payment of funds, Recipient will complete the Year-End Report (Attachment B) as detailed in Article 4 and submit said Report with final payment request. If the request for payment is a one-time request, the Year-End Report (Attachment B) will be submitted at time of payment request. If the event occurs at various times throughout the year or is an on-going event, the Report may be submitted when the final reimbursement request is submitted.
- D. The City shall pay all invoices within thirty (30) days of receipt of a proper invoice from the Recipient.
- E. If the services rendered do not meet the requirements of this Agreement, the Recipient shall correct or modify the work to comply with this Agreement within thirty (30) days of notification by the City. The City may withhold payment for such work until it meets the requirements of this Agreement.

4. REPORT ON EXECUTION OF SERVICES

The Recipient shall submit the Year-End Report (Attachment B) on services and work provided with the final invoice, no later than January 10, 2020. This report includes:

- Summarize the activities undertaken in providing the scope of work described in Attachment A.
- Reference the project objectives specified in Attachment A, and describe whether those objectives were achieved, whether there were unexpected positive outcomes, and whether there were unexpected challenges.
- Reference the specific measurable results specified in Attachment A, and describe if those results were achieved, and if not, describe what challenges prevented the achievement of the anticipated results.
- Describe involvement of any partners specified in Attachment A, as well as any unexpected cooperative relationships that developed through implementation of the project.
- Reference the project budget specified in the Attachment A. Provide an analysis of actual expenses and income in relation to the projected budget.
- Provide a good faith best-estimate of actual attendance generated by the scope of work in the three categories below:
 - a. Travelers staying overnight in paid accommodations away from their place of residence or business;
 - b. Travelers staying overnight in unpaid accommodations (e.g., with friends and

family) and traveling more than 50 miles;

c. Travelers for the day only and traveling more than 50 miles.

- Describe the methodologies used to arrive at the good faith estimate of actual attendance numbers described above.

5. INSPECTION AND AUDIT

The Recipient shall maintain all books, records, documents, and other evidence pertaining to the costs and expenses allowable under this Agreement in accordance with generally accepted accounting practices. All such books and records required to be maintained by this Agreement shall be subject to inspection and audit by representatives of the City and/or the Washington State Auditor at all reasonable times, and the Recipient shall afford the proper facilities for such inspection and audit. Representatives of the City and/or the Washington State Auditor may copy such books, accounts, and records if necessary to conduct or document an audit. The Recipient shall preserve and make available all such books of account and records for a period of three (3) years after final payment under this Agreement. In the event that any audit or inspection identifies any discrepancy in such financial records, the Recipient shall provide the City with appropriate clarification and/or financial adjustments within thirty (30) calendar days of notification of the discrepancy.

6. INDEPENDENT CONTRACTOR

A. The Recipient and the City understand and expressly agree that the Recipient is an independent contractor in the performance of each and every part of this Agreement. The Recipient expressly represents, warrants, and agrees that its status as an independent contractor in the performance of the work and services required under this Agreement is consistent with and meets the six-part independent contractor test set forth in RCW 51.08.195. The Recipient, as an independent contractor, assumes the entire responsibility for carrying out and accomplishing the services and work required under this Agreement. The Recipient shall make no claim of City employment nor shall the Recipient claim any related employment benefits, social security, and/or retirement benefits.

B. The Recipient shall be solely responsible for paying all taxes, deductions, and assessments, including but not limited to federal income tax, FICA, social security tax, assessments for unemployment and industrial injury, and other deductions from income which may be required by law or assessed against either party as a result of this Agreement. In the event the City is assessed a tax or assessment as a result of this Agreement, the Recipient shall pay the same before it becomes due.

C. The City may, during the term of this Agreement, engage other independent contractors to perform the same or similar work that the Recipient performs hereunder.

D. The Recipient and any subcontractors shall obtain a business license and, if applicable, pay business and occupation taxes.

7. DISCRIMINATION AND COMPLIANCE WITH LAWS

A. During the performance of this Agreement, the Recipient 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. Recipient agrees to comply with the applicable provisions of State and Federal Equal Employment Opportunity and Nondiscrimination statutes and regulations.

B. The Recipient shall comply with all federal, state, and local laws and ordinances applicable to the work to be done under this Agreement.

C. Violation of this Section 7 shall be a material breach of this Agreement and grounds for cancellation, termination, or suspension by the City, in whole or in part, and may result in ineligibility for further work for the City.

8. WASHINGTON STATE PREVAILING WAGES

Washington State Prevailing Wage requirements apply to all work with a recognized construction trade or occupation for which minimum wage categories are established by the Department of Labor and Industries of the State of Washington. If applicable, the Recipient and any of its subrecipients 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 Recipient and each subrecipient 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 Recipient and each subrecipient must file an Affidavit of Wages Paid with L&I. L&I provides the wage forms. Payment by the Recipient or subrecipient 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 Recipient must post in a conspicuous place at the job site, a copy of the statement of Intent to Pay Prevailing Wages approved by L&I and the address and phone number of the Industrial Statistician where complaints or inquiries may be made. The City will refer any dispute regarding the prevailing rate of wage to L&I for arbitration.

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

9. GENERAL ADMINISTRATION AND MANAGEMENT

The City's Director of Planning, Community & Economic Development, or designee, shall be the City's representative, and shall oversee and approve all services to be performed, coordinate all communications, and review and approve all invoices, under this Agreement.

10. HOLD HARMLESS AND INDEMNIFICATION

A. The Recipient shall defend, indemnify, and hold the City, its officers, employees, and volunteers harmless from any and all claims, injuries, damages, losses, or suits, including attorneys' fees, arising out of or resulting from the acts, errors, or omissions of the Recipient in the performance of this Agreement, except for injuries and damages caused by the sole negligence of the City.

B. 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 Recipient and the City, its officers, officials, employees, and volunteers, the Recipient's liability, including the duty and cost to defend, hereunder shall be only to the extent of the Recipient's negligence. It is further specifically and expressly understood that the indemnification provided herein constitutes the Recipient's waiver of immunity under Industrial Insurance, Title 51 RCW, solely for the purposes of this indemnification. This waiver has been mutually negotiated by the parties. The provisions of this section shall survive the expiration or termination of this Agreement.

C. The City's inspection or acceptance of any of the Recipient's work when completed shall not be grounds to void, nullify, and/or invalidate any of these covenants of indemnification.

D. Nothing contained in this Agreement shall be construed to create a liability or a right of indemnification in any third party.

11. INSURANCE

A. The Recipient shall secure and maintain in full force and effect during performance of any work pursuant to this Agreement a policy of comprehensive general liability insurance providing coverage of at least \$1,000,000 per occurrence for personal injury or property damage; and \$2,000,000 aggregate for property damage. The City shall be named as an additional insured on the General Liability Policy and shall include a provision prohibiting cancellation of said policy, except upon thirty (30) days written notice to the City. Certificates of coverage shall be delivered to the City within fifteen (15) days of execution of this Agreement.

B. Minimum scope of insurance that shall be maintained by the Recipient is as follows:

Commercial General Liability insurance shall be written on ISO occurrence from CG 00 01 and shall cover liability arising from premises, operations, independent Recipients and personal injury and advertising injury. **The City shall be named as an insured** under the Recipient's Commercial General Liability insurance policy with respect to the work performed for the City.

C. Acceptability of Insurers

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

D. Verification of Coverage

Recipient shall furnish the City with original certificates and a copy of the amendatory endorsement, including but not necessarily limited to the additional insured endorsement, evidencing the insurance requirements of the Recipient before commencement of the work.

E. Failure to Maintain Insurance

Failure on the part of the Recipient 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 Recipient 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 Recipient from the City.

F. City Full Availability of Recipient Limits

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

12. SUBLETTING OR ASSIGNING CONTRACT

This Agreement, or any interest herein or claim hereunder, shall not be assigned or transferred in whole or in part by the Recipient to any other person or entity without the prior written consent of the City. In the event that such prior written consent to an assignment is granted, then the assignee shall assume all duties, obligations, and liabilities of the Recipient as stated herein.

13. EXTENT OF AGREEMENT/MODIFICATION

This Agreement, together with attachments or addenda, represents the entire and integrated Agreement between the parties and supersedes all prior negotiations, representations, or agreements, either written or oral. This Agreement may be amended, modified, or added to only by written instrument properly signed by both parties.

14. SEVERABILITY

A. If a court of competent jurisdiction holds any part, term, or provision of this Agreement to be illegal or invalid, in whole or in part, the validity of the remaining provisions shall not be affected, and the parties' rights and obligations shall be construed and enforced as if the Agreement did not contain the particular provision held to be invalid.

B. If any provision of this Agreement is in direct conflict with any statutory provision of the State of Washington, that provision which may conflict shall be deemed inoperative and null and void insofar as it may conflict, and shall be deemed modified to conform to such statutory provision.

15. FAIR MEANING

The terms of this Agreement shall be given their fair meaning and shall not be construed in favor of or against either party hereto because of authorship. This Agreement shall be deemed to have been drafted by both of the parties.

16. NON-WAIVER

A waiver by either party hereto of a breach by the other party hereto of any covenant or condition of this Agreement shall not impair the right of the party not in default to avail itself of any subsequent breach thereof. Leniency, delay, or failure of either party to insist upon strict performance of any agreement, covenant, or condition of this Agreement, or to exercise any right herein given in any one or more instances, shall not be construed as a waiver or relinquishment of any such agreement, covenant, condition or right.

17. NOTICES

Unless stated otherwise herein, all notices and demands shall be in writing and sent or hand-delivered to the parties at their addresses as follows:

To the City: City of Anacortes
Attention: Joann Stewart
PO Box 547
Anacortes, WA 98221

To the Recipient: Anacortes Chamber of Commerce
Attn: Stephanie Hamilton
819 Commercial Ave., Ste F
Anacortes, WA 98221

or to such addresses as the parties may hereafter designate in writing. Notices and/or demands shall be sent by registered or certified mail, postage prepaid, or hand-delivered. Such notices shall be deemed effective when mailed or hand-delivered at the addresses specified above.

18. SURVIVAL

Any provision of this Agreement which imposes an obligation after termination or expiration of this Agreement shall survive the term or expiration of this Agreement and shall be binding on the parties to this Agreement.

19. 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.

In witness whereof the parties hereto have caused this Agreement to be executed as of _____.

CITY OF ANACORTES

**Recipient: ANACORTES VISITOR
INFORMATION CENTER**

By _____
Laurie Gere, Mayor

By _____
Stephanie Hamilton

Application

Project Detail

Project name Anacortes Visitor Information Center/Tourism Promotion/Public Restroom
Date(s) of project Ongoing throughout 2019
Amount of funding requested \$62,600
Type of qualifying project ☒ Tourism Promotion/Marketing
☐ Operation of a Special Event/Festival designed to attract tourists
☐ Operation of a Tourism Promotion Agency
☒ Operation of a Tourism-Related Facility owned or operated or non-profit organization
☐ Operation and/or Capital Costs of a Tourism-Related Facility owned by a municipality

Applicant Detail

Applicant name Click here to enter text. [Anacortes Chamber of Commerce](#)
Type of applicant ☐ Individual ☒ Non-profit corporation ☐ Public agency ☐ Other: enter text.
Federal tax ID # 91-0534761
Contact name Stephanie Hamilton or Sandy Swartos
Mailing address 819 Commercial Ave, Suite F, Anacortes, WA 98221
Email address sswartos@anacortes.org
Phone 360-29-7911

Project Questionnaire

Describe your project.

The Anacortes Chamber of Commerce requests \$62,600 to fund continued quality services at the Visitors Information Center (VIC), to support and expand tourism promotion efforts for Anacortes and Fidalgo Island. Specific items funded under this request: development/maintenance of marketing collateral, administrative oversight of an extensive volunteer network, maintenance of public restrooms, office space, postage, utilities, and office supplies. The VIC benefits the City and local business by increasing awareness and enhancing visitor traffic. We also manage the \$2,200 to assist the official town crier with expenses.

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

The Anacortes Chamber of Commerce requests \$62,600 to fund continued quality services at the Visitors Information Center (VIC), to support and expand tourism promotion efforts for Anacortes and Fidalgo Island. Specific items funded under this request: development/maintenance of marketing collateral, administrative oversight of an extensive volunteer network, maintenance of public restrooms, office space, postage, utilities, and office supplies. The VIC benefits the City and local business by increasing awareness and enhancing visitor traffic. We also manage the \$2,200 to assist the official town crier with expenses.

Promotion

Describe how you will promote your project to attract tourists.

Our goal at the Visitor Information Center is to give guests to Anacortes the best experience possible once they arrive in Anacortes as well as to assist them as they plan their arrival.

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

Our experienced volunteers strive to meet all of our guest's needs. Providing them with information that will hopefully extend their stay on Fidalgo Island.

Budget

Describe the overall budget for your project.

See attached

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

36%

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

Upgrade to 20 years old display racks, additional computer to track guests visiting Anacortes

Tourism-Impact Estimate

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

	Estimate	Actuals		
	2019	2018 to date	month/year	month/year
Overall attendance	22,000	14,500	Enter ###.	Enter ###.
Number of people traveling more than 50 miles or more one way from their place of residence or business for the day or staying overnight	57,500	53,000	Enter ###.	Enter ###.
Number of people traveling from another country or state outside of their place of residence or their business	7,000	4,032	Enter ###.	Enter ###.
Number of people staying in PAID accommodations (e.g., hotel, motel, bed-and-breakfast) in Anacortes	45,000	40,000	Enter ###.	Enter ###.
Number of paid lodging room nights resulting from your project (e.g., 25 rooms on Friday and 50 rooms on Saturday = 75 room nights)	37,500	35,000	Enter ###.	Enter ###.

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

Volunteers in the VIC keep track of each guest and caller by means of a computer based survey system

Describe the prior success of your project in attracting tourists.

We are the Anacortes Visitor Information Center

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

Guests to Anacortes and those thinking about visiting or moving in the future.

Attachments

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

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

Certification

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

Signature Stephanie Hamilton

TYPE NAME IN PLACE OF SIGNATURE IF SUBMITTING ELECTRONICALLY



Printed name Stephanie Hamilton

Title President

Organization Anacortes Chamber of Commerce

2019 VISITOR INFORMATION CENTER OPERATION DETAIL

DESCRIPTION		CITY - 2% VIC	CHAMBER MATCH	INKIND	TOTAL
Administration/Management/Guest Services		\$34,035			\$34,035
VIC Volunteer Hours (4488 hours @ \$18.94/hour*)				\$85,003	\$85,003
Bookkeeping Hours	\$800				
Rent 1260 sqft center and 319 restrooms @ \$1.50	\$28,422				
Management	\$4,813		\$25,000		\$25,000
Advertising		\$4,808			\$4,808
Quilt Walk/Lions Club/Oyster Run/Experience Anacortes					
Design/Copy		\$6,551			\$6,551
Experience Anacortes/Calendar Rack Cards/Coper Clicks					
Equipment Rental		\$1,200			\$1,200
Copier/Postage Machine					
Facility/Public Restroom		\$3,542			\$3,542
Janitorial Services/Supplies/Repair/Maintenance					
Office Supplies		\$3,580			\$3,580
Postage		\$684			\$684
Visitor and Relocation Packet requests.					
Utilities		\$4,000			\$4,000
Puget Sound Energy/Comcast - Phone and Internet/					
Crystal Springs/ ADT Service					
Volunteer Acknowledgements		\$1,200			\$1,200
Bi-annual gatherings/funerals/misc.					
Volunteer Meetings		\$800			\$800
Town Crier		\$2,200			\$2,200
Totals		\$62,600	\$25,000	\$85,003	\$172,603
*according to calculations derived from www.handsonnetwork.org/tools/volunteercalculator					

Attachment B – Year-End Report

Contractor Name: _____ Contract No.: _____

Form Submitted by: _____

Reporting Year: 2019 Activity Type: ☐ Event/Festival ☐ Facility ☐ Marketing

Activity Start Date: _____ End Date: _____ Total Cost of Activity: \$ _____

Contractor is required to provide City with information in order to comply with state laws. WA State Engrossed Substitute House Bill 1253, associated with RCW 67.28, requires City to report specific information to the Joint Legislative Audit and Review Committee regarding Lodging Tax funds.

As you hold your event/festival during the year, the following information will need to be tracked and submitted to County no later than January 10, 2020. See attached definitions.

Overall Attendance - Actual (Estimated) Number & Methodology (The total number of people who attended this activity)	No.: _____ ☐ Direct Count ☐ Indirect Count ☐ Representative Survey ☐ Informal Survey ☐ Structured Est. ☐ Other Explain specific method:
Attendees who traveled 50 miles or more to attend: Actual (Estimated) Number & Methodology (The total number of people who travelled greater than 50 miles to attend this activity)	No.: _____ ☐ Direct Count ☐ Indirect Count ☐ Representative Survey ☐ Informal Survey ☐ Structured Est. ☐ Other Explain specific method:
Attendees who traveled from another state or country: Actual (Estimated) Number & Methodology (The total number of people from outside the state and country who attended this activity)	No.: _____ ☐ Direct Count ☐ Indirect Count ☐ Representative Survey ☐ Informal Survey ☐ Structured Est. ☐ Other Explain specific method:
Attendees who stayed overnight: Actual (Estimated) Number of Paid Accommodations & Methodology (The total number of people who attended this activity and paid for overnight lodging)	No.: _____ ☐ Direct Count ☐ Indirect Count ☐ Representative Survey ☐ Informal Survey ☐ Structured Est. ☐ Other Explain specific method:
Attendees who stayed overnight: Actual (Estimated) Number of Unpaid Accommodations & Methodology (The total number of people who attended this activity and did not pay for overnight lodging)	No.: _____ ☐ Direct Count ☐ Indirect Count ☐ Representative Survey ☐ Informal Survey ☐ Structured Est. ☐ Other Explain specific method:
Paid Lodging Nights: Actual Number of Paid Nights & Methodology (The total number of paid lodging nights. One lodging night = one or more persons occupying one room for one night)	No.: _____ ☐ Direct Count ☐ Indirect Count ☐ Representative Survey ☐ Informal Survey ☐ Structured Est. ☐ Other Explain specific method:

Activity Type:

1. Event/Festival: Short-term activity occurring between specific dates (e.g., 4th of July celebration, local marathon)
2. Facility: Municipally-owned facility that operates some or all the year (e.g., county historical museum, convention center)
3. Marketing: Activity that provides information to encourage visitors to an area; is typically a year-round activity but may also operate for less than a full year.

Activity Date:

Enter activity beginning and ending date.

Your Total Cost for Activity:

Enter the total cost of your activity, **not only the amount funded by lodging tax funds.**

Methodology:

Select the methodology used to estimate the actual number of visitors/participants.

Direct Count: Actual count of visitors using methods such as paid admissions or registrations, clicker counts at entry points, vehicle counts or number of chairs filled. A direct count may also include information collected directly from businesses, such as hotels, restaurants or tour guides, likely to be affected by an event.

Indirect Count: Estimate based on information related to the number of visitors such as raffle tickets sold, redeemed discount certificates, brochures handed out, police requirements for crowd control or visual estimates.

Representative Survey: Information collected directly from individual visitors/participants. A representative survey is a highly structured data collection tool, based on a defined random sample of participants, and the result can be reliably projected to the entire population attending an event and includes margin of error and confidence level.

Informal Survey: Information collected directly from individual visitors or participants in a non-random manner that is not representative of all visitors or participants. Informal survey results cannot be projected to the entire visitor population and provide a limited indicator of attendance because not all participants had an equal chance of being included in the survey.

Structured Estimate: Estimate produced by computing known information related to the event or location. For example, one jurisdiction estimated attendance by dividing the square footage of the event area by the international building code allowance for persons (3 square feet).

Other: (please describe).

Explain specific method: Such as vehicle counts, clicker counts, ticket sales, raffle tickets sold, brochures handed out, guest book, hotel room reservations, etc.



AGREEMENT FOR TOURISM SERVICES
#19-005-PLN-###

THIS AGREEMENT is made by and between the **CITY OF ANACORTES**, a municipal corporation (“City”), and **ANACORTES CHAMBER OF COMMERCE** (“Recipient”) for the **CHAMBER EXPERIENCE ANACORTES (FKA INTERNATIONAL FERRY)** (“project”).

WITNESSETH:

WHEREAS, the City of Anacortes has levied and continues to levy a special excise tax on charges made for the furnishing of lodging in motels, hotels, rooming houses, private campgrounds, RV parks and similar facilities.; and

WHEREAS, RCW 67.28.180 authorizes the expenditure of such funds, or a portion thereof, to pay for advertising, publicizing or otherwise distributing information and to pay for other specified activities for the purpose of attracting visitors and encouraging tourism; and

WHEREAS, the Recipient engages in activities designed to advertise, publicize, or distribute information or other activities specifically authorized by RCW 67.28.180 for the purpose of attracting visitors to our community:

WHEREAS, the Grant Recipient must expend the funds for such advertisement, publication and distribution of tourist promotion information or other activities specifically authorized by RCW 67.28.180 prior to December 31, 2019;

NOW, THEREFORE, for good and valuable consideration, the sufficiency of which is hereby acknowledged, the parties agree as follows:

1. SERVICES AND WORK BY RECIPIENT

The Recipient shall arrange for the services and work as specified in this Agreement and as necessary to accomplish the scope of work as outlined in recipient’s approved application for funding and attached hereto as Attachment A and incorporated herein by this reference as if set forth in full. The Recipient shall arrange for all services, labor, and related equipment to conduct and complete the work, except as specifically noted otherwise in this Agreement. The Recipient shall execute this Agreement by January 31, 2019, in order to receive funding, and all goods and services specified in this Agreement shall be provided during calendar year 2019. The scope of work set forth in Attachment A shall also include a project budget for the services and work to be performed for the City under this Agreement.

2. TERM AND TERMINATION OF AGREEMENT

A. This Agreement shall become effective upon execution by both parties and shall continue in full force until December 31, 2019, unless sooner terminated by either party as provided below.

B. This Agreement may be terminated by either party without cause upon thirty (30) days written notice to the other party. In the event of termination, all finished or unfinished documents, reports, or other material or work of the Recipient pursuant to this Agreement shall be submitted to the City, and the Recipient shall be entitled to just and equitable compensation at the rate set forth in Section 3 for any satisfactory work completed prior to the date of termination.

3. PAYMENT

- A. The City agrees to reimburse the Recipient after expenses have been incurred on a time and materials basis provided the total sum does not exceed \$165,000, for all services and work performed and all approved expenses incurred for the sole and specific purpose of accomplishing the scope of work, according to the budget provided within Attachment A.
- B. The Recipient shall submit an invoice, in a format acceptable to the City, for a lump sum upon completion of the work. Each project shall be the subject of a separate invoice. The Recipient shall maintain time and expense records and provide them to the City upon request.
- C. Prior to final payment of funds, Recipient will complete the Year-End Report (Attachment B) as detailed in Article 4 and submit said Report with final payment request. If the request for payment is a one-time request, the Year-End Report (Attachment B) will be submitted at time of payment request. If the event occurs at various times throughout the year or is an on-going event, the Report may be submitted when the final reimbursement request is submitted.
- D. The City shall pay all invoices within thirty (30) days of receipt of a proper invoice from the Recipient.
- E. If the services rendered do not meet the requirements of this Agreement, the Recipient shall correct or modify the work to comply with this Agreement within thirty (30) days of notification by the City. The City may withhold payment for such work until it meets the requirements of this Agreement.

4. REPORT ON EXECUTION OF SERVICES

The Recipient shall submit the Year-End Report (Attachment B) on services and work provided with the final invoice, no later than January 10, 2020. This report includes:

- Summarize the activities undertaken in providing the scope of work described in Attachment A.
- Reference the project objectives specified in Attachment A, and describe whether those objectives were achieved, whether there were unexpected positive outcomes, and whether there were unexpected challenges.
- Reference the specific measurable results specified in Attachment A, and describe if those results were achieved, and if not, describe what challenges prevented the achievement of the anticipated results.
- Describe involvement of any partners specified in Attachment A, as well as any unexpected cooperative relationships that developed through implementation of the project.
- Reference the project budget specified in the Attachment A. Provide an analysis of actual expenses and income in relation to the projected budget.
- Provide a good faith best-estimate of actual attendance generated by the scope of work in the three categories below:
 - a. Travelers staying overnight in paid accommodations away from their place of residence or business;
 - b. Travelers staying overnight in unpaid accommodations (e.g., with friends and

family) and traveling more than 50 miles;

c. Travelers for the day only and traveling more than 50 miles.

- Describe the methodologies used to arrive at the good faith estimate of actual attendance numbers described above.

5. INSPECTION AND AUDIT

The Recipient shall maintain all books, records, documents, and other evidence pertaining to the costs and expenses allowable under this Agreement in accordance with generally accepted accounting practices. All such books and records required to be maintained by this Agreement shall be subject to inspection and audit by representatives of the City and/or the Washington State Auditor at all reasonable times, and the Recipient shall afford the proper facilities for such inspection and audit. Representatives of the City and/or the Washington State Auditor may copy such books, accounts, and records if necessary to conduct or document an audit. The Recipient shall preserve and make available all such books of account and records for a period of three (3) years after final payment under this Agreement. In the event that any audit or inspection identifies any discrepancy in such financial records, the Recipient shall provide the City with appropriate clarification and/or financial adjustments within thirty (30) calendar days of notification of the discrepancy.

6. INDEPENDENT CONTRACTOR

A. The Recipient and the City understand and expressly agree that the Recipient is an independent contractor in the performance of each and every part of this Agreement. The Recipient expressly represents, warrants, and agrees that its status as an independent contractor in the performance of the work and services required under this Agreement is consistent with and meets the six-part independent contractor test set forth in RCW 51.08.195. The Recipient, as an independent contractor, assumes the entire responsibility for carrying out and accomplishing the services and work required under this Agreement. The Recipient shall make no claim of City employment nor shall the Recipient claim any related employment benefits, social security, and/or retirement benefits.

B. The Recipient shall be solely responsible for paying all taxes, deductions, and assessments, including but not limited to federal income tax, FICA, social security tax, assessments for unemployment and industrial injury, and other deductions from income which may be required by law or assessed against either party as a result of this Agreement. In the event the City is assessed a tax or assessment as a result of this Agreement, the Recipient shall pay the same before it becomes due.

C. The City may, during the term of this Agreement, engage other independent contractors to perform the same or similar work that the Recipient performs hereunder.

D. The Recipient and any subcontractors shall obtain a business license and, if applicable, pay business and occupation taxes.

7. DISCRIMINATION AND COMPLIANCE WITH LAWS

A. During the performance of this Agreement, the Recipient 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. Recipient agrees to comply with the applicable provisions of State and Federal Equal Employment Opportunity and Nondiscrimination statutes and regulations.

B. The Recipient shall comply with all federal, state, and local laws and ordinances applicable to the work to be done under this Agreement.

C. Violation of this Section 7 shall be a material breach of this Agreement and grounds for cancellation, termination, or suspension by the City, in whole or in part, and may result in ineligibility for further work for the City.

8. WASHINGTON STATE PREVAILING WAGES

Washington State Prevailing Wage requirements apply to all work with a recognized construction trade or occupation for which minimum wage categories are established by the Department of Labor and Industries of the State of Washington. If applicable, the Recipient and any of its subrecipients 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 Recipient and each subrecipient 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 Recipient and each subrecipient must file an Affidavit of Wages Paid with L&I. L&I provides the wage forms. Payment by the Recipient or subrecipient 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 Recipient must post in a conspicuous place at the job site, a copy of the statement of Intent to Pay Prevailing Wages approved by L&I and the address and phone number of the Industrial Statistician where complaints or inquiries may be made. The City will refer any dispute regarding the prevailing rate of wage to L&I for arbitration.

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

9. GENERAL ADMINISTRATION AND MANAGEMENT

The City's Director of Planning, Community & Economic Development, or designee, shall be the City's representative, and shall oversee and approve all services to be performed, coordinate all communications, and review and approve all invoices, under this Agreement.

10. HOLD HARMLESS AND INDEMNIFICATION

A. The Recipient shall defend, indemnify, and hold the City, its officers, employees, and volunteers harmless from any and all claims, injuries, damages, losses, or suits, including attorneys' fees, arising out of or resulting from the acts, errors, or omissions of the Recipient in the performance of this Agreement, except for injuries and damages caused by the sole negligence of the City.

B. 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 Recipient and the City, its officers, officials, employees, and volunteers, the Recipient's liability, including the duty and cost to defend, hereunder shall be only to the extent of the Recipient's negligence. It is further specifically and expressly understood that the indemnification provided herein constitutes the Recipient's waiver of immunity under Industrial Insurance, Title 51 RCW, solely for the purposes of this indemnification. This waiver has been mutually negotiated by the parties. The provisions of this section shall survive the expiration or termination of this Agreement.

C. The City's inspection or acceptance of any of the Recipient's work when completed shall not be grounds to void, nullify, and/or invalidate any of these covenants of indemnification.

D. Nothing contained in this Agreement shall be construed to create a liability or a right of indemnification in any third party.

11. INSURANCE

A. The Recipient shall secure and maintain in full force and effect during performance of any work pursuant to this Agreement a policy of comprehensive general liability insurance providing coverage of at least \$1,000,000 per occurrence for personal injury or property damage; and \$2,000,000 aggregate for property damage. The City shall be named as an additional insured on the General Liability Policy and shall include a provision prohibiting cancellation of said policy, except upon thirty (30) days written notice to the City. Certificates of coverage shall be delivered to the City within fifteen (15) days of execution of this Agreement.

B. Minimum scope of insurance that shall be maintained by the Recipient is as follows:

Commercial General Liability insurance shall be written on ISO occurrence from CG 00 01 and shall cover liability arising from premises, operations, independent Recipients and personal injury and advertising injury. **The City shall be named as an insured** under the Recipient's Commercial General Liability insurance policy with respect to the work performed for the City.

C. Acceptability of Insurers

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

D. Verification of Coverage

Recipient shall furnish the City with original certificates and a copy of the amendatory endorsement, including but not necessarily limited to the additional insured endorsement, evidencing the insurance requirements of the Recipient before commencement of the work.

E. Failure to Maintain Insurance

Failure on the part of the Recipient 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 Recipient 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 Recipient from the City.

F. City Full Availability of Recipient Limits

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

12. SUBLETTING OR ASSIGNING CONTRACT

This Agreement, or any interest herein or claim hereunder, shall not be assigned or transferred in whole or in part by the Recipient to any other person or entity without the prior written consent of the City. In the event that such prior written consent to an assignment is granted, then the assignee shall assume all duties, obligations, and liabilities of the Recipient as stated herein.

13. EXTENT OF AGREEMENT/MODIFICATION

This Agreement, together with attachments or addenda, represents the entire and integrated Agreement between the parties and supersedes all prior negotiations, representations, or agreements, either written or oral. This Agreement may be amended, modified, or added to only by written instrument properly signed by both parties.

14. SEVERABILITY

A. If a court of competent jurisdiction holds any part, term, or provision of this Agreement to be illegal or invalid, in whole or in part, the validity of the remaining provisions shall not be affected, and the parties' rights and obligations shall be construed and enforced as if the Agreement did not contain the particular provision held to be invalid.

B. If any provision of this Agreement is in direct conflict with any statutory provision of the State of Washington, that provision which may conflict shall be deemed inoperative and null and void insofar as it may conflict, and shall be deemed modified to conform to such statutory provision.

15. FAIR MEANING

The terms of this Agreement shall be given their fair meaning and shall not be construed in favor of or against either party hereto because of authorship. This Agreement shall be deemed to have been drafted by both of the parties.

16. NON-WAIVER

A waiver by either party hereto of a breach by the other party hereto of any covenant or condition of this Agreement shall not impair the right of the party not in default to avail itself of any subsequent breach thereof. Leniency, delay, or failure of either party to insist upon strict performance of any agreement, covenant, or condition of this Agreement, or to exercise any right herein given in any one or more instances, shall not be construed as a waiver or relinquishment of any such agreement, covenant, condition or right.

17. NOTICES

Unless stated otherwise herein, all notices and demands shall be in writing and sent or hand-delivered to the parties at their addresses as follows:

To the City: City of Anacortes
Attention: Joann Stewart
PO Box 547
Anacortes, WA 98221

To the Recipient: Anacortes Chamber of Commerce
Attn: Stephanie Hamilton
819 Commercial Ave, Ste F
Anacortes, WA 98221

or to such addresses as the parties may hereafter designate in writing. Notices and/or demands shall be sent by registered or certified mail, postage prepaid, or hand-delivered. Such notices shall be deemed effective when mailed or hand-delivered at the addresses specified above.

18. SURVIVAL

Any provision of this Agreement which imposes an obligation after termination or expiration of this Agreement shall survive the term or expiration of this Agreement and shall be binding on the parties to this Agreement.

19. 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.

In witness whereof the parties hereto have caused this Agreement to be executed as of

_____.

CITY OF ANACORTES

Recipient: EXPERIENCE ANACORTES

By _____
Laurie Gere, Mayor

By _____
Stephanie Hamilton

Application

Project Detail

Project name	Experience Anacortes – Your Island Getaway (previously Int'l Ferry & Anacortes Mktg Program)
Date(s) of project	January 1 2019 to December 31 2019
Amount of funding requested	\$165,000
Type of qualifying project	☒ Tourism Promotion/Marketing ☐ Operation of a Special Event/Festival designed to attract tourists ☐ Operation of a Tourism Promotion Agency ☐ Operation of a Tourism-Related Facility owned or operated or non-profit organization ☐ Operation and/or Capital Costs of a Tourism-Related Facility owned by a municipality

Applicant Detail

Applicant name	Anacortes Chamber of Commerce
Type of applicant	☐ Individual ☒ Non-profit corporation ☐ Public agency ☐ Other: enter text.
Federal tax ID #	91-0534761
Contact name	Stephanie Hamilton
Mailing address	819 Commercial Avenue, Suite F; Anacortes WA 98221
Email address	marketing@anacortes.org
Phone	360-293-7911

Project Questionnaire

Describe your project.

The Anacortes Chamber of Commerce, acting at the community's Destination Marketing Organization (DMO) – Experience Anacortes – seeks \$165,000 to continue the work in promoting both the city, and the island, to the traveling public. Our plans for 2019 will fold in portions of the City/Port Maritime Strategic Plan and will take into consideration promotions being done in the county and by Washington State Tourism. We will continue to expand on the strong relationships we've built with partners over the past several years and will work on expanding promotions across new avenues of digital advertising.

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

Please see the attached budget for an itemized plan of proposed spending avenues.

Promotion

Describe how you will promote your project to attract tourists.

We focus on guests (the traveling public) coming from beyond 50 miles, and we showcase the wide range of activities that Fidalgo Island has to offer – food, shopping, nature exploration, and event attendance. Our main goal is to showcase the island as a destination in and of itself, encouraging people to stay here and enjoy Anacortes as a vacation spot. We also will focus on travelers coming through with the intention of using the Washington State Ferry system, promoting the reservation system as an opportunity to explore Anacortes before heading out.

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

We will promote businesses, restaurants, and lodging establishments by continuing to drive traffic to the Anacortes.org website – we include the URL in all our print advertising, which is focused on year-round events and experiences. We also ensure that the website URL is mentioned during radio ads. We redirect our digital ad links to specific landing pages, best suited for each audience, and track the campaign using custom parameters built through a Google Analytics tool.

Budget

Describe the overall budget for your project.

Our total budget with city funding, chamber match and in-kind value is \$439,583.

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

\$165,000 is 37.54% of the budget.

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

This would be determined by the Marketing and Promotions team during our November/December planning

Tourism-Impact Estimate

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

	Estimate	Actuals		
	2019	2018 Year	2017 Year	2016 Year
Overall attendance	76,750	70,000	65,000	64,000
Number of people traveling more than 50 miles or more one way from their place of residence or business for the day or staying overnight	57,500	53,000	50,000	48,000
Number of people traveling from another country or state outside of their place of residence or their business	Enter ###.		Enter ###.	Enter ###.
Number of people staying in PAID accommodations (e.g., hotel, motel, bed-and-breakfast) in Anacortes	45,000	40,000	37,500	36,000
Number of paid lodging room nights resulting from your project (e.g., 25 rooms on Friday and 50 rooms on Saturday = 75 room nights)	39,000	37,5000	35,000	34,500

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

Google Analytics has been fabulous for tracking our web-based promotions! Social Media is still giving us a low ROI outside of event ticket sales, considering the work that gets put into it, but we are using Facebook Insights to see where interested potential guests live. We also gather data during the point-of-sale for ticketed events like Bier on the Pier and Spring Wine Festival, such as location and how they heard about the event. When possible at other events, such as the Boat and Yacht Show, we are partnering with those event coordinators get data from guests who are willing to voluntarily share it with us.

Describe the prior success of your project in attracting tourists.

Since 2008, the City of Anacortes has been tracking steady growth in hotel/motel tax since that time, and in sales tax revenue (especially during the summer months). We have also seen an increase in the number of pre-sales for ticketed events, with Bier on the Pier selling out before the event for the first time ever in 2016 (Saturday specifically), and then again in 2017. We also had the Spring Wine Festival sell out (before the day of the event) for the first time in 2017 and repeated this success in 2018.

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

We are targeting the affluent traveler who can spend two or more nights away from their home. We focus on prospective guests within British Columbia and Washington State, and have done test runs of digital advertising in

Oregon, Texas, and Florida. We continue to expand our reach internationally with some of our best-established partners like the Cascade Loop, Experience WA, and Scenic WA. We have seen success when working with travel writers and would like to focus 2019 spending to bring in people that were met during 2018 travel shows and conferences. We've partnered with Seattle Gay for the last three years and would like to channel some of our 2019 efforts on expanding our reach in the art/culture scene through quarterly publications with The Stranger (out of Seattle). Of course, we are interested in bringing outdoor adventurers to the island to responsibly explore the forests, waterfront, and incredible natural resources that surround us (we emphasize making Anacortes their home-base for Skagit County travel!). There has been an upward trend of travel in the under-40, "millennial" crowd and we're going to have to make concerted efforts to craft messages that speak to them, through their preferred means (mostly digital/social).

Attachments

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

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

2019 Anacortes Marketing Program – Budget
 2019 Anacortes Marketing Program – Success Evaluation
 2019 Anacortes Marketing Program – Timeline for Marketing Projects
 2019 Anacortes Marketing Program – Ad Examples from 2018

Certification

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

Signature	Click here to enter text. TYPE NAME IN PLACE OF SIGNATURE IF SUBMITTING ELECTRONICALLY
Printed name	Click here to enter text.
Title	Click here to enter text.
Organization	Click here to enter text.



2019 Experience Anacortes – Your Island Getaway Program Budget

DESCRIPTION	CITY - 2% Int.	CHAMBER MATCH	INKIND	TOTAL
Administration				\$65,300
General Administration	\$15,000	\$47,000		
Bookkeeping		\$2,750		
Copier equipment rental		\$350		
Office Supplies		\$200		
Brand Marketing				\$235,500
Online/Print/Billboard/Writers/WA Tourism Alliance	\$103,500			
Washington State Ferry video screens (T4Media)			\$12,000	
Washington State Ferry "Go Somewhere" Poster (T4Media)			\$120,000	
Event Marketing				\$104,299
Boat Show, Brewgrass, Vintage Market, BOP, SWF, WFF	\$27,000			
Anacortes Boat & Yacht Show (NMTA)			\$74,799	
Survey - Research			\$2,500	
Website, Technology & Graphic Design				\$9,000
Trip Planner, Vectors, Design Elements	\$1,500			
Design, development, updates, upkeep (labor)		\$7,500		
M&P Division Volunteer Hours			\$1,500	
Adobe Creative Suite, URL costs, web hosting, email marketing		\$1,309		
Distribution				\$13,500
Certified Folder	\$7,500			
Brochure Printing	\$6,000			
Photography				\$9,175
Various Photographers	\$4,500		\$4,675	
Totals	\$165,000	\$59,109	\$215,474	\$439,583



2019 Experience Anacortes – Your Island Getaway - Timeline for Marketing Projects

DESCRIPTION	1st Q (winter)	2nd Q (spring)	3rd Q (summer)	4th Q (fall)
Print Advertising	destination + events	destination + events		destination + events
Web/Google Advertising	destination	destination + events		destination + events
In/Kind Ferry Screen Advertising	on-going	on-going	on-going	on-going
Radio Advertising	podcast (testing)	events	podcast (testing)	events
Brochure Distribution	on-going	on-going	on-going	on-going
Anacortes Scene	on-going -- emailed once every six to eight weeks			



2019 Experience Anacortes – Your Island Getaway - Success Evaluation for Marketing Projects

DESCRIPTION	1st Q (winter)	2nd Q (spring)	3rd Q (summer)	4th Q (fall)
Print Advertising	We create & track custom landing pages based on media insertions (a custom redirect for a certain magazine, or issue focus) with the in-house maintained website.			
Web/Google Advertising	We track number of visitors and click-thru-rate on a year over year basis; review the percentages of returning vs new guests; testing of slight variations on either text or design of digital advertisements. We have also begun to track and compare advertisers using a custom URL builder that ties back into our analytics package. Plans for future advertising is to remarket to web visitors, in attempts to bring them back (currently researching best practices for DMOs)			
Radio Advertising	Radio is used primarily for events; we track based on guest-reported feedback (see event marketing below). We will be exploring more podcast sponsorships in 2019 if budget allows.			
Brochure Distribution	Updating images and content included in brochure, plus adding more social media and app links.			
Surrounding Media Outreach	We host and feed travel writers and regional bloggers, with the expectation of coverage about their experience. We track referrals from websites and how many articles are printed in travel/special interest magazines. We definitely have room to grow this in 2019.			
Event Marketing	We continue to track our methods of reaching event attendees with surveys taken at the point of sale for events that are ticketed, and after the event with a satisfaction survey. New for 2018 was asking about their spending beyond simply attending the festival; this helps us better understand which demographic provides a what level of ROI.			
Anacortes Scene	Email open rate is holding steady at about 30%, (up from 29% last year) and click throughs have slightly dropped from 17% to 15.5%. We will be using more Call to Action buttons in 2019. Using a pop-over form on the website's homepage, we have been able to increase our subscriber count from 7,154 in October 2016 to 11,410 in late September 2017, up to 13,949 as of late September 2018.			

Attachment B – Year-End Report

Contractor Name: _____ Contract No.: _____

Form Submitted by: _____

Reporting Year: 2019 Activity Type: ☐ Event/Festival ☐ Facility ☐ Marketing

Activity Start Date: _____ End Date: _____ Total Cost of Activity: \$ _____

Contractor is required to provide City with information in order to comply with state laws. WA State Engrossed Substitute House Bill 1253, associated with RCW 67.28, requires City to report specific information to the Joint Legislative Audit and Review Committee regarding Lodging Tax funds.

As you hold your event/festival during the year, the following information will need to be tracked and submitted to County no later than January 10, 2020. See attached definitions.

Overall Attendance - Actual (Estimated) Number & Methodology (The total number of people who attended this activity)	No.: _____ ☐ Direct Count ☐ Indirect Count ☐ Representative Survey ☐ Informal Survey ☐ Structured Est. ☐ Other Explain specific method:
Attendees who traveled 50 miles or more to attend: Actual (Estimated) Number & Methodology (The total number of people who travelled greater than 50 miles to attend this activity)	No.: _____ ☐ Direct Count ☐ Indirect Count ☐ Representative Survey ☐ Informal Survey ☐ Structured Est. ☐ Other Explain specific method:
Attendees who traveled from another state or country: Actual (Estimated) Number & Methodology (The total number of people from outside the state and country who attended this activity)	No.: _____ ☐ Direct Count ☐ Indirect Count ☐ Representative Survey ☐ Informal Survey ☐ Structured Est. ☐ Other Explain specific method:
Attendees who stayed overnight: Actual (Estimated) Number of Paid Accommodations & Methodology (The total number of people who attended this activity and paid for overnight lodging)	No.: _____ ☐ Direct Count ☐ Indirect Count ☐ Representative Survey ☐ Informal Survey ☐ Structured Est. ☐ Other Explain specific method:
Attendees who stayed overnight: Actual (Estimated) Number of Unpaid Accommodations & Methodology (The total number of people who attended this activity and did not pay for overnight lodging)	No.: _____ ☐ Direct Count ☐ Indirect Count ☐ Representative Survey ☐ Informal Survey ☐ Structured Est. ☐ Other Explain specific method:
Paid Lodging Nights: Actual Number of Paid Nights & Methodology (The total number of paid lodging nights. One lodging night = one or more persons occupying one room for one night)	No.: _____ ☐ Direct Count ☐ Indirect Count ☐ Representative Survey ☐ Informal Survey ☐ Structured Est. ☐ Other Explain specific method:

Activity Type:

1. Event/Festival: Short-term activity occurring between specific dates (e.g., 4th of July celebration, local marathon)
2. Facility: Municipally-owned facility that operates some or all the year (e.g., county historical museum, convention center)
3. Marketing: Activity that provides information to encourage visitors to an area; is typically a year-round activity but may also operate for less than a full year.

Activity Date:

Enter activity beginning and ending date.

Your Total Cost for Activity:

Enter the total cost of your activity, **not only the amount funded by lodging tax funds.**

Methodology:

Select the methodology used to estimate the actual number of visitors/participants.

Direct Count: Actual count of visitors using methods such as paid admissions or registrations, clicker counts at entry points, vehicle counts or number of chairs filled. A direct count may also include information collected directly from businesses, such as hotels, restaurants or tour guides, likely to be affected by an event.

Indirect Count: Estimate based on information related to the number of visitors such as raffle tickets sold, redeemed discount certificates, brochures handed out, police requirements for crowd control or visual estimates.

Representative Survey: Information collected directly from individual visitors/participants. A representative survey is a highly structured data collection tool, based on a defined random sample of participants, and the result can be reliably projected to the entire population attending an event and includes margin of error and confidence level.

Informal Survey: Information collected directly from individual visitors or participants in a non-random manner that is not representative of all visitors or participants. Informal survey results cannot be projected to the entire visitor population and provide a limited indicator of attendance because not all participants had an equal chance of being included in the survey.

Structured Estimate: Estimate produced by computing known information related to the event or location. For example, one jurisdiction estimated attendance by dividing the square footage of the event area by the international building code allowance for persons (3 square feet).

Other: (please describe).

Explain specific method: Such as vehicle counts, clicker counts, ticket sales, raffle tickets sold, brochures handed out, guest book, hotel room reservations, etc.



Anacortes City Council

Proposed Agenda Items for the Next Eight Weeks Beginning December 10, 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.

December 10, 2018

- Contract Modification: Update Zoning, Development and Design Standards for Anacortes Municipal Code 16-081-IDS-001
- Contract Modification: 32nd & D Ave Intersection Improvements 16-004-TRN-004
- Resolution 2026: Declaring AGA Systems as the the Sole Source Supplier for Propane Vehicle Conversion Kits
- Fire Impact Fee Presentation from Berk and Associates (Discussion)
- Ordinance 3030: Fire Impact Fees (Discussion/Possible Action)
- Ordinance 3033: Adopting the 2019-2024 Capital Facilities Plan (Discussion)
- Sewer System Assessment Presentation & HDR Contract (Discussion/Action)

December 17, 2018

- Public Hearing: Ordinance 3033: Adopting the 2019-2024 Capital Facilities Plan (Action)
- EDASC 2019 Work Plan Presentation (Discussion)
- Year End Finance Update (Discussion)
- Ordinance ____: 4th Quarter Amendment of the 2017/2018 Biennial Budget (Action)

December 24, 2018 - CANCELLED

January 7, 2019

- City of Anacortes Legislative Priorities (Discussion)

January 14, 2019

- Public Hearing: Ordinance 3031 Updating AMC Titles 16, 17 and 19 for Low Impact Development (Discussion)
- WA Cities Insurance Authority 1-Hour Elected Official Training Regarding Liability Exposures and Recommended Risk Controls (Discussion)

January 22, 2019

January 28, 2019

February 4, 2019

Upcoming City Council Committee Meetings

The public is welcome to attend City Council Committee Meetings.

- Public Works, Monday, Dec 3, 2018, 5:00 PM, Main Conference Room, City Hall
- Port/City Liaison , Tuesday, Dec 4, 2018, 8:30 AM, City Hall
- Public Safety, Tuesday, Dec 4, 2018, 10:00 AM, Mayor's Office, City Hall
- Finance, Wednesday, Dec 5, 2018, 5:00 PM, Main Conference Room, City Hall
- Housing Affordability & Community Services, Thursday, Dec 6, 2018, 1:30 PM, City Council Chambers,
- Planning, Monday, Dec 10, 2018, 5:00 PM, Main Conference Room, City Hall
- Skagit County Law & Justice Council, Wednesday, Dec 12, 2018, 8:15 AM, Mount Vernon
- Finance, Wednesday, Dec 12, 2018, 5:00 PM, Main Conference Room, City Hall
- Public Works, Monday, Dec 17, 2018, 5:00 PM, Main Conference Room, City Hall