



Anacortes City Council
Municipal Building Council Chambers
904 Sixth Street

June 19, 2017
6:00 p.m.

PRELIMINARY AGENDA

1. **Call to Order**
2. **Pledge of Allegiance**
3. **Announcements and Committee Reports**
 - a. Public Safety Committee
 - b. Finance Committee
 - c. Public Works Committee
4. **Public Comment**
5. **Consent Agenda (Action)**
 - a. Minutes of June 5, 2017 and June 12, 2017
 - b. Approval of Claims in the amount of: \$1,079,638.92
 - c. Street Fair Application: Anacortes Arts Festival
 - d. Contract Modification: 2017 Asphalt Overlay Project 17-003-TRN-001, Mod 02
 - e. Contract Modification: 2017 Sanitary Sewer Improvements 16-074-SEW-001, Mod 01
 - f. Contract Award: Install Manhole for Wastewater Outfall Repair Project 13-020-SEW-007
 - g. Street Fair Application: Art Walk Summer Pedestrian Plaza
6. **Public Hearings**
7. **Other Business**
 - a. * Heart Lake Milfoil and Algae Treatments (Discussion/Possible Action)
 - b. * Ordinance 3007: Repealing AMC 2.08, City Officer Bonds (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 Cherri Kahns at 360-299-1950 at least 48 hours prior to this meeting.



Anacortes City Council

Proposed Agenda Items for the Next Eight Weeks Beginning June 26, 2017

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, vouchers and consent agenda items is 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.

June 26, 2017

July 3, 2017

Special Meeting: THIS MEETING WILL BE CANCELLED IN LIEU OF COMMUNITY INDEPENDENCE DAY CELEBRATION. DO NOT SCHEDULE ANY BUSINESS THIS NIGHT.

July 10, 2017

- Contract Award: Aquatic Vegetation Management of Heart Lake 17-073-PRK-001
- Community Action of Skagit County 2016 Impact Report

July 17, 2017

July 24, 2017

August 7, 2017

August 14, 2017

August 21, 2017

Upcoming City Council Committee Meetings

The public is welcome to attend City Council Committee Meetings.

- Public Works, Monday, Jun 19, 2017, 5:00 PM, Public Works Director's Office, City Hall
- Planning, Monday, Jun 26, 2017, 5:00 PM, Main Conference Room, City Hall
- Housing Affordability & Community Services, Thursday, Jul 6, 2017, 1:30 PM, City Hall
- Planning, Monday, Jul 10, 2017, 5:00 PM, Main Conference Room, City Hall

City Council Minutes – June 5, 2017

Mayor Laurie Gere called to order the regular Anacortes City Council meeting of June 5, 2017 at 6:00 p.m. Councilmembers Eric Johnson, Ryan Walters, Erica Pickett, Brad Adams, Liz Lovelett, Bruce McDougall and Matt Miller were present. The assembly joined in the Pledge of Allegiance.

Mr. Johnson moved, seconded by Ms. Lovelett, to remove from the agenda Item 7d, Ordinance 3005: Wave Franchise Agreement, pending additional work by staff. The motion passed unanimously by voice vote.

Mr. Adams requested that agenda Item 7a, Heart Lake Milfoil and Algae Treatments, be moved to follow Item 7c. Councilmembers and Mayor Gere concurred.

Announcements and Committee Reports

Proclamation: General Aviation Appreciation Month:

Mayor Gere read a statement proclaiming June 2017 to be General Aviation Appreciation Month in Anacortes and inviting all citizens to recognize the occasion.

Housing Affordability & Community Services Committee: Ms. Lovelett reported from the Housing Affordability subgroup meeting the prior Thursday. She said the fourth draft of the Affordable Housing Strategic Plan was under review with the goal of presenting the final draft to the Planning Commission in early July in order to harmonize it with the development regulations update.

Public Works Committee: Mr. Johnson reported from the committee meeting earlier in the evening at which the members discussed the prilled sulfur traffic mitigation agreement with the Port of Anacortes and the fiber optic network project.

Ms. Lovelett reported that the school district and Anacortes Public Library would be hosting the film *Resilience* regarding childhood trauma. She also announced that the Learning and Lunches program would start on June 26 providing free lunch to children at 11:30 each day at Whitney School.

Ms. Lovelett and Mayor Gere reported from recent meetings with the Senior Center focus group regarding their accreditation and strategic plan.

Ms. Lovelett commented on recent tragedies in Portland and urged the community to come together to stand up for the vulnerable.

Ms. Lovelett reported constituent concern about departure from the Paris climate accords and calls for Anacortes to determine what standards it would uphold.

Mr. Johnson reported on revisions to the Kiwanis Aktion Club electronics recycling service and provided a list of locations where printers, scanners, other computer peripherals could be recycled since the club was no longer able to accept them.

Public Comment

No one present wished to address Council on any topic not already on the agenda.

Consent Agenda

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

- a. Minutes of May 22, 2017 and May 25, 2017
- b. Approval of Claims in the amount of: \$230,034.84
- c. Contract Modification: Downtown Sidewalks Phase 1 – 3rd St (17-028-TRN-001)
- d. Interlocal Cooperative Agreement: Whatcom County Plantation Rifle Range Use Agreement

The following vouchers/checks were approved for payment:

EFT numbers: 85087 through 85142, total \$238,464.56

Check numbers: 85143 through 85218, total \$219,899.10

Wire transfer numbers: 216345 through 217277, total \$5,890.74

PUBLIC HEARINGS

Closed Record Public Hearing: CUP-2017-0001, Anacortes School District, Cap Sante High School Portable(s) at SE corner of 22nd Street & "J" Avenue

Planning Director Don Measamer presented an application for Conditional Use Permit CUP-2017-0001 to permit the temporary placement of a 2,700 square foot portable building on the grass field located at the southeast corner of the intersection of 22nd Street and "J" Avenue to house Cap Sante High School. Mr. Measamer's slide presentation was added to the packet materials for the meeting. After summarizing the project, the application and the relevant municipal code, Mr. Measamer reported that following its open record public hearing on May 24, 2017 the Planning Commission had recommended 5-0 that City Council approve the CUP subject to recommended conditions. He added that there were no parties of record other than the applicant.

Mr. Measamer responded to questions from mayor and Council regarding timing of the proposed temporary use and parking concerns. Applicant Project Manager Marc Estvold responded to councilmember concerns regarding parking.

Mr. Johnson moved, seconded by Mr. Miller, to approve the subject Conditional Use Permit subject to staff's recommended conditions of approval. Vote: Ayes – Walters, Pickett, Adams, Lovelett, McDougall, Miller and Johnson. Motion carried.

OTHER BUSINESS

Ordinance 3006: Vacation of Portions of 31st Street, 30th Street and Alleys related to Jacob's Meadow Final Plat/PUD-2011-0001

Planning Manager Libby Grage presented draft Ordinance 3006 which would vacate portions of 31st Street, 30th Street and alleys related to Jacob's Meadow Final Plat (PUD-2011-0001). Ms. Grage summarized the PUD (application initially filed in 2011) and the related vacations. Her slide presentation was added to the packet materials for the meeting. Ms. Grage reported that the appraised value of the area proposed for vacation was \$5/SF or \$84,015 and that 75% of that amount, or \$63,011, was the required vacation compensation per code. Mr. Miller clarified the compensation calculations with Ms. Grage.

Mr. Walters moved, seconded by Ms. Pickett, to approve Ordinance 3006 as presented.

Ms. Lovelett asked what the public benefit would be for the vacation. Mr. Measamer explained the open space and new public roadway provided by the project. He also responded to questions regarding access to the adjoining Mehler property. Mr. Adams noted that the appraisal was performed in 2015 and said property values had increased since that time. Mr. Measamer said Council could request a new appraisal, which could take a month or so, but that staff was satisfied with the value as established. Mr. McDougall reported that median sales price in Anacortes had gone up 20% since 2015. Mr. Adams objected to accepting the \$5/SF value established in 2015. Mr. Miller observed that adding new homes adds to the city property tax base. Mr. Walters agreed with Mr. Adams's point but suggested that a new appraisal would not significantly change the total compensation calculation.

Vote: Ayes – Pickett, Lovelett, McDougall, Miller, Johnson and Walters. Nays – Adams. Motion carried.

Request for Final Plat Approval: PUD-2011-0001, Jacob's Meadow, D Avenue/30th Street

Ms. Grage presented the final plat application for PUD-2011-0001. Her slide presentation was added to the packet materials for the meeting. Ms. Grage summarized the final PUD and plat procedure from AMC 16.16 and outlined the processing of the application in compliance with that procedure. She said staff found that the plat had been constructed consistent with conditions of approval but listed six conditions that remained unmet prior to recording of the prior plat as outlined in the staff memo.

Ms. Lovelett asked about the condition regarding fee in lieu for the detention pond. Public Works Director Fred Buckenmeyer explained that the specific pond in question was slated for work by the city later in the year. Mr. Walters asked about the maintenance bond for public improvements; Ms. Grage indicated that was an original condition of final approval. Mr. Walters noted that the six listed conditions were all part of the original plat conditions and were noted by staff as remaining to be completed prior to recording of the final plat.

Mr. Adams moved, seconded by Mr. Johnson, to approve the final plat/PUD application for Jacob's Meadow subject to the conditions recommended by staff. Vote: Ayes – Adams, Lovelett, McDougall, Miller, Johnson, Walters and Pickett. Motion carried.

Heart Lake Milfoil and Algae Treatments

Forestlands Manager Jonn Lunsford and Parks & Recreation Director Gary Robinson continued the discussion of this topic begun at the May 22, 2017 regular City Council meeting. Their slide presentation was added to the packet materials for the meeting. Mr. Lunsford briefly summarized the acquisition of the lake from the State Parks and the subsequent development of the Heart Lake Management Plan and Heart Lake Master Plan. Mr. Lunsford presented a ten-year funding plan for Heart Lake hybrid milfoil and algae treatments. He provided comparative information regarding results of treatments at other nearby lakes. Mr. Lunsford said DOE was waiting for response from the city regarding the \$49K grant offered for the alum treatment. He responded to earlier councilmember questions regarding dredging the lake as an alternative to chemical treatment, reporting that costs for that process could be \$900K or more.

Parks & Recreation Director Gary Robinson and Finance Director Steve Hoglund responded to councilmember questions regarding the funding plan, potential funding sources, Heart Lake projects included in the Capital Facilities Plan, and potential results of the No Action alternative. Ms. Pickett observed that public sentiment revealed during the Management Plan and Master Plan public processes indicated that citizens wanted the lake to be maintained for recreation.

Mayor Gere invited members of the public to address the Council on this issue.

Sara Holahan, 1511 38th Street, thanked the Parks Department for its extensive research. She recalled that the vegetation problems were not at the fore of discussion during the master plan process. She asked why

hand pulling or other mechanical means had not worked. She noted that chemicals required repeated application and asked about chemical transfer into Fidalgo Bay downstream. She urged educating the community about the risks and benefits of chemical application since those may not have been understood at the time the Master Plan was developed.

In response, Mr. Lunsford recapped the hand pulling efforts undertaken earlier and noted the limited effect and high cost.

Brian Wetcher, 814 26th Street, urged Council to recognize its new responsibilities with a new environment. He called the amenities included in the Master Plan a wish list, not items required to maintain traditional recreational pursuits at the lake. He urged Council to focus on the methodology of funding so that permits could be obtained timely and the liability of toxic algae could be addressed. He reminded that other lakes in town may face the same problems in the future. He urged moving forward with the treatment plan presented by staff.

No one else present wished to address the Council.

Mr. Johnson asked about regional efforts to prevent the spread of problem aquatic vegetation. Mr. Lunsford recapped state grants issued in the region for this effort.

Ms. Lovelett noted constituent comments from citizens who do not want to swim in a lake that has been chemically treated. Mr. Lunsford reported on the usage restrictions for the various chemicals under consideration. Mr. McDougall asked if Council was really committing to a 10-year plan if it committed to the first two years. Mr. Lunsford said the public expectation would likely be for continued management.

Mr. Lunsford reported that following Council discussion at the prior meeting staff had applied for a permit for chemical treatment. He suggested that staff proceed with issuing a Request for Proposals to keep treatment options open for the 2017 season. Councilmembers concurred. Mr. Walters requested more specific funding information including how much was available and suggested for use from each source. Mayor Gere asked Mr. Hoglund if the entire treatment plan could be funded by the DOE grant and the quarry fund. Mr. Hoglund said the quarry fund was only restricted to use within the ACFL so could be used for this purpose. Mr. Robinson preferred using quarry funds for only half of the costs. Mr. Johnson suggested that public fundraising might be another option. Ms. Lovelett questioned committing to the ongoing costs of pursuing chemical treatment in the face of needs at other park facilities.

Mr. Robinson said he would bring the topic back before Council two weeks hence with the additional information requested for one more round of public comment and ask for Council action at that point.

Keystone Latecomer Agreement 17-056-ADM (Discussion/Possible Action)

City Attorney Darcy Swetnam summarized the mechanics of latecomer agreements per Chapter 12.20 AMC. She presented a latecomer agreement for sewer infrastructure to be installed as part of the Keystone project, which was included in the packet materials for the meeting.

Attorney Bruce Flanagan, 3706 W 2nd Street, representing Richard McKee and Melissa Dykstra, said the proposed latecomer agreement was unfair. Mr. Flanagan related the history of the property transfer from Don McKee to Mr. Flanagan's clients and subsequently to Keystone LLC and described the sewer connections and prior latecomer agreements in the area. He said the latecomer fee was reasonable but would not serve his clients because sewage would have to be pumped uphill. He asked Council not to approve the agreement. He said his clients would rather tap into a different sewer location.

Richard McKee echoed Mr. Flanagan's comments.

Engineering Technician Steve Lange said the McKee property did see a direct benefit from the Keystone sewer and noted it would not have to pay the latecomer fee if it did not connect to the Keystone sewer. He said the McKee property could connect to the west instead.

Councilmembers and Mayor Gere asked that staff bring the matter back with additional information. Ms. Swetnam said that notice of the latecomer agreement had been made per code and no request for public hearing had been filed with the city during the 20-day window. She recommended that Mr. Flanagan prepare a briefing for Council with all the referenced agreements.

There being no further business, at approximately 7:50 p.m. the Anacortes City Council meeting of June 5, 2017 was adjourned.

City Council Minutes – June 12, 2017

Mayor Laurie Gere called to order the regular Anacortes City Council meeting of June 12, 2017 at 6:00 p.m. Councilmembers Eric Johnson, Ryan Walters, Erica Pickett, Brad Adams, Liz Lovelett, Bruce McDougall and Matt Miller were present. The assembly joined in the Pledge of Allegiance.

Announcements and Committee Reports

Planning Committee: Mr. Adams reported from the committee meeting earlier in the evening at which the members discussed potential routes for the Tommy Thompson train.

Ms. Pickett reported from the recent Port/City Liaison Committee meeting at which members discussed prilled sulfur payments from the Port, coordinating plans for the Depot area, Port renovations of the Demopoulos block, and the upcoming 4th of July events.

Mayor Gere announced that on Wednesday and Thursday Heart Lake Road would be closed from 7:00 a.m. to 4:00 p.m. for shoulder work.

Public Comment

No one present wished to address Council on any topic not already on the agenda.

Consent Agenda

Mr. Johnson removed Item 5b, Contract Award: Water Treatment Plant LED Lighting Retrofit & Upgrade Project, from the Consent Agenda. Ms. Lovelett moved, seconded by Ms. Pickett, to approve the following Consent Agenda items. The motion passed unanimously by voice vote.

- a. Approval of Claims in the amount of: \$411,060.93
- c. Findings of Fact, Conclusions of Law and Decision: CUP-2017-0001, Anacortes School District, Cap Sante High School Portable(s)

The following vouchers/checks were approved for payment:
EFT numbers: 85219 through 85270, total \$204,269.50
Check numbers: 85271 through 85333, total \$208,808.64
Wire transfer numbers: 216786 through 217335, total \$15,201.09

- b. Contract Award: Water Treatment Plant LED Lighting Retrofit & Upgrade Project

Mr. Johnson observed that the \$110K grant funded project was estimated to save the plant more than \$16,000 annually in electricity costs. He thanked staff for its ongoing efforts to conserve energy and funds over time. Mr. McDougall added that based on figures provided by Resource Conservation Manager Russ Pittis, the project would save 255KwH per year or 242,000 pounds of CO². Mr. Johnson moved, seconded by Mr. Adams, to approve Consent Agenda Item 5b. The motion passed unanimously by voice vote.

OTHER BUSINESS

Island Hospital Community Education Presentation

Warren Tessler, Island Hospital Commissioner, introduced the hospital's CEO, Vince Oliver, and its Human Relations Director, Dennis Richards. Mr. Tessler shared a slide presentation regarding the

upcoming property tax levy ballot that would yield \$1.7 million/year for technology, facility and capital improvements at the hospital. His presentation summarized the history of the hospital and its associated health care system in the community, its extensive service area, the types of improvements that would be funded by the levy, the rationale for increasing the levy in the face of uncertain healthcare reimbursements, the proposed tax rate and the resulting estimated cost for a \$400K home. Mr. Tessler emphasized that the levy provides only 3% of the hospital's \$100M budget and that it is used exclusively for capital projects. Mr. Tessler reminded that the hospital had not asked the voters to increase the regular levy for more than thirty years. He urged support for the 31-cent per \$1000 property increase on the August 1 ballot to keep quality health care close to home in Anacortes. Mr. Tessler concluded by summarizing some of the many awards earned by the hospital in recognition of its quality service.

Mr. Walters emphasized that the hospital and city are separate entities and taxing districts and pointed out that as property values go up, the resulting rate for each property decreases. Mr. Johnson observed that the overall tax rate in Anacortes remains lower than in surrounding areas but suggested a more holistic view to let taxpayers know what to expect in terms of overall tax burden in the years ahead. Mr. Miller concurred, noting that a school district M&O levy and an EMS levy were both due in the near future.

Ms. Lovelett offered a shout out to the Service Industry Employees Union for their role in lowering the readmission rate. She praised the hospital for managing to remain unaffiliated in line with community values. She also observed the very low Medicare/Medicaid reimbursement rate in Washington state and suggested that Council might want to engage in legislative advocacy on that subject.

Mr. Adams observed that the proposed levy rate looked reasonable for the value provided.

Bike/Pedestrian Committee Presentation

Carolyn Moulton, co-owner of BikeSpot and member of the Anacortes Bike/Pedestrian Advisory Committee, reported on ongoing success of Open Streets events in Anacortes including the first Friday Artwalk Pedestrian Plaza over the weekend. Ms. Moulton noted the city's designation as a Bicycle Friendly City at the Silver level and raised the question of where to park bikes as cycling becomes more and more popular. She presented a series of photos demonstrating the bike corral parking concept used in other cities to safely park more bikes in less space convenient to local businesses. Ms. Moulton said that on street bike corrals also unclutter sidewalks and provide more room for pedestrians. She demonstrated how corrals could be installed in yellow zones adjacent to street corners without reducing existing on street vehicle parking spaces. Ms. Moulton added that corrals are relatively inexpensive to build. She proposed three corrals along the CBD and depicted possible locations which would need to be reviewed with public works and public safety staff and with adjacent business owners. Mr. Johnson called the positioning brilliant. Ms. Lovelett suggested that the Public Safety Committee consider the suggestion at its regular meeting the next day. She reported enthusiastic support for similar options in Tacoma and noted the value of cycling infrastructure in Anacortes.

Independence Day Celebration Update

Parks & Recreation Director Gary Robinson updated Council on the plans for the upcoming Independence Day celebration. His slide presentation was added to the packet materials for the meeting. Mr. Robinson described the Patriotic Community Event from 5:30-7:30 p.m. on July 3 at the Heart of Anacortes, the traditional town photo at 10:00 a.m. on July 4 at 5th & Commercial, the parade on July 4 beginning at 11:00 a.m., the Rock the Dock food and music event at Seafarer's Park at 3:30 p.m. on July 4, and the fireworks show beginning at approximately 10:00 p.m. on July 4. Mr. Robinson provided contact information for each event for those who were interested in becoming more involved and invited donations to support the fireworks show. In response to a question from Mr. Johnson, Mr. Robinson suggested that those wishing to register a float for the parade could obtain registration forms from the Parks Department or contact staff lead Sylvia Cooper.

Interlocal Agreement with Skagit County for Annual EDASC Membership

Finance Director Steve Hoglund requested Council approval of the annual interlocal agreement with Skagit County to obtain \$7,200 of funding towards the city's \$20,500 membership dues with the Economic Development Alliance of Skagit County (EDASC). Ms. Lovelett encouraged additional meetings with EDASC to better articulate the type of economic development being slated for Anacortes. Mayor Gere reported that EDASC had met with the port and city earlier in the day to finalize the steps for the Maritime Strategic Plan and said conversations would continue.

Mr. Walters disclosed that as a fixed salary employee of Skagit County, one of the contracting parties to the agreement, under RCW 42.23.040 he had a remote interest in the agreement and for the city to enter into the agreement his vote could not be counted.

Ms. Lovelett moved, seconded by Mr. Johnson, to approve the interlocal agreement with Skagit County. Vote: Ayes – Pickett, Adams, Lovelett, McDougall, Miller and Johnson. Abstain – Walters. Motion carried.

Executive Session per RCW 42.30.110 (1)(b)

At 7:00 p.m. Mayor Gere announced that City Council would convene in Executive Session for approximately 20 minutes to discuss a potential real estate transaction about which open discussion could result in terms unfavorable to the City and that immediately following the executive session the meeting would adjourn with no action being taken.

There being no further business, at approximately 7:25 p.m. the Anacortes City Council meeting of June 12, 2017 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 June 19, 2017 City Council meeting:
[Download this file in OpenDocument spreadsheet format.](#)

Invoice Doc #	Transaction Date	Invoice #	Vendor #	Vendor Full Name	Description	Total Amount
215559	3/28/2017	0952-443738	00088	ALL PHASE ELECTRIC SUPPLY CO.	SOL BRIDGE CONNECTORS	\$52.08
217488	4/17/2017	551725	01765	MISTER T'S AWARDS &	LIB - NAME TAGS	\$57.51
215883	4/27/2017	139219	02280	SCOTT RICHARDS INSURANCE, INC	INSURE DEPOT MADRONE GROVE SCULPTURES	\$380.22
217676	5/2/2017	0549052	00932	FERGUSON ENTERPRISES, INC	COUPLING AND SPOOL	\$953.24
216020	5/2/2017	Order	00932	FERGUSON ENTERPRISES, INC	PIPE TRANSITION COUPLING 6" VICTAULIC	\$161.67
217544	5/4/2017	TB171395846	10094	GOOD TO GO!	I 405 TRAVEL - PLATE 53506D	\$2.75
217564	5/5/2017	0204950-IN	02260	REISNER DISTRIBUTOR INC	LUBRICANTS - OIL AND GREASE	\$3,924.93
216455	5/12/2017	140432	02280	SCOTT RICHARDS INSURANCE, INC	POLICE CHIEF CRIME INSURANCE RENEWAL	\$857.00
216456	5/12/2017	140433	02280	SCOTT RICHARDS INSURANCE, INC	CITY CLERK/CASH HANDLER CRIME INSURANCE	\$71.00
216595	5/12/2017	1449	02144	WEST MARINE PRODUCTS, INC	BILGE PUMP - SAILING PROGRAM	\$43.38
217569	5/15/2017	00711622	01196	HARRINGTON INDUSTRIAL	PLUMBING FOR BOOSTER STATIONS	\$1,853.77
217644	5/16/2017	32451	10419	SUNSET KENNEL	K9 T-BONE GROOMING	\$50.00
217487	5/22/2017	726706	00306	BAYSHORE OFFICE PRODUCTS INC	LIB - OFFICE SUPPLIES	\$6.90
217458	5/23/2017	17-08628	00850	EDGE ANALYTICAL, INC	RADIUM ANALYSIS-RAW AWATER/POINTE/PUMP	\$339.00
217456	5/23/2017	17-08984	00850	EDGE ANALYTICAL, INC	GAB ANALYSIS-POINTE/RAW WATER/PUMP	\$357.00
217452	5/23/2017	17-10600	00850	EDGE ANALYTICAL, INC	THM/HAA TESTING FOR WP/A AVE BOOSTER/3	\$962.00
217072	5/23/2017	5143646	00973	FISHER SCIENTIFIC	TYPE K THERMOMETER WATER PROOF	\$178.27
217343	5/23/2017	202454666	09222	WASHINGTON STATE FERRIES	TRAVEL EXPENSE-MARRS, FRASER	\$26.40
217345	5/23/2017	377535806	09222	WASHINGTON STATE FERRIES	WSF-TRAINING-MARRS, FRASER	\$17.35
217346	5/24/2017	112-3095263-4255460	08811	AMAZON.COM	PLANTRONICS CS540 HEADSET - VALORA	\$220.41
217068	5/24/2017	300162296	01443	KCDA PURCHASING COOPERATIVE	COPY PAPER 8.5 X 11 - FINANCE	\$382.18
217069	5/24/2017	300162298	01443	KCDA PURCHASING COOPERATIVE	24# COPY PAPER - 3RD FLOOR	\$103.11
217347	5/24/2017	A33250	02405	SEBO'S DO-IT CENTER	PARKS - PADLOCK	\$59.83
217074	5/25/2017	U95549/1	00021	ACE HARDWARE	CITY HALL JANITORIAL	\$32.53
217344	5/25/2017	111-1578190-0268210	08811	AMAZON.COM	CITY HALL - REPLACE/ADD EASELS	\$199.96
217079	5/25/2017	114-6425298-5253067	08811	AMAZON.COM	MAGNETIC HOOKS	\$11.87

Invoice Doc #	Transaction Date	Invoice #	Vendor #	Vendor Full Name	Description	Total Amount
217631	5/25/2017	007603234	00368	GALLS LLC - DBA BLUMENTHAL UNI	UNIFORM ITEMS; NEW OFC DILLS	\$129.83
217554	5/25/2017	615136	01525	LABCONCO CORPORATION	SEAL - GLASSWEAR WASHER	\$35.23
217065	5/25/2017	16123201	05523	PACIFIC POWER BATTERIES	BATTERIES PUBLIC SAFETY	\$150.59
217067	5/25/2017	A33824	02405	SEBO'S DO-IT CENTER	CEMENT/PVC PIPE/BALL VALVE-STORVIK	\$53.98
217066	5/25/2017	A34043	02405	SEBO'S DO-IT CENTER	FACILITY USE TIEMS	\$6.50
217075	5/26/2017	714600013763	04308	COSTCO WHOLESALE CORPORATION	SURVIVOR CAMP SUPPLIES	\$97.80
217076	5/26/2017	0474149582144125	08879	PARTY CITY	SURVIVOR CAMP SUPPLIES	\$181.02
217073	5/26/2017	158822	10605	PIPETTE.COM	PIPETTE CALIBRATION SERVICE	\$46.00
216952	5/26/2017	140710	02280	SCOTT RICHARDS INSURANCE, INC	INSURE DITCH WITCH AND TRAILER ER 860	\$388.39
217071	5/28/2017	113-3587744-8625809	08811	AMAZON.COM	APD - VIDEO CAMERA	\$77.52
217147	5/30/2017	A31556/1	00021	ACE HARDWARE	SOIL AND SEEDS	\$12.42
217293	5/30/2017	114-9060308-3073058	08811	AMAZON.COM	NITRILE GLOVES	\$131.15
217145	5/30/2017	WAANA91479	00939	FASTENAL CO	TOOL	\$71.41
217196	5/30/2017	010259/3594995	07231	HOME DEPOT	OUTLET COVERS, DUCT TAPE, HOLE HAWG DRILL, WRENCH. YARD STICK. TAPE MEASURE	\$656.15
217191	5/30/2017	0171912-IN	06422	NURNBERG SCIENTIFIC	BIOHAZARD BAGS	\$64.17
217146	5/30/2017	A37731	02405	SEBO'S DO-IT CENTER	FASTENERS/TIE WRAP/EYE BOLT	\$47.26
217143	5/30/2017	A37833	02405	SEBO'S DO-IT CENTER	GARAGE DOOR PARTS	\$7.14
217144	5/31/2017	111-1903108-2488206	08811	AMAZON.COM	BALL MOUNT AND PINTLE HOOK AND HITCH PIN AND CLIP	\$97.35
217355	5/31/2017	114-9191442-4506661	08811	AMAZON.COM	PH INDICATOR	\$20.94
217194	5/31/2017	17201	00306	BAYSHORE OFFICE PRODUCTS INC	CITY HALL 3RD FLOOR BREAKROOM SUPPLIES	\$5.36
217479	5/31/2017	121	06629	BOYS & GIRLS CLUBS	MAY - LUNCH PROGRAM SERVICE PROVISION	\$700.00
217415	5/31/2017	WAANA91533	00939	FASTENAL CO	HOLE SAWS, HOLE SAW ADAPTERS FOR FIBER PROJECT	\$185.48
217521	5/31/2017	SR302004544-01	02863	FREIGHTLINER NORTHWEST	WARRANTY DEDUCTIBLE FOR #222	\$108.70
217650	5/31/2017	121358	10177	INFOSEND, INC.	MONTHLY STATEMENT PROCESSING	\$3,596.60
217640	5/31/2017	LL.MEADD	01364	ISLAND HOSPITAL	MAY, LIFELINE, DAVID MEAD, LEOFF1 RETIREE	\$64.95
217555	5/31/2017	INV104576	01605	L.N. CURTIS & SONS	10 PAILS CLASS A, 5 PAILS CLASS B FOAM	\$1,830.84
217617	5/31/2017	11914	01530	LAKESIDE INDUSTRIES, INC.	CRUSHED ROCK FOR FIBER PROJECT	\$158.80
217581	5/31/2017	IN923803	10389	NOANET	FIBER NETWORK OPS, GIS, AND ENGINEERING SUPPORT MAY 2017	\$5,351.25
217582	5/31/2017	IN923804	10389	NOANET	TRAVEL EXPENSES FOR FIBER NETWORK ENGINEERING SUPPORT MAY 2017	\$905.49

Invoice Doc #	Transaction Date	Invoice #	Vendor #	Vendor Full Name	Description	Total Amount
217583	5/31/2017	IN923805	10389	NOANET	TRAVEL DAYS FOR FIBER NETWORK ENGINEERING SUPPORT MAY 2017	\$328.00
217486	5/31/2017	0000533473	01958	OCLC, INC	CATALOGING, ILL, FIRSTSEARCH/WORLDCAT DISCOVERY	\$334.47
217510	5/31/2017	1143529	02137	POLYDYNE INC	CLARIFLOC POLYMER FOR THE INCINERATOR	\$1,132.74
217578	5/31/2017	804538	08101	PUBLIC SURPLUS	PUBLIC SURPLUS AUCTIONS MAY	\$12.74
217589	5/31/2017	27347	07996	REICHHARDT & EBE ENGINEERING	MARCH POINT ROAD SHOULDER WIDENING CONSTRUCTION CONSULTING SERVICES	\$456.71
217590	5/31/2017	27348	07996	REICHHARDT & EBE ENGINEERING	SHIP HARBOR & SR20 INTERSECTION- 4/24/17-5/19/17	\$4,911.66
217249	5/31/2017	38001201601	02342	SAFEWAY INC	LOCAL PLANNING TRAINING 20170531	\$23.36
217192	5/31/2017	A38701	02405	SEBO'S DO-IT CENTER	FACILITY USE ITEMS	\$8.93
217619	5/31/2017	871	02470	SKAGIT CONSERVATION DISTRICT	NPDES II OUTREACH & EDUCATION - MAY 2017	\$549.96
217674	5/31/2017	0173	02468	SKAGIT COUNTY SOLID WASTE FUND	MAY TONNAGE HAULED	\$75,883.28
217592	5/31/2017	1048113	02519	SKAGIT PUBLISHING LLC	PUBLISH AA-1624191 AA-1624196	\$178.64
217613	5/31/2017	114-5374618	04834	UNITED SITE SERVICES, INC	TRAVELLING TOILET RENTAL FOR FIBER PROJECT CREW	\$33.87
217543	5/31/2017	114-5375019	04834	UNITED SITE SERVICES, INC	2100 PENNSYLVANIA AVE - MAY SVC.	\$119.11
217471	5/31/2017	386000156	08528	US BANK NA - CUSTODY TREAS DIV	INVESTMENT FEES 5/1/17-5/31/17	\$103.00
217483	5/31/2017	7050102	02855	UTILITIES UNDERGROUND LOCATION	UTILITY LOCATE TICKETS FOR MAY	\$260.26
217254	6/1/2017	112-4534538-7454625	08811	AMAZON.COM	RETRACTABLE PENS	\$17.78
217253	6/1/2017	112-9291276-7916205	08811	AMAZON.COM	MARKER PENS	\$7.99
216752	6/1/2017	I4526441	01004	HD FOWLER COMPANY INC	WATER INVENTORY PARTS	\$5,886.11
217407	6/1/2017	xxxxx11	10346	IMPORTED P CARD TRANSACTION	Inf:SCHOOLS/EDUCATIONAL SCHL-THE SEMINAR GROUP	\$579.00
217408	6/1/2017	xxxxx12	10346	IMPORTED P CARD TRANSACTION	Inf:SCHOOLS/EDUCATIONAL SCHL-THE SEMINAR GROUP	\$130.00
217641	6/1/2017	800483	01588	LIFE ASSIST, INC	EXAM GLOVES, MEGAMOVERS, PREP RAZORS,	\$671.94
217476	6/1/2017	824	10520	MIN-NS	JUNE SUBSCRIPTION	\$130.20
217247	6/1/2017	52569040	01938	NORTHERN TOOL & EQUIPMENT CO	HOOK BASE FOR FORK LIFT TRUCK	\$501.27
217658	6/1/2017	300000006951	02192	PUGET SOUND ENERGY	STREET LIGHTS	\$17,246.26
217251	6/1/2017	A38956	02405	SEBO'S DO-IT CENTER	SEALANT, PAINTABLE UNDERCOAT FOR FIBER PROJECT	\$55.90
217620	6/1/2017	1169023	02681	SURETY PEST CONTROL	MONTHLY PEST CONTROL-OPS	\$48.83
217638	6/1/2017	72020199968	04784	UNDERWRITERS LABORATORIES LLC	ANNUAL TESTING OF ALL GROUND AND AERIAL	\$2,066.05

Invoice Doc #	Transaction Date	Invoice #	Vendor #	Vendor Full Name	Description	Total Amount
217651	6/1/2017	1388021-0043-8	02997	WASTE MANAGEMENT	MAY 2017 CONTRACTED SERVICES	\$99,753.51
217416	6/2/2017	113-0327558-0892239	08811	AMAZON.COM	PARTICULATE FILTERS	\$350.54
217248	6/2/2017	1151123	00598	COLE-PARMER INSTRUMENT CO.	THERMOMETER SYSTEM TRACEABLE	\$185.65
217633	6/2/2017	007649119	00368	GALLS LLC - DBA BLUMENTHAL UNI	UNIFORM; NEW OFC DILLS	\$417.14
217414	6/2/2017	95001478757	02342	SAFEWAY INC	ART WALK SUPPLIES	\$73.08
217418	6/2/2017	R17APTBMPP	10596	SCANCAFE, INC.	HEAT EXCHANGER NEGATIVE 1997 RESTORE	\$26.28
217405	6/2/2017	A34941	02405	SEBO'S DO-IT CENTER	GALVANIZED ELBOW	\$10.84
217406	6/2/2017	A39392	02405	SEBO'S DO-IT CENTER	SAW BLADES, NYLON LINE	\$113.88
217411	6/2/2017	A39450	02405	SEBO'S DO-IT CENTER	IRRIGATION SUPPLIES	\$27.29
217409	6/2/2017	170508	04831	T-SHIRTS BY DESIGN	ACFL STAFF T-SHIRTS	\$97.65
217480	6/2/2017	17284601	03116	W S DARLEY & CO	QUICK MOUNT SCENE LIGHT	\$70.47
217594	6/2/2017	13967	02962	WASHINGTON CITIES INSURANCE	CRIME/FAITHFUL PERFORMANCE OF DUTY POLICY	\$1,373.00
217537	6/3/2017	RI103263771	09303	FRANCOTYP-POSTALIA, INC	MAILING MACHINE QUARTERLY RENTAL 6/1-8/31/17	\$130.07
217413	6/4/2017	114-2738447-6741025	08811	AMAZON.COM	IT SUPPLIES	\$98.99
217637	6/5/2017	642017	00180	ANACORTES TOWING LLC	TOWING; APD CASE #17-A04013	\$162.75
217296	6/5/2017	2005813371280	03318	DELL MARKETING LP	APD - LAPTOPS	\$5,389.80
217669	6/5/2017	WAANA91645	00939	FASTENAL CO	ELECTRICAL TAPE (MULTIPLE COLORS),	\$297.29
217484	6/5/2017	0550348	00932	FERGUSON ENTERPRISES, INC	MXU'S, 14 YEAR PRORATION WARRANTY, SOLE	\$3,706.02
217266	6/5/2017	194526	01311	INDUSTRIAL FILTER MANUFACTURER	AIR FILTERS	\$117.58
217474	6/5/2017	41600230229	02909	LES SCHWAB TIRE CENTERS	REPLACE TIRE FOR VEH #706	\$233.47
217591	6/5/2017	7675	07474	MACLEOD RECKORD PLLC	GUEMES TRAIL DESIGN - PHASE 6 - MAY 2017	\$1,563.16
217265	6/5/2017	WA07-153874	07819	MOTION INDUSTRIES, INC	LIP SEALS AND MOTOR	\$1,198.64
217469	6/5/2017	2457238	10616	OFFICESUPPLY.COM	AUTOMATIC ELECTRIC LETTER OPENER -FIN	\$251.31
217667	6/5/2017	5298	02405	SEBO'S DO-IT CENTER	ROPE	\$14.09
217505	6/5/2017	293539	02549	SMILEY'S INC	WELDING FOR FIBER PROJECT	\$203.65
217611	6/5/2017	1961	10614	SOUND LAW CENTER	HEARING EXAMINER SERVICES	\$1,387.50
217470	6/5/2017	2668000	02841	U S BANK	OIL TRANSFER PUMP INLET SCREEN	\$37.43
217290	6/5/2017	26T70N	10184	US BANK	CHARGES FOR TRAVEL (LODGING)	\$317.96
217269	6/5/2017	9786141827	02879	VERIZON WIRELESS	VERIZON SCADA SERVICE PUMP STATION	\$478.54
217504	6/5/2017	MI0367719943	02144	WEST MARINE PRODUCTS, INC	STORVIK SPRAY PAD SIGN	\$42.28
217541	6/6/2017	728467	00306	BAYSHORE OFFICE PRODUCTS INC	OFFICE SUPPLIES - CARNEGIE	\$9.97
217568	6/6/2017	160535-2	00355	BIRCH EQUIPMENT CO., INC	GENIE BOOM LIFT TO CLEAN FILTER GALLERY	\$2,126.60
217500	6/6/2017	99496936	10088	GOTOCITRIX.COM	GOTOMEETING ANNUAL PLAN	\$480.34

Invoice Doc #	Transaction Date	Invoice #	Vendor #	Vendor Full Name	Description	Total Amount
217454	6/6/2017	439406	01331	INTERNATIONAL CODE COUNCIL,INC	INTERNATIONAL CODE MEMBERSHIP PAUL INGALLS	\$105.00
217472	6/6/2017	131374	05983	OASYS	HP 72 MAGENTA PLOTTER INK CARTRIDGE	\$59.14
217519	6/6/2017	001-371428	02109	PISTON SERVICE OF ANACORTES	COUPLINGS FOR #704	\$99.46
217556	6/6/2017	200024889996	02192	PUGET SOUND ENERGY	14301 AVON ALLEN - APRIL/MAY - INTAKE	\$713.82
217475	6/6/2017	5403	02405	SEBO'S DO-IT CENTER	PARTS FOR STREET DEPT	\$81.29
217634	6/6/2017	107565	04216	SKAGIT CYCLE CENTER	BIKE PATROL SUPPLIES; TIRE TUBES	\$39.02
217671	6/6/2017	1167169	02681	SURETY PEST CONTROL	CITY HALL PEST CONTROL SERVICE	\$43.40
217668	6/7/2017	917888/1	00021	ACE HARDWARE	PLUGS, NIPPLES, TEES AND BRAIDED TUBES	\$44.56
217572	6/7/2017	1990201538	06718	ARAMARK	STA 3 MAT SERVICE: 6/7	\$21.70
217614	6/7/2017	AN 51278	00524	CENTRAL WELDING SUPPLY CO, INC	155CF CENTRASHIELD 8 FOR FIBER PROJECT	\$70.00
217257	6/7/2017	0554055	00932	FERGUSON ENTERPRISES, INC	SEAL KIT AND FLANGE GASKET	\$123.70
217551	6/7/2017	018261	09169	LOU'S GLOVES, INC	NITRILE GLOVES, LARGE	\$154.00
217615	6/7/2017	001-371623	02109	PISTON SERVICE OF ANACORTES	ZERO RUST YELLOW FOR FIBER PROJECT	\$41.79
217624	6/7/2017	220013286525	02192	PUGET SOUND ENERGY	HEART OF ANACORTES 5/6-6/6/17	\$32.06
217584	6/7/2017	140755	02280	SCOTT RICHARDS INSURANCE, INC	INSURE NEW POLICE TAHOES ER033A, ER035A	\$423.47
217586	6/7/2017	140761	02280	SCOTT RICHARDS INSURANCE, INC	INSURE NEW POOL CAR ER052A	\$148.04
217535	6/7/2017	A42904	02405	SEBO'S DO-IT CENTER	FACILITY USE ITEMS	\$35.73
217588	6/7/2017	1049172	02519	SKAGIT PUBLISHING LLC	PUBLISH AA-1623513	\$154.28
217573	6/8/2017	1990203634	06718	ARAMARK	STA 2 MAT SERVICE: 6/8	\$21.70
217574	6/8/2017	1990203635	06718	ARAMARK	STA 1 MAT SERVICE: 6/8	\$21.70
217645	6/8/2017	1990203640	06718	ARAMARK	NYLON MATS CLEANED	\$16.28
217596	6/8/2017	1990203646	06718	ARAMARK	LAUNDRY SVC FOR OPS & PARKS	\$66.81
217540	6/8/2017	1990203647	06718	ARAMARK	NYLON MATS CLEANED	\$23.07
217606	6/8/2017	20	00306	BAYSHORE OFFICE PRODUCTS INC	MUSEUM - ADJUSTABLE DESK	\$717.05
217507	6/8/2017	34831	04965	CORRECT EQUIPMENT	EONE PUMP	\$3,013.05
217516	6/8/2017	AR71600	09741	ELECTRONIC BUSINESS MACHINES	WWTP COPIER METER READING	\$251.54
217643	6/8/2017	109355	09302	FIDALGO ANIMAL MEDICAL CENTER	K9 T-BONE; TEST AND MEDICATION	\$63.56
217549	6/8/2017	xxxxx1	10346	IMPORTED P CARD TRANSACTION	Inf:BOOK STORES-AMAZON.COM	\$16.26
217557	6/8/2017	103936	01939	NORTHSTAR CHEMICAL INC.	SODIUM YDROIDE - 25% - 61840 UNITS	\$4,683.33
217517	6/8/2017	131609	05983	OASYS	BACKORDERED PLOTTER INK - MAPS	\$296.64
217518	6/8/2017	001-371674	02109	PISTON SERVICE OF ANACORTES	PERMATEx REARVIEW MIRROR #603	\$5.19
217618	6/8/2017	001-371761	02109	PISTON SERVICE OF ANACORTES	SUPPLIES FOR SHOP	\$47.47
217628	6/8/2017	220013286491	02192	PUGET SOUND ENERGY	ELECTRICITY	\$1,544.41

Invoice Doc #	Transaction Date	Invoice #	Vendor #	Vendor Full Name	Description	Total Amount
217647	6/8/2017	220013297498	02192	PUGET SOUND ENERGY	CASINO DRIVE UNDER TWIN BRIDGES- ELECTRICITY	\$64.92
217648	6/8/2017	PSE 220013297076	02192	PUGET SOUND ENERGY	ST RT 20 ELECTRICITY	\$17.50
217508	6/8/2017	4952	02405	SEBO'S DO-IT CENTER	PART FOR LEAF BLOWER	\$5.40
217509	6/8/2017	5005	02405	SEBO'S DO-IT CENTER	OUTLET, PLATE, WASHERS AND CAPS	\$32.78
217666	6/8/2017	5669	02405	SEBO'S DO-IT CENTER	BRAIDED TUBE AND CLAMPS	\$26.13
217623	6/8/2017	141169	02476	SKAGIT HYDRAULICS	REPAIRS TO VEH #512	\$561.11
217612	6/8/2017	334793	02478	SKAGIT RIVER STEEL &	STEEL PIECES FOR FIBER PROJECT	\$106.21
217561	6/8/2017	25680655 - Siedlik	02896	VISA	LODGING - SIEDLICK - KENNEWICK TRAINING	\$206.40
217560	6/8/2017	25680655 Irving	02896	VISA	LODGING - T. IRVING - KENNEWICK, WA	\$206.40
217566	6/9/2017	2145103	09961	CARDINAL HEALTH 110, INC.	PHARMACEUTICALS	\$69.31
217696	6/9/2017	741191	05284	GUARDIAN SECURITY SYSTEMS INC	FIRE EXTINGUISHER ORDER & INSPECTIONS	\$827.02
217513	6/9/2017	H314228	02027	HD SUPPLY WATERWORKS	18 HYD EXTENTION 5 1/4 MED CLOW - ERIC	\$779.03
217567	6/9/2017	723711	01421	JCI JONES CHEMICALS INC	CHLORINE- 2,000# CONTAINER	\$6,300.00
217639	6/9/2017	628107	03768	SAN DIEGO POLICE EQUIP CO INC	TRAINING AMMO	\$145.33
217616	6/9/2017	5731	02405	SEBO'S DO-IT CENTER	PART FOR VEH #11959	\$5.05
217665	6/9/2017	5760	02405	SEBO'S DO-IT CENTER	SPRING CLAMPS	\$8.22
217576	6/9/2017	AFD Q2 17	02505	SKAGIT- 911	2ND QUARTER, 2017 FIRE RADIO MAINTENANCE	\$3,725.84
217627	6/9/2017	AFD WS Q217	02505	SKAGIT- 911	WESTSIDE PROJECT: 2ND QTR - 2017	\$8,134.50
217625	6/9/2017	141178	02476	SKAGIT HYDRAULICS	REPAIRS TO VEH #414	\$168.49
217605	6/9/2017	3568	10184	US BANK	PATROL SUPPLIES; NARTEC FIELD DRUG TESTING KITS	\$122.50
217660	6/9/2017	83503	03065	WHITNEY EQUIPMENT CO INC	IMPELLER	\$7,153.71
217597	6/10/2017	8498 30 017 0490698	04412	COMCAST	CITY HALL INTERNET CONNECTION 6/20-7/19/17	\$186.12
217595	6/10/2017	8498 30 030 0111230	04412	COMCAST	WTP 14489 RIVER BEND RD. - 6/19-7/18/17	\$231.54
217630	6/10/2017	00005W5A83237	02817	UNITED PARCEL SERVICE	UPS SHIPPING CHARGES; WEEK END 6-10-17	\$7.72
217559	6/10/2017	00099E018237	02817	UNITED PARCEL SERVICE	SHIPPING (INTUBRITE)	\$28.05
217598	6/11/2017	8498 30 017 0464628	04412	COMCAST	WA PARK INTERNET SERVICE - 6/21-7/20/17	\$96.12
217563	6/12/2017	77618004	02154	150-PRAXAIR DISRIBUTION INC	CYLINDER RENTAL	\$310.04
217577	6/12/2017	1990207639	06718	ARAMARK	LAUNDRY SERVICE FOR WWTP	\$74.03
217679	6/12/2017	2154920	09961	CARDINAL HEALTH 110, INC.	PHARMACEUTICALS	\$299.06
217621	6/12/2017	Pay Application 1	00597	COLACURCIO BROTHERS CONST	2017 ASPHALT OVERLAY PROJECT	\$723,914.62

Invoice Doc #	Transaction Date	Invoice #	Vendor #	Vendor Full Name	Description	Total Amount
217690	6/12/2017	xxxxx1	10346	IMPORTED P CARD TRANSACTION	Inf:HARDWARE STORES-ACE OF ANACORTES	\$17.47
217691	6/12/2017	xxxxx2	10346	IMPORTED P CARD TRANSACTION	Inf:HARDWARE STORES-ANACORTES HENERY HARDWAR	\$21.69
217692	6/12/2017	xxxxx4	10346	IMPORTED P CARD TRANSACTION	Inf:PARKING LOTS AND GARAGES-DIAMOND PARKING WE09	\$8.00
217688	6/12/2017	xxxxx5	10346	IMPORTED P CARD TRANSACTION	Inf:HARDWARE STORES-ANACORTES HENERY HARDWAR	\$32.86
217689	6/12/2017	xxxxx6	10346	IMPORTED P CARD TRANSACTION	Inf:HARDWARE STORES-ANACORTES HENERY HARDWAR	\$15.36
217571	6/12/2017	170425-3886	09913	LAB/COR, INC.	GIA/CRYPTO SAMPLING	\$900.00
217553	6/12/2017	3090969840	04296	LEXISNEXIS	ON-LINE LEGAL SITE SUBSCRIPTION MAY 2017	\$270.17
217570	6/12/2017	cs- Padovan	02043	PADOVAN, MARIE	DOG OBEDIENCE CLASS INSTRUCTOR PAYMENT	\$882.00
217659	6/12/2017	300000004923	02192	PUGET SOUND ENERGY	ALL STATION: 5/5 - 6/9; + 29-3: 4/6- 5/9	\$771.87
217657	6/12/2017	300000008114	02192	PUGET SOUND ENERGY	ELECTRICITY FOR METERS, VAULTS & STREET LIGHTS	\$705.92
217649	6/12/2017	98949881	01351	RICOH USA, INC	S/N C32029555 CITY HALL COPIER 3RD 6/1-6/30/17	\$377.30
217687	6/12/2017	A5881	02405	SEBO'S DO-IT CENTER	FACILITY USE ITEMS	\$3.26
217652	6/13/2017	LTAC VIC 1st Qtr add	00148	ANACORTES CHAMBER OF COMMERCE	LTAC VIC 1ST QTR REIMBRUSE #2	\$3,914.94
217636	6/13/2017	6717	00180	ANACORTES TOWING LLC	TOWING; APD CASE #17-A04089	\$162.75
217664	6/13/2017	729021	00306	BAYSHORE OFFICE PRODUCTS INC	3-RING BINDERS, WHITE	\$51.54
217626	6/13/2017	061317	00955	FIDALGO CLEANING	CLEANING & SUPPLIES; 6/16-6/30	\$700.00
217635	6/13/2017	00287275	07378	MUNICIPAL CODE CORPORATION	MUNICIPAL CODE WEB HOSTING JUNE 2017	\$80.00
217673	6/13/2017	2151	04817	NW CLEANERS	JANITORIAL SERVICE MAY 25TH AND 26TH	\$420.00
217675	6/13/2017	Petty Cash	02092	PETTY CASH FUND	PETTY CASH REIMB JUNE 2017	\$16.68
217661	6/13/2017	0539951-IN	02260	REISNER DISTRIBUTOR INC	STARPLEX EP 2	\$29.91
217677	6/13/2017	APD Q2 17	02505	SKAGIT- 911	SECOND INSTALLMENT BILLING FOR FISCAL YEAR 2017	\$43,090.41
217629	6/13/2017	210430	02519	SKAGIT PUBLISHING LLC	POSITION AD, WWTP OPERATOR, 5/26 - 6/4	\$488.91
217653	6/13/2017	Miklaski	02565	SNO-ISLE REGIONAL LIBRARIES	2017 WA ST PUB LIB DIRECTORS SUMMER MEETING	\$200.00
217672	6/13/2017	1170947	02681	SURETY PEST CONTROL	INTIAL PEST CONTROL SETUP FOR WA PARK FACILITY	\$358.05
217642	6/13/2017	REIMBURSE	10615	TREVINO, DANIELLE	UNIFORM BOOTS AND PANTS; OFC TREVINO	\$216.65

Total **\$1,079,638.92**



City Council Agenda Bill

Meeting Date: 6/19/2017 **Agenda Item:** 5c

Subject: Street Fair Application: Anacortes Arts Festival

Staff Contact: Fred Buckenmeyer, Don Measamer

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

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

Summary Statement: Street Fair Application for Anacortes Arts Festival

Background: Anacortes Arts Festival requests closure of Commercial Avenue from 10th Street to the Port Transit Shed and connecting side streets from R to O Avenues between 10th and the Port Transit Shed (leaving necessary alley ways clear). No changes from their typical request. Event will take place the first full weekend in August and streets will be closed beginning August 3 at 5 p.m. until August 6 at 11:59 p.m. approximately.

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

Proposed Contract	
Contractor	
Amount	
Start Date	
End Date	

Previous Council/Committee Action: NA

Competing Viewpoints Considered: NA

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

Alternative Actions: Deny the request(s)

Attachments (listed in order presented): Anacortes Arts Festival Application

	TO: City Council Members, Mayor Gere FROM: Fred Buckenmeyer, Director of Public Works DATE: June 19, 2017 SUBJECT: Anacortes Arts Festival
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Sponsor/Organizer: Anacortes Arts Festival

Location: Commercial Avenue and connecting side streets (R to O Avenues, leaving necessary alley ways clear) from 10th Street to the Port Transit Shed.

Dates & Times:

August 3, 2017 @ 5 p.m. until August 6, 2017 @ 11:59 p.m.

Background: Three day annual Anacortes Arts Festival (since 1962) to include booth artisans, food vendors, entertainment, working artists, youth area, stages with musicians and performing artists, beer and wine gardens.

Parking Restrictions:

Parking restricted in closed areas. Sponsors will post "No Parking" signs 72 hours prior to the event. Street parking on streets adjacent to the festival along with designated handicapped parking.

Public Works Services:

City Solid Waste Dept. will provide garbage service
City Building Dept. will supply "No Parking" signs
Cone, barricades, pylons and all signs other than "No Parking" signs will be supplied by applicants.

Police Services: Police support required

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

Proposed Motion: Recommend approval

Emergency Contact Numbers:

Meredith McIlmoyle, 360-293-6211

cc: Marcia Hunt

STREET FAIR APPLICATION

Date Received 5/31/17

Received by: [Signature]

NAME OF EVENT: Anacortes Arts Festival

DATES of Event: August 4, 5, 6, 2017. Set-up August 3.

TIME of Day: 10:00a.m. – 8:00p.m. on Friday & Saturday, 10:00a.m. – 5:00p.m. on Sunday

NATURE/PURPOSE of Event: Art Festival

PARTICIPANTS/Attendees (estimated number): 80,000

LOCATION of Event (include locations and dimensions of any structure to be erected, dimensions of street/right-of-way to be used and dimensions of same to remain unobstructed): Commercial Avenue and connecting side streets (R to O Avenue, leaving necessary alley ways clear) from 10th Street to the Port Transit Shed.

DESCRIPTION of Event: Booth artisans, food vendors, entertainment, working artists, youth area, stages with musicians and performing artists, beer and wine gardens.

FACILITIES requested (street, sidewalk, park, etc.): Street and sidewalks on Commercial Avenue and connecting streets as noted above.

Dates/hours requested: August 3, 2017 at 5:00p.m. until August 6, 2017 at 11:59p.m.
(access to set-up side street activities at 4:00p.m., Commercial Avenue closes at 5:00p.m., streets cleared by 6:00p.m., Vendor set-up at 6:00p.m.)

EQUIPMENT requested: Two first hydrant connections, dumpsters and any available parking signs.

Dates/hours requested: Beginning August 3 at 4:00p.m. and finished or returned by August 7 at noon.

SERVICES requested (eg. Custodial, traffic control): Business License monitoring, police support, trash services, traffic counts pre-festival and weekend of festival, street sweeper on Monday, August 7.

Dates/hours requested: August 3, 4, 5, 6, 7 – as needed.

PARKING (include locations and dimensions of parking space to be available/provided): Street parking, handicapped drop-off and City Hall Parking Lot.

INSURANCE (Certificate of Insurance must be submitted with Application) -

Required X Not Required _____ Policy from Bell-Anderson will be provided upon receipt.

FEES (itemize any Admission fees/space rental fees/sale of items/solicitation of funds): Fees from booth artisans (\$325 + 10% commission).

APPLICANT/ORGANIZATION (Name): Anacortes Arts Festival

Name of responsible person: Meredith McIlmoyle Phone #: 360-293-6211

Address: 505 O Avenue, Anacortes, WA 98221 _____ Date of Birth 04 / 11 / 1969

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

Signature M McIlmoyle Date 5/30/17

* FOR OFFICE USE ONLY *

Initials Comments (Stipulate Conditions of Approval on Reverse)

Mayor

Building

Fire

Parks

Police

 _____

Public Works



* PERMIT *

Permit will be issued after review by above Department Heads subject to the following conditions:

Compliance with all City Ordinances

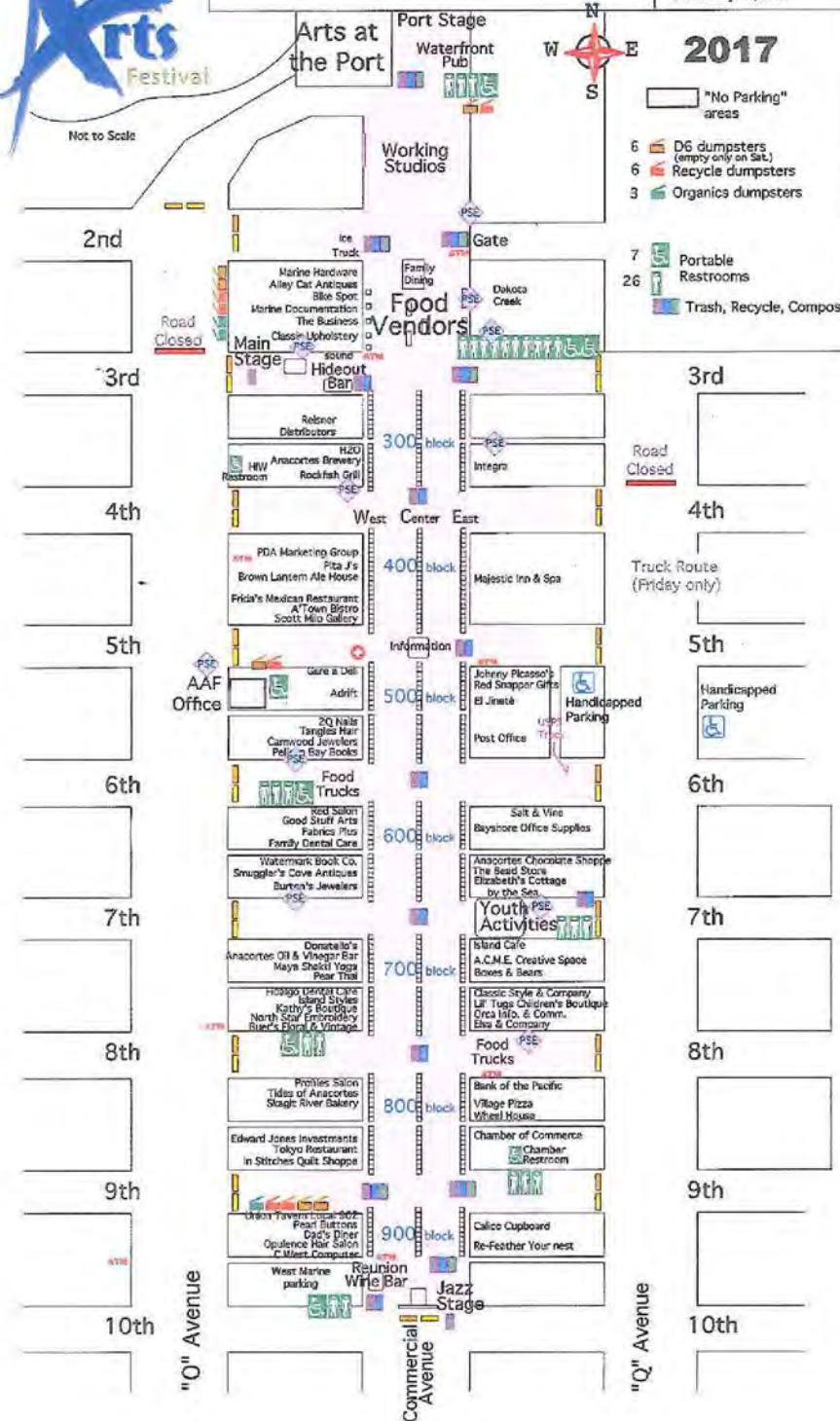
Compliance with Department with Public Works regulations

Submittal of Certificate of Insurance saving the City harmless from any and all



Guemes Channel

Revised May 30, 2017





City Council Agenda Bill

Meeting Date: 6/19/2017

Agenda Item: 5d

Subject: Contract Modification – 2017 Asphalt Overlay Project

Staff Contact: Fred Buckenmeyer

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

Action Type	
	Ordinance No.
	Code Revision?
	Resolution No.
X	Contract Modification 02
	Public Hearing
	Staff Report

Summary Statement: In accordance with Provisions 1-04.4 Changes, and 1-05.1 Control of Work as cited in Standard Specifications for Road, Bridge, and Municipal Construction 2016 under Contract 17-003-TRN-001, the City seeks City Council consent to issue a change order to Colacurcio Brothers in the amount of \$448.00, increasing the total contract price to \$723,051.57, for the addition of "STOP" lettering for the 2017 Asphalt Overlay Project.

Background: During striping of Commercial Avenue following paving it was decided that the addition of "STOP" lettering on Commercial Avenue prior to the stop bar in both directions at the intersections of 6th Street and 8th Street would be advantageous to traffic safety.

Budget Impact	
Amount Budgeted	\$1,115,000.00
Budget Account (BARS)	104.720.542.30.41
Proposed Expenditure	\$448.00
Budget Amendment Required?	No
Revenue Source	City Funds

Proposed Contract	
Contractor	Colacurcio Brothers
Amount	\$448.00
Start Date	Notice to Proceed
End Date	5/19/17

Previous Council/Committee Action: Original contract awarded on 4/3/17, Modification 01 approved on 5/22/17.

Competing Viewpoints Considered: N/A

Recommended Motion: I move the City Council provide consent to issue a modification to Colacurcio Brothers under Contract 17-003-TRN-001 the amount of \$448.00, increasing the total contract price to \$723,051.57.

Alternative Actions: N/A

Attachments (listed in order presented): Modification 02 to Contract 17-003-TRN-001



Contract Number 17-003-TRN-001
Modification 02

Date	June 20, 2017			
Modification No.	02			
Page	1	of	1	Pages

Contract Number 17-003-TRN-001

Contract Title 2017 Asphalt Overlay Project

Prime Contractor Colacurcio Brothers

PREAMBLE

In accordance with Provisions **1-04.4 Changes**, and **1-05.1 Control of Work** as cited in Standard Specifications for Road, Bridge, and Municipal Construction 2016, this modification provides an equitable price adjustment in consideration of changes in Work as described below under Article I. During striping of Commercial Avenue following paving it was decided that the addition of "STOP" lettering on Commercial Avenue prior to the stop bar in both directions at the intersections of 6th Street and 8th Street would be advantageous to traffic safety. Accordingly, the contract price is increased from \$722,603.57 by \$448.00 to \$723,051.57.

ARTICLE I. WORK

Insert the following as *third paragraph* under Article 1:

The work as described above is hereby amended per Modification 02. To increase traffic safety, the painted lettering "STOP" is placed on Commercial Avenue prior to the stop bar in both directions at the intersections of 6th Street and 8th Street.

ARTICLE IV. PRICE

The last sentence is hereby deleted and replaced with the following:

The total contract price is Seven Hundred Twenty-Three Thousand Fifty-One Dollars and Fifty-Seven Cents (\$723,051.57).

All other terms and conditions remain unchanged.

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

CITY OF ANACORTES

By _____
Laurie Gere, Mayor

Date _____

COLACURCIO BROTHERS

By _____
Signature

Printed Name _____

Title _____

Date _____

Original Agreement Amount	\$660,185.02	Original Contract Completion Date	5/19/2017
Current Agreement Amount	\$722,603.57	Current Contract Completion Date	5/19/2017
Change Per this Modification	\$ 448.00	Net Change	0 days
Total After Amendment	\$723,051.57	Contract Completion Date After Change	5/19/2017



City Council Agenda Bill

Meeting Date: 6/19/2017

Agenda Item: 5e

Subject: Contract Modification – 2017 Sanitary Sewer Improvements

Staff Contact: Fred Buckenmeyer

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

Action Type	
	Ordinance No.
	Code Revision?
	Resolution No.
X	Contract Modification 01
	Public Hearing
	Staff Report

Summary Statement: For the 2017 Sanitary Sewer Improvements Project, in accordance with Provisions 1-04.4 Changes, and 1-05.1 Control of Work as cited in Standard Specifications for Road, Bridge, and Municipal Construction 2016 under Contract 16-074-SEW-001, the City seeks City Council consent to issue a change order to TRICO Companies, LLC in the amount of \$14,641.65, increasing the total contract price to \$268,651.00, for two additional upgrades to the sanitary sewer system. The first is the replacement of the existing brick manhole midblock on N Avenue between 8th Street and 9th Street. The second is the installation of a clean out in the vicinity of the intersection of West 2nd Street and Florida Avenue.

Background: The existing manhole on N Avenue is a brick manhole. The channel of the manhole is failing and requires weekly jetting by the City Street Department to avoid plugging. Installation of a new concrete manhole with a new channel will allow for better flow at this location.

The existing sewer line in Florida Avenue East of West 2nd Street has no access for maintenance. Houses along this sewer line have been having problems with side sewer clogs and the line needs to be cleaned by jetting. No cleanout exists on the East (upstream) end of the pipe. The line ties into the downstream sewer line in West 2nd Street at a tee with no manhole for access. Installation of a manhole at the intersection of the sewer lines was proposed but due to adjacent gas and water lines it was determined to be infeasible. Installation of a cleanout approximately 10 feet east of the tee will allow for jetting of the sewer line.

Budget Impact	
Amount Budgeted	\$2,918,000.00
Budget Account (BARS)	440.000.594.35.63
Proposed Expenditure	\$14,641.65
Budget Amendment Required?	No
Revenue Source	City Funds

Proposed Contract	
Contractor	TRICO Companies, LLC
Amount	\$14,641.65
Start Date	Notice to Proceed
End Date	5/24/17

Previous Council/Committee Action: Original contract awarded on 2/13/17

Competing Viewpoints Considered: N/A

Recommended Motion: I move the City Council provide consent to issue a modification to TRICO Companies, LLC under Contract 16-074-SEW-001 the amount of \$14,641.65, increasing the total contract price to \$268,651.00.

Alternative Actions: N/A

Attachments (listed in order presented): Modification 01 to Contract 16-074-SEW-001



Contract Number 16-074-SEW-001
Modification 01

Date	June 20, 2017			
Modification No.	01			
Page	1	of	1	Pages

Contract Number 16-074-SEW-001

Contract Title 2017 Sanitary Sewer Improvements

Prime Contractor TRICO Companies, LLC

PREAMBLE

In accordance with Provisions **1-04.4 Changes**, and **1-05.1 Control of Work** as cited in Standard Specifications for Road, Bridge, and Municipal Construction 2016, this modification provides an equitable price adjustment in consideration of changes in Work as described below under Article I. During construction it was determined that there was the need for two additional upgrades to the sanitary sewer system. The first is the replacement of the existing brick manhole midblock on N Avenue between 8th Street and 9th Street. The second is the installation of a clean out in the vicinity of the intersection of West 2nd Street and Florida Avenue. Accordingly, the contract price is increased from \$254,009.35 by \$14,641.65 to \$268,651.00.

ARTICLE I. WORK

Insert the following as *second paragraph* under Article 1:

The work as described above is hereby amended per Modification 01. Replace the existing brick manhole midblock on N Avenue between 8th Street and 9th Street with a new concrete manhole with a new channel, and install a cleanout approximately 10 feet east of the tee on the existing sewer line in Florida Avenue East of West 2nd Street to allow for jetting of the sewer line, in accordance with City of Anacortes Engineering Plan Sheet M1 and M2 which are hereby incorporated by reference and made a part hereof.

ARTICLE II. PRICE

The first sentence is hereby deleted and replaced with the following:

The total contract price is Two Hundred Sixty-Eight Thousand Six Hundred Fifty-One Dollars (\$268,651.00).

All other terms and conditions remain unchanged.

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

CITY OF ANACORTES

By _____
Laurie Gere, Mayor

Date _____

TRICO COMPANIES, LLC

By _____
Signature

Printed Name _____

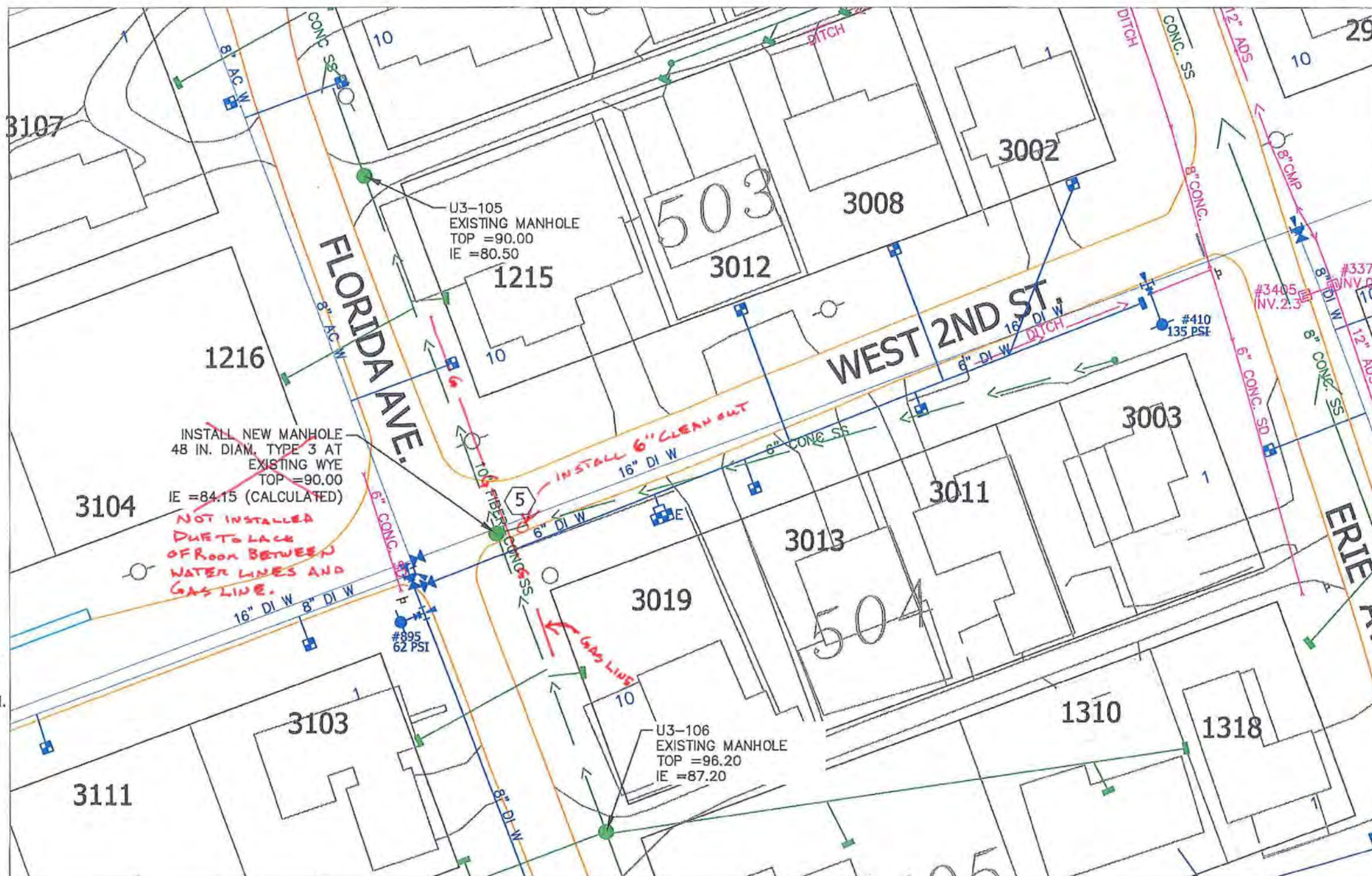
Title _____

Date _____

Original Agreement Amount	\$254,009.35	Original Contract Completion Date	5/24/2017
Current Agreement Amount	\$254,009.35	Current Contract Completion Date	5/24/2017
Change Per this Modification	\$ 14,641.65	Net Change	0 days
Total After Amendment	\$268,651.00	Contract Completion Date After Change	5/24/2017



PLAN VIEW
SCALE: 1" = 50'
0 25 50



PROJECT NOTES:

- 8 ROADWAY EXCAVATION: SAWCUT AND REMOVE ASPHALT, EXCAVATE AND REMOVE EXISTING MANHOLE TO MAKE ROOM FOR A NEW MANHOLE 48 IN. DIAM. TYPE 3.
- INSTALL NEW DOGHOUSE MANHOLE 48 IN. DIAM. TYPE 3 (WSDOT STANDARD PLAN B-15.60-01) PER CITY OF ANACORTES STANDARD DETAIL S-02. CHANNEL MANHOLE PER CITY OF ANACORTES STANDARD DETAIL S-01 ON SHEET C9.
 - BACKFILL AROUND MANHOLE AND PATCH ASPHALT ROADWAY PER CITY OF ANACORTES STANDARD DETAIL ST-01 ON SHEET C9.

PROJECT LEGEND: (TYPICAL ALL SHEETS)

 = PROJECT NOTES

(100% APPROVED FOR CONSTRUCTION)



1			
2			
3			
4			
NO:	DATE:	BY:	DESCRIPTION:

PROJECT NUMBER:	PW-16-074-SEW
DATE:	3-09-2017
DRAWN BY:	TIM HOHMANN
CHECKED BY:	ERIC SHJARBACK, PE
DRAWING NAME:	PW-16-074-SEW - MANHOLE IMPROVEMENTS.DWG

CITY OF ANACORTES
ENGINEERING DEPARTMENT
904 6TH ST.
ANACORTES, WA. 98221
(360) 293-1920

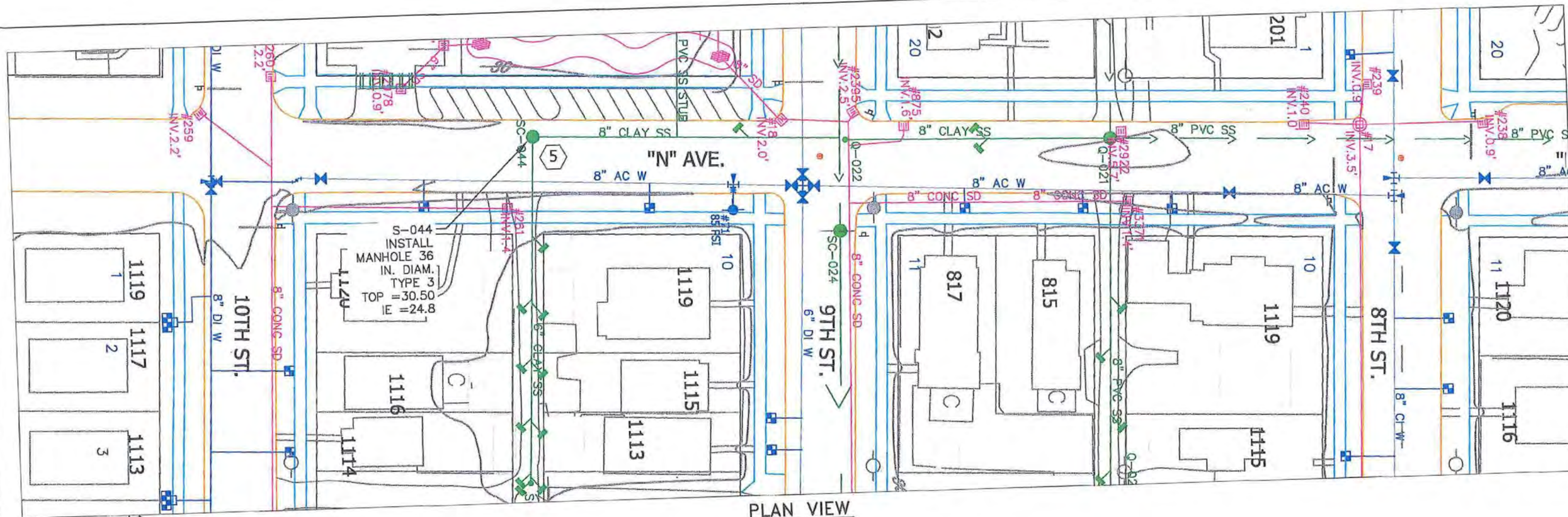


CITY OF ANACORTES
2017 SANITARY SEWER
IMPROVEMENTS
CONTRACT # PW-16-073-SEW

DEMOLITION - IMPROVEMENT
MANHOLE REPLACEMENT
WEST 2ND STREET
AT FLORIDA AVE



SHEET:
M1
M2
SCALE:
1" = 50'



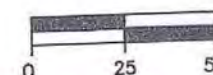
PLAN VIEW
SCALE: 1" = 50'

PROJECT NOTES:

- 5 ROADWAY EXCAVATION: SAWCUT AND REMOVE ASPHALT, EXCAVATE AND REMOVE EXISTING MANHOLE TO MAKE ROOM FOR A NEW MANHOLE 48 IN. DIAM. TYPE 3.
- INSTALL NEW MANHOLE 48 IN. DIAM. TYPE 3 (WSDOT STANDARD PLAN B-15.60-01). CHANNEL MANHOLE PER CITY OF ANACORTES STANDARD DETAIL S-01 ON SHEET C9.
- BACKFILL AROUND MANHOLE AND PATCH ASPHALT ROADWAY PER CITY OF ANACORTES STANDARD DETAIL ST-01 ON SHEET C9.

PROJECT LEGEND: (TYPICAL ALL SHEETS)

⬡ = PROJECT NOTES



(APPROVED FOR CONSTRUCTION)

NOTICE TO BIDDERS:

IN ACCORDANCE WITH THE ADVERTISED INVITATION TO BID, BIDDERS ARE DIRECTED TO WWW.BXWA.COM TO ENSURE RECEIPT OF ENTIRE SOLICITATION.



1		
2		
3		
4		

NO:	DATE:	BY:	DESCRIPTION:

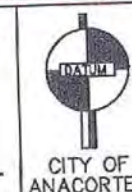
PROJECT NUMBER:	PW-16-074-SEW
DATE:	3-09-2017
DRAWN BY:	TIM HOHMANN
CHECKED BY:	ERIC SHJARBACK, PE
DRAWING NAME:	PW-16-074-SEW - MANHOLE IMPROVEMENTS.DWG

CITY OF ANACORTES
ENGINEERING DEPARTMENT
904 6TH ST.
ANACORTES, WA. 98221
(360) 293-1920



CITY OF ANACORTES
2017 SANITARY SEWER
IMPROVEMENTS
CONTRACT # PW-16-073-SEW

DEMOLITION - IMPROVEMENT
"N" AVENUE
MANHOLE REPLACEMENT
8TH STREET TO 10TH STREET



SHEET:
M2
M2
SCALE:
1" = 50'



City Council Agenda Bill

Meeting Date: 6/19/2017

Agenda Item: 5f

Subject: Contract Award to Welch Brothers Construction, Inc. to Install a Manhole to Enable Access for the Wastewater Outfall Repair Project

Staff Contact: Fred Buckenmeyer

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

Action Type	
	Ordinance No.
	Code Revision?
	Resolution No. 1960
X	Contract
	Public Hearing
	Staff Report

Summary Statement: The City seeks City Council consent to issue a contract to Welch Brothers Construction, Inc. in the amount of \$45,000.00 to provide and install a manhole over the existing wastewater treatment plant (WWTP) outfall in the vicinity of the Port of Anacortes stormwater pond, to be used in the near future by others as a connection point for a temporary bypass line for treated effluent from the WWTP. The Contractor will excavate to the existing 22-inch HDPE outfall and install a 72-inch diameter manhole. After installation of the manhole, the excavation shall be backfilled and compacted.

Background: The wastewater treatment plant (WWTP) outfall pipe is damaged causing treated effluent to escape the pipe before reaching the outfall diffuser, which is the permitted (wastewater NPDES permit) point of discharge. In order to repair the outfall, which will involve the replacement of outfall piping, a temporary bypass for the effluent from the WWTP will need to be constructed. This manhole is needed to facilitate the bypass.

Budget Impact	
Amount Budgeted	\$2,918,000.00
Budget Account (BARS)	440.000.594.35.63
Proposed Expenditure	\$45,000.00
Budget Amendment Required?	No
Revenue Source	City Funds

Proposed Contract	
Contractor	Welch Brothers Construction, Inc.
Amount	\$45,000.00
Start Date	Inception
End Date	July 31, 2017

Previous Council/Committee Action: N/A

Competing Viewpoints Considered: N/A

Recommended Motion: I move that City Council provide its consent to award a contract to Welch Brothers Construction, Inc. in the amount of \$45,000.00 to install a manhole over the existing wastewater treatment plant (WWTP) outfall.

Alternative Actions: Not approve the contract which would delay or cancel the project.

Attachments: Contract 13-020-SEW-007



CONTRACT 13-020-SEW-007
AGREEMENT WITH
Welch Brothers Construction, Inc.

This contract is between the City of Anacortes, Washington, a Municipal Corporation (herein after referred to as "City") and Welch Brothers Construction, Inc. a private contractor located PO BOX 818, Anacortes, WA 98221 (herein after referred to as "Contractor").

PROJECT
Wastewater Treatment Plant Outfall Repair – Manhole Installation

1. **Scope of Work:** Contractor shall furnish all materials, equipment and labor to install a manhole over the existing wastewater treatment plant (WWTP) outfall in the vicinity of the Port of Anacortes stormwater pond, to be used in the near future by others as a connection point for a temporary bypass line for treated effluent from the WWTP. The Contractor will excavate to the existing 22-inch HDPE outfall and install a 72-inch diameter manhole. After installation of the manhole, the excavation shall be backfilled and compacted. The location of the work is specified in Exhibit A, which is hereby incorporated by reference and made a part hereof.
2. **Contract Price:** Welch Brothers Construction, Inc. will do the scope of work above for on a time-and-materials (T&M) basis not-to-exceed **Forty-Five Thousand Dollars (\$45,000.00)**. This includes all labor and materials for the project. Before any payment is made by the City of Anacortes of sums under this contract, the contractor must provide a copy of the statement of *Intent to Pay Prevailing Wage* approved by the Department of Labor and Industries. Pursuant to RCW Chapter 60.28, a sum of five percent (5%) of the monies earned by the contractor will be retained.
3. **Performance Bond and Payment Bond:** Pursuant to RCW 39.08.010, the Contractor shall provide the City a Performance Bond and Payment Bond for the full contract amount to be in effect for six months after the date of final acceptance. The City may at its option release the bond once all the conditions of RCW 39.08.010-1a have been discharged.
4. **Time of Completion:** The Contractor shall complete the work by July, 31 2017.
5. **Job Safety:** Contractor shall comply with all Department Labor and Industries and City of Anacortes safety standards while on the job.
6. **Warranty:** This Contract includes Contractor's one (1) year warranty for all new work installed. Said one (1) year warranty includes all labor and materials provided by the Contractor per Contract. In addition, the Contractor shall obtain and submit to the City any necessary documentation to secure any extended manufacturer's warranty and warranty terms. Warranty shall begin as of the date cited on the Notice of Final Acceptance.
7. **Contract Requirements:** Contractor must have a contractor license number and insurance.
Prevailing Wage Law Applies.

Forms Needed:

- 1) Proof of Insurance with Additional Insured Endorsement (see General Provisions Clause 9)
- 2) Intent to Pay Prevailing Wage
- 3) Affidavit of Wages Paid
- 4) Performance Bond
- 5) Payment Bond

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

The Owner and Contractor each binds itself, its partners, successors, assigns, and legal representatives to the other party hereto, in respect of all covenants, agreements, and obligations contained in the Contract Documents.

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

Owner:

City of Anacortes

Mayor

Date

Contractor:

Welch Brothers Construction, Inc.

Signature

Printed Name

Date

License #

1. Delivery. Advance coordination of the work shall be made with the Project Manager Matt Reynolds, (360) 299-1951.

2. Subcontracts. The Contractor shall give notice reasonably in advance of placing any subcontract; preferably the Contractor shall identify subcontracts before subcontracted work begins. "Subcontract" means any contract entered into by a Sub-Contractor to furnish supplies or services for performance of the prime Contractor or a Sub-Contractor. It includes, but is not limited to, purchase orders, and changes and modifications to purchase orders.

The following information shall be included (i) a description of the supplies or services to be subcontracted, (ii) identification of the type of subcontract to be used (iii) identification of the proposed Sub-Contractor, (iv) proposed subcontract price.

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

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

The Contractor shall give immediate written notice per Clause Notices of any action or suit filed and prompt notice of any claim made against the Contractor by any Sub-Contractor or vendor that, in the opinion of the Contractor, may result in litigation related in any way to this contract, with respect to which the Contractor may be entitled to reimbursement from the City.

3. Taxes. The City will pay sales and use taxes imposed on goods or services acquired hereunder as required by law. The Contractor must pay all other taxes including, but not limited to: Business and Occupation Tax, taxes based on the Contractor's gross or net income, or personal property to which the City does not hold title. The City is exempt from Federal Excise Tax. Where applicable the City shall furnish a Federal Excise Tax Exemption certificate.

4. Invoicing. All invoices shall include: Company Name, Invoice Date, Due Date (30 days), Invoice Number, Invoice Period, Project Title, Agreement Number and Price, or Amended Price.

The Contractor must invoice **MONTHLY** for quantities delivered during the invoice period.

Invoices may be sent by US mail to City of Anacortes, Accounts Payable, PO Box 547, Anacortes, WA 98221, or by email to accountspayable@cityofanacortes.org. Contractors may complete a City furnished ACH/EFT form to receive electronic payments directly to their financial institution.

The City shall notify the Contractor within fifteen (15) calendar days from receipt of invoice if there are any objections or disputes with the invoice. The Contractor shall then resubmit a new invoice less the disputed amount and payment shall be made within 30 calendar days. Any disputed amounts may be submitted under the Disputes clause contained herein.

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

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

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

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

B. Project Manager's Authority

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

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

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

9. Insurance.**9(1) GENERAL REQUIREMENTS**

The Contractor shall obtain the insurance described in this section from insurers approved by the State Insurance Commissioner pursuant to RCW Title 48. The insurance must be provided by an insurer with a rating of A-: VII or higher in the A.M. Best's Key Rating Guide, which is licensed to do business in the state of Washington (or issued as a surplus line by a Washington Surplus lines broker). The Contracting Agency reserves the right to approve or reject the insurance provided, based on the insurer (including financial condition), terms and coverage, the Certificate of Insurance, and/or endorsements.

The Contractor shall keep this insurance in force during the term of the contract and for thirty (30) days after the Physical Completion date, unless otherwise indicated.

If any insurance policy is written on a claims made form, its retroactive date, and that of all subsequent renewals, shall be no later than the effective date of this Contract. The policy shall state that coverage is claims made, and state the retroactive date. Claims-made form coverage shall be maintained by the Contractor for a minimum of 36 months following the Final Completion or earlier termination of this contract, and the Contractor shall annually provide the Contracting Agency with proof of renewal. If renewal of the claims made form of coverage becomes unavailable, or economically prohibitive, the Contractor shall purchase an extended reporting period ("tail") or execute another form of guarantee acceptable to the Contracting Agency to assure financial responsibility for liability for services performed.

The insurance policies shall contain a "cross liability" provision.

The Contractor's and all subcontractors' insurance coverage shall be primary and non-contributory insurance as respects the Contracting Agency's insurance, self-insurance, or insurance pool coverage.

The Contractor shall provide the Contracting Agency and all Additional Insureds with written notice of any policy cancellation, within two business days of their receipt of such notice.

Upon request, the Contractor shall forward to the Contracting Agency a full and certified copy of the insurance policy(s).

The Contractor shall not begin work under the contract until the required insurance has been obtained and approved by the Contracting Agency.

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

All costs for insurance shall be incidental to and included in the unit or lump sum prices of the contract and no additional payment will be made.

9(2) ADDITIONAL INSURED

All insurance policies, with the exception of Professional Liability and Workers Compensation, shall name the following listed entities as additional insured:

the City of Anacortes and its officers, elected officials, employees, agents, and volunteers

The above-listed entities shall be additional insured(s) for the full available limits of liability maintained by the Contractor, whether primary, excess, contingent or otherwise, irrespective of whether such limits maintained by the Contractor are greater than those required by this Contract, and irrespective of whether the Certificate of Insurance provided by the Contractor pursuant to 1-07.18(3) describes limits lower than those maintained by the Contractor.

9(3) SUBCONTRACTORS

Contractor shall ensure that each subcontractor of every tier obtains and maintains at a minimum the insurance coverage listed in 1-07.18(5)A and 1-07.18(5)B. Upon request of the Contracting Agency, the Contractor shall provide evidence of such insurance.

9(4) EVIDENCE OF INSURANCE

The Contractor shall deliver to the Contracting Agency a Certificate(s) of Insurance and endorsements for each policy of insurance meeting the requirements set forth herein when the Contractor delivers the signed Contract for the work. The certificate and endorsements must conform to the following requirements:

1. An ACORD certificate or a form determined by the Contracting Agency to be equivalent.
2. Copies of all endorsements naming Contracting Agency and all other entities listed in 1-16(2) as Additional Insured(s), showing the policy number. The Contractor may submit a copy of any blanket additional insured clause from its policies instead of a separate endorsement. A statement of additional insured status on an ACORD Certificate of Insurance shall not satisfy this requirement.
3. Any other amendatory endorsements to show the coverage required herein.

9(5) COVERAGE AND LIMITS

The insurance shall provide the minimum coverage and limits set forth below. Providing coverage in these stated minimum limits shall not be construed to relieve the Contractor from liability in excess of such limits. All deductibles and self-insured retentions must be disclosed and are subject to approval by the Contracting Agency. The cost of any claim payments falling within the deductible shall be the responsibility of the Contractor.

9(5)A Commercial General Liability

A policy of Commercial General Liability Insurance, including:

- Per project aggregate
- Premises/Operations Liability
- Products/Completed Operations – for a period of one year following final acceptance of the work.
- Personal/Advertising Injury
- Contractual Liability
- Independent Contractors Liability
- Stop Gap / Employers' Liability
- Explosion, Collapse, or Underground Property Damage (XCU)

Blasting (only required when the Contractor's work under this Contract includes exposures to which this specified coverage responds)

Such policy must provide the following minimum limits:

\$1,000,000	Each Occurrence
\$2,000,000	General Aggregate
\$1,000,000	Products & Completed Operations Aggregate
\$1,000,000	Personal & Advertising Injury, each offence
Stop Gap / Employers' Liability	
\$1,000,000	Each Accident
\$1,000,000	Disease - Policy Limit
\$1,000,000	Disease - Each Employee

9(5)B Automobile Liability

Automobile Liability for owned, non-owned, hired, and leased vehicles, with an MCS 90 endorsement and a CA 9948 endorsement attached if "pollutants" are to be transported. Such policy(ies) must provide the following minimum limit:

\$1,000,000 combined single limit

9(5)C Workers' Compensation

The Contractor shall comply with Workers' Compensation coverage as required by the Industrial Insurance laws of the state of Washington.

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

11. Registered or Licensed Contractor. The City is prohibited by RCW 39.06.010 from executing an Agreement with a Contractor who is not registered or licensed as required by the laws of the state.

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

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

14. The City's Right to Terminate Agreement.

A. Termination for Default

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

B. Termination for Public Convenience

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

15. Changes/Additional Work. The City may engage Contractor to perform services in addition to those listed in this Agreement, and Contractor will be entitled to additional compensation for authorized additional services or materials. The City shall not be liable for additional compensation until and unless any and all additional work and compensation is approved in advance in writing and signed by both parties to this Agreement. If conditions are encountered which are not anticipated in the Scope of Services, the City understands that a revision to the Scope of Services and fees may be required. Provided, however, that nothing in this paragraph shall be interpreted to obligate the Contractor to render or the City to pay for services rendered in excess of the Scope of Services unless or until a modification to this Agreement is approved in writing by both parties.

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

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

18. Disputes

A. General

Differences between the Contractor and the City, arising under and by virtue of this Agreement shall be brought to the attention of the City at the earliest possible time in order that such matters may be settled or other appropriate action promptly taken. The provisions of this Clause shall survive the expiration or termination of this Agreement.

B. Notice of Potential Claims

The Contractor shall not be entitled to additional compensation which otherwise may be payable, or to extension of time for (1) any act or failure to act by the City, or (2) the happening of any event or occurrence, unless the Contractor has given the City a written Notice of Potential Claim within 10 days of the commencement of the act, failure, or event giving rise to the claim, and before final payment by the City. The written Notice of Potential Claim shall set forth the reasons for which the Contractor believes additional compensation or extension of time is due, the nature of the cost involved, and insofar as possible, the amount of the potential claim. Contractor shall keep full and complete daily records of the Work performed, labor and all costs and additional time claimed to be additional.

C. Detailed Claim

The Contractor shall not be entitled to claim any such additional compensation, or extension of time, unless within 30 days of the accomplishment of the portion of the work from which the claim arose, and before final payment by the City, the Contractor has given the City a detailed written statement of each element of cost or other compensation requested and of all elements of additional time required, and copies of any supporting documents evidencing the amount or the extension of time claimed to be due.

D. Dispute Resolution

In the event of a dispute between the City and the Contractor arising out of this Agreement, or any obligation hereunder the dispute shall first be referred to the representatives designated by the City and the Contractor to have oversight over the administration of this Agreement. Said representatives shall meet within thirty (30) calendar days of receipt of detailed claim, and the parties shall make a good faith effort to achieve a resolution of the dispute.

In the event the parties are unable to resolve the dispute under the procedure set forth above, then the parties hereby agree that the matter shall be referred to mediation. The parties shall mutually agree upon a mediator to assist them in resolving their differences. Any expenses incidental to mediation shall be borne equally by the parties.

If either party is dissatisfied with the outcome of the mediation, that party may then pursue any available judicial remedies.

19. Force Majeure. Definition: Except for payment of sums due, neither party shall be liable to the other or deemed in default under this Agreement if and to the extent that such party's performance of this Agreement is prevented

by reason of force majeure. The term "force majeure" means an occurrence that is beyond the control of the party affected and could not have been avoided by exercising reasonable diligence. Force majeure shall include acts of God, war, riots, strikes, fire, floods, epidemics, or other similar occurrences. Notification: If either party is delayed by force majeure, said party shall provide written notification within forty-eight (48) hours. The notification shall provide evidence of the force majeure to the satisfaction of the other party. Such delay shall cease as soon as practicable and written notification of same shall be provided. The time of completion shall be extended by Agreement modification for a period of time equal to the time that the results or effects of such delay prevented the delayed party from performing in accordance with this Agreement. Rights Reserved: The City reserves the right to cancel the Agreement and/or purchase materials, equipment or services from the best available source during the time of force majeure, and Contractor shall have no recourse against the City.

20. 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.

21. Compliance with Laws. The Contractor in the performance of this Agreement shall comply with all applicable Federal, State or local laws and ordinances, including regulations for licensing, certification and operation of facilities, programs and accreditation, and licensing of individuals, and any other standards or criteria as described in the Agreement to assure quality of services.

22. Severability. If any term or condition of this Agreement or the application thereof to any person(s) or circumstances is held invalid, such invalidity shall not affect other terms, conditions or applications which can be given effect without the invalid term, condition or application. To this end, the terms and conditions of this Agreement are declared severable.

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

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

The bonds must meet the following provisions:

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

Release of Bonds

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

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

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

Exceptions – On projects \$35,000 and under, the Contractor may, in lieu of providing a performance and payment bond, elect to have the City withhold 50% of monies earned on the project for a period of 30 days after final acceptance of the completed work or until receipt of all necessary releases from the Department of Revenue and the Department of Labor and Industries and settlement of any liens filed under Chapter 60.28 RCW, **whichever is later.**

25. Retainage. Pursuant to RCW Chapter 60.28, a sum of five percent (5%) of the monies earned by the Contractor will be retained. The Contractor may elect to execute a Retainage Bond. The bond must be furnished on a bond form standardized by the City Attorney's office and issued by a surety currently authorized by the State Insurance Commissioner to do business in Washington State.

Release of Retainage

Retainage will be released **45 days after final acceptance**, provided that the following has occurred:

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

Projects \$0-\$35,000

For projects under \$35,000, the contractor can choose one of the following options:

- If the contractor has provided a Performance Bond and Payment Bond, the City will withhold 5% retainage as outlined above.
- If the contractor has chosen to have the City withhold 50% of the monies earned on the project in lieu of providing a performance bond and payment bond, the City will withhold a total of 50% of the monies earned for a period of 30 days after final acceptance of the completed work or until receipt of all necessary releases from the Department of Revenue and the Department of Labor and Industries and settlement of any liens filed under Chapter 60.28 RCW, **whichever is later**

26. WASHINGTON STATE PREVAILING WAGES

Washington State Prevailing Wages apply to all Work. The Contractor and any of its Subcontractors are required to pay their laborers and mechanics minimum wage in compliance with Washington State Prevailing Wage Laws. The applicable provisions are as follows:

WASHINGTON STATE PREVAILING WAGES

Before any payment is made by the City of Anacortes of any sums under this contract, the contractor and each subcontractor must provide the City with a copy of the statement of *Intent to Pay Prevailing Wages* approved by the Washington State Department of Labor and Industries.

Following contract completion, the City will not release any funds retained, according to the provisions of RCW 60.28.010, until the contractor and each subcontractor has provided the City a copy of the *Affidavit of Wages Paid* approved by the Washington State Department of Labor and Industries.

The Department of Labor and Industries provides the wage forms. Payment by the contractor or subcontractor of any fees are incidental to the project and all costs shall be included in other pay items of the project.

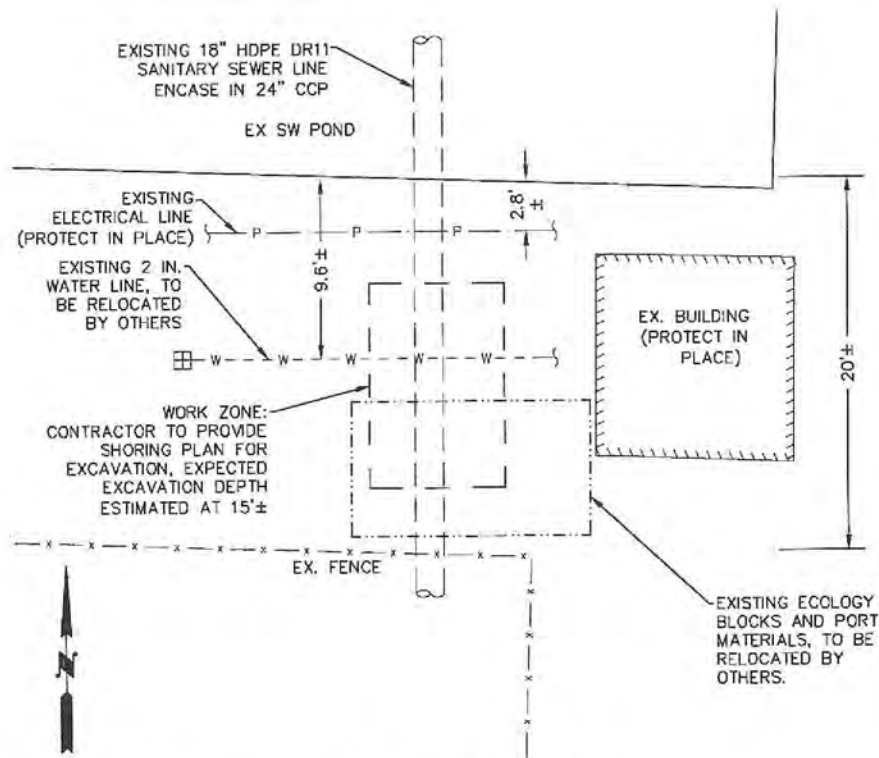
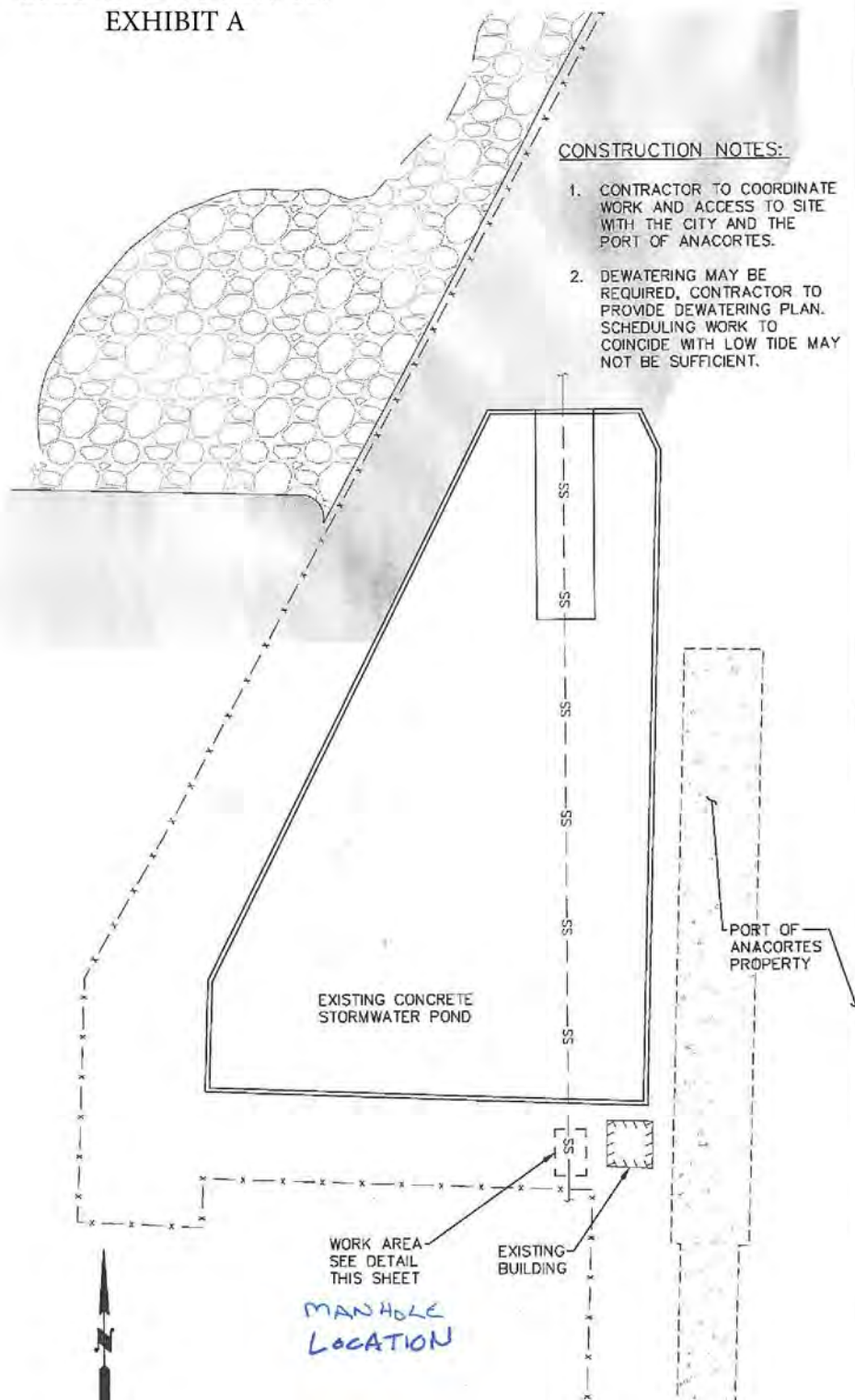
For contracts in excess of \$10,000, the contractor must post in a conspicuous place at the job site, a copy of the statement of *Intent to Pay Prevailing Wages* approved by the Department of Labor and Industries and the address and phone number of the Industrial Statistician where complaints or inquires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

The State of Washington prevailing wage rates applicable for this public works project, which is located in Skagit County, may be found at the following website address of the Department of Labor and Industries: <https://fortress.wa.gov/lni/wagelookup/prvwagelookup.aspx>. Based on the bid submittal deadline for this project, the applicable effective date for prevailing wages for this project is 6/14/17. A copy of the applicable prevailing wage rates are also available for viewing at the office of the Owner, located at 904 6th Street, Anacortes, WA. Upon request, the Owner will mail a hard copy of the applicable prevailing wages for this project.

EXHIBIT A

CONSTRUCTION NOTES:

1. CONTRACTOR TO COORDINATE WORK AND ACCESS TO SITE WITH THE CITY AND THE PORT OF ANACORTES.
2. DEWATERING MAY BE REQUIRED, CONTRACTOR TO PROVIDE DEWATERING PLAN. SCHEDULING WORK TO COINCIDE WITH LOW TIDE MAY NOT BE SUFFICIENT.



DETAIL 1 - PLAN VIEW
NOT TO SCALE



City Council Agenda Bill

Meeting Date: 6/19/2017 **Agenda Item:** 5g

Subject: Street Fair Applications: Art Walk Summer Pedestrian Plaza

Staff Contact: Fred Buckenmeyer, Don Measamer

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

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

Summary Statement: Street Fair Applications for Art Walk Summer Pedestrian Plaza

Background: The Art Walk Summer Pedestrian Plaza had its debut on Friday, June 2, 2017. This event closed Commercial Avenue from 4th Street to 6th Street during the first Friday of the month Art Walk. It was a big success and the request is being expanded to include street closure from the alley between 3rd & 4th Streets to 6th Street on the remaining nights of the request – July 7 and September 1, 2017. The closure time will be 5 p.m. to 10 p.m.

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

Proposed Contract	
Contractor	
Amount	
Start Date	
End Date	

Previous Council/Committee Action: NA

Competing Viewpoints Considered: NA

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

Alternative Actions: Deny the request(s)

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



TO: City Council Members, Mayor Gere
FROM: Fred Buckenmeyer, Director of Public Works
DATE: June 12, 2017
SUBJECT: Art Walk Summer Pedestrian Plaza

Location:

Commercial Avenue closed from 3rd Street to 6th Street with 5th & Commercial intersection closed as well as 4th and Commercial intersection closed. Third street would remain open.

Dates & Times:

Coincides with Summer Art Walks

Friday, July 7, 2017

Friday, September 1, 2017

5 p.m. – 10 p.m.

Background:

Two "core" blocks of Art Walk area to be pedestrian only so restaurants can open into the streets to host socializing among art walk visitors. The first Art Walk Plaza Closure held on June 2, 2017 was a success and businesses to the north have asked to be included in the upcoming street closures. The amended closure would include the half block between 4th and 3rd streets. Fire department and police department have been consulted and support the expanded event.

Parking Restrictions:

Parking restricted in closed areas. The north side of third street would be signed no parking to allow for enhanced emergency access.

Public Works Services:

Signage and street barriers

Police Services:

None - Race volunteers will handle traffic control

Recommendations:

Staff recommends approval subject to applicant's submitted request

Proposed Motion: Recommend approval

Emergency Contact Numbers:

Steve Jahn – 425-830-4981

cc: Marcia Hunt



City Council Agenda Bill

Meeting Date: 6/19/2017

Agenda Item: 7a

Subject: Heart Lake Milfoil and Algae Discussion

Staff Contact: Gary Robinson

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

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

Summary Statement: Approve funding for milfoil and algae treatment at Heart Lake and approve a grant from the Department of Ecology for Algae Treatment on Heart Lake.

Background: The City Council has discussed the treatment of milfoil with the herbicide fluridone in the summer of 2017 and treating the algae in the lake with aluminum sulfate (alum) in the spring of 2018. The City has been awarded \$49,999.50 from the Dept. of Ecology for the alum treatment, the grant contract is awaiting Council approval.

Budget Impact	
Amount Budgeted	
Budget Account (BARS)	
Proposed Expenditure	\$199,000 +/-
Budget Amendment Required?	
Revenue Source	

Proposed Contract	
Contractor	
Amount	
Start Date	
End Date	

Previous Council/Committee Action: Council discussed possible treatment ideas presented by staff, asked for more information.

Competing Viewpoints Considered: None

Recommended Motion: I move to approve funding for this project as discussed with partial funding from the LID fund and quarry revenues and to authorize the mayor to execute the Water Quality Algae Control Program Agreement with the Department of Ecology.

Alternative Actions:

Attachments (listed in order presented): Draft contract from the Department of Ecology.



Agreement No. WQALG-2018-Anacor-00002

WATER QUALITY ALGAE CONTROL PROGRAM AGREEMENT

BETWEEN

THE STATE OF WASHINGTON DEPARTMENT OF ECOLOGY

AND

CITY OF ANACORTES

This is a binding Agreement entered into by and between the state of Washington, Department of Ecology, hereinafter referred to as "ECOLOGY," and City of Anacortes, hereinafter referred to as the "RECIPIENT," to carry out with the provided funds activities described herein.

GENERAL INFORMATION

Project Title:	Heart Lake Algae Management Program
Total Cost:	\$100,000.00
Total Eligible Cost:	\$66,666.00
Ecology Share:	\$49,999.50
Recipient Share:	\$16,666.50
The Effective Date of this Agreement is:	07/01/2017
The Expiration Date of this Agreement is no later than:	06/30/2019
Project Type:	Algae Control Project

Project Short Description:

The RECIPIENT will implement a program to reduce phosphorus and control algae blooms in Heart Lake. The RECIPIENT will develop and submit a Quality Assurance Project Plan (QAPP), which will guide all water quality monitoring activities, to the ECOLOGY Project Manager. The QAPP must be approved and signed by the Project Manager prior to initiating monitoring activities.

Project Long Description:

The RECIPIENT will work on measures to reduce phosphorus and control algae blooms in Heart Lake. Heart Lake is a highly productive, natural lake in a relatively undeveloped watershed that provides excellent habitat for fish and wildlife, and a wide range of recreational and educational opportunities for local citizens. However, these lake benefits are severely impacted by blue-green algae (cyanobacteria) blooms and resulting high concentrations of the toxin microcystin, and excessive amounts of decaying filamentous algae on the lake surface.

Agreement No: WQALG-2018-Anacor-00002
Project Title: Heart Lake Algae Management Program
Recipient Name: City of Anacortes

The RECIPIENT is currently completing research and the project report for the Water Quality Algae Control Program. This program confirmed that elevated concentrations of phosphorus in the lake are the primary driver of algae blooms in the lake and that lake sediments are the primary source of phosphorus to the algae during the summer growing season. An alum treatment to reduce sediment phosphorus loading is recommended as the most cost-effective, environmentally-safe, and proven method to reduce impacts from excess algae growth in Heart Lake. In addition, the program also identified high concentrations of phosphorus in runoff from the City Park at Heart Lake.

Overall Goal:

To control algal blooms and reduce phosphorus in Heart Lake.

DRAFT

RECIPIENT INFORMATION

Organization Name: City of Anacortes

Federal Tax ID: 91-6001227

DUNS Number: 930901967

Mailing Address: PO Box 547
Anacortes, WA 98221

Physical Address: 904 Sixth Street
Anacortes, Washington 98221

Contacts

Project Manager	Jonn Lunsford Parks and Forest Lands Mgr PO Box 547 Anacortes, Washington 98221 Email: jonnl@cityofanacortes.org Phone: (360) 299-1953
Billing Contact	Jonn Lunsford Parks and Forest Lands Mgr PO Box 547 Anacortes, Washington 98221 Email: jonnl@cityofanacortes.org Phone: (360) 299-1953
Authorized Signatory	Jonn Lunsford Parks and Forest Lands Mgr PO Box 547 Anacortes, Washington 98221 Email: jonnl@cityofanacortes.org Phone: (360) 299-1953

ECOLOGY INFORMATION

Mailing Address: Department of Ecology
Water Quality
PO BOX 47600
Olympia, WA 98504-7600

Physical Address: Water Quality
300 Desmond Drive SE
Lacey, WA 98503

Contacts

Project Manager	Lizbeth Seebacher PO Box 47600 Olympia, Washington 98504-7600 Email: lsee461@ecy.wa.gov Phone: (360) 407-6938
Financial Manager	Lizbeth Seebacher PO Box 47600 Olympia, Washington 98504-7600 Email: lsee461@ecy.wa.gov Phone: (360) 407-6938
Technical Advisor	Lizbeth Seebacher PO Box 47600 Olympia, Washington 98504-7600 Email: lsee461@ecy.wa.gov Phone: (360) 407-6938

SCOPE OF WORK

Task Number: 1 **Task Cost: \$3,000.00**

Task Title: Project Administration/Management

Task Description:

A. The RECIPIENT shall carry out all work necessary to meet ECOLOGY grant or loan administration requirements. Responsibilities include, but are not limited to: maintenance of project records; submittal of requests for reimbursement and corresponding backup documentation; progress reports; and a recipient closeout report (including photos).

B. The RECIPIENT shall maintain documentation demonstrating compliance with applicable procurement, contracting, and interlocal agreement requirements; application for, receipt of, and compliance with all required permits, licenses, easements, or property rights necessary for the project; and submittal of required performance items.

C. The RECIPIENT shall manage the project. Efforts include, but are not limited to: conducting, coordinating, and scheduling project activities and assuring quality control. Every effort will be made to maintain effective communication with the RECIPIENT's designees; ECOLOGY; all affected local, state, or federal jurisdictions; and any interested individuals or groups. The RECIPIENT shall carry out this project in accordance with any completion dates outlined in this agreement.

Task Goal Statement:

Properly managed and fully documented project that meets ECOLOGY's grant or loan administrative requirements.

Task Expected Outcome:

- * Timely and complete submittal of requests for reimbursement, quarterly progress reports, and RECIPIENT closeout report.
- * Properly maintained project documentation

Recipient Task Coordinator: Jonn Lunsford

Project Administration/Management

Deliverables

Number	Description	Due Date
1.1	Progress Reports	01/30/2018
1.2	Recipient Closeout Report	12/31/2018
1.3	Project Outcome Summary Report	12/31/2018

SCOPE OF WORK

Task Number: 2

Task Cost: \$20,000.00

Task Title: Phosphorus and Algae Control

Task Description:

A. The RECIPIENT will develop and submit a Quality Assurance Project Plan (QAPP) to the ECOLOGY Project Manager, which will guide all water quality monitoring activities in Task 3. This plan will go through a review process and must be approved and signed by the Project Manager prior to initiating monitoring activities. Any monitoring activity conducted before the QAPP receives final approval is not eligible for reimbursement.

B. The RECIPIENT will develop recommendations for sediment phosphorus inactivation by treating the lake with either aluminum sulfate (alum) and a buffer (sodium aluminate), or with Phoslock® (lanthanum-infused bentonite) to limit algae growth by reducing internal phosphorus loading. A cost-benefit analysis will be performed for each method and application scenario to include a single large dose or multiple smaller doses.

C. The RECIPIENT will monitor water quality parameters during phosphorus inactivation in accordance with requirements of the Aquatic Plant and Algae Management Permit. In addition, long-term water quality monitoring procedures will be identified to evaluate effectiveness of phosphorus and algae control actions. Permitting requirements will be identified and all required permits will be obtained for phosphorus inactivation and shoreline restoration.

D. The RECIPIENT will submit all monitoring data collected into ECOLOGY's Environmental Information Management (EIM) database bi-annually. The RECIPIENT will develop and submit a final water quality monitoring report to ECOLOGY for review and approval.

Task Goal Statement:

The RECIPIENT will implement the results from the plan that evaluates phosphorus control methods and selects a preferred approach to cost-effectively reduce cyanobacteria blooms and filamentous algae growth in Heart Lake.

Task Expected Outcome:

Comprehensive plan meeting the project budget and public needs, and including detailed information for effective implementation.

Agreement No: WQALG-2018-Anacor-00002

Project Title: Heart Lake Algae Management Program

Recipient Name: City of Anacortes

Phosphorus and Algae Control**Deliverables**

Number	Description	Due Date
2.1	Develop and submit a QAPP to the ECOLOGY Project Manager for review and approval. This QAPP will guide all water quality monitoring activities.	03/01/2018
2.2	Manage and submit all monitoring data into ECOLOGY's EIM database bi-annually.	12/01/2018
2.3	Develop and submit a draft Water Quality Monitoring Report to ECOLOGY's Project Manager for review and comment. Upload one electronic copy of the final, approved Water Quality Monitoring Report into EAGL.	05/31/2019
2.4	Prepare and upload to EAGL a Phosphorus and Algae Control Program Plan.	06/30/2019

SCOPE OF WORK

Task Number: 3

Task Cost: \$31,666.00

Task Title: Lake Phosphorus Inactivation

Task Description:

A. The RECIPIENT will treat Heart Lake in 1-2 days during Spring 2018. The RECIPIENT will hire an experienced contractor to complete the alum treatment and water quality monitoring to ensure proper application according to specifications, protection of fish and wildlife, and compliance with permits.

B. In accordance with the reviewed and approved QAPP, the RECIPIENT will provide one year of water quality monitoring.

Task Goal Statement:

The RECIPIENT will inactivate phosphorus in the lake water column and sediments to cost-effectively reduce cyanobacteria blooms and filamentous algae growth in Heart Lake.

Task Expected Outcome:

Improve recreational uses and fish habitat of Heart Lake by meeting algae control and water quality goals established in the Phosphorus and Algae Control Plan.

Lake Phosphorus Inactivation

Deliverables

Number	Description	Due Date
3.1	Phoslock or alum treatment	06/30/2018
3.2	Water Quality Monitoring	12/30/2018

SCOPE OF WORK

Task Number: 4

Task Cost: \$6,000.00

Task Title: Public Involvement and Education

Task Description:

A. The RECIPIENT will hold at least three public meetings to explain the problem at Heart Lake and the scope of work, update the public on the work, provide a final report on the work, and allow the public to hear from the consultants and staff involved.

B. The RECIPIENT will design and construct an informational sign, using Ecology logo, educating the public about the phosphorus inactivation and watershed control activities. The sign will be installed at the City Park.

Task Goal Statement:

The RECIPIENT will keep the public informed and involve them in the decisions to garner support regarding the steps that Anacortes Parks are taking to improve the lake's health and recreational opportunities it provides.

Task Expected Outcome:

The public will become more involved in the discussion about Heart Lake. Service clubs that have generously supported the Anacortes Community Forest Lands (where Heart Lake is located) will support our stewardship with volunteer hours and financial donations. Based on previous milfoil and water quality public meetings, targeted meetings may also be necessary to reach stakeholders.

Public Involvement and Education

Deliverables

Number	Description	Due Date
4.1	Three public meetings to inform public of procedures and address concerns. Sign in sheets and photos of the meetings will be provided to ECOLOGY.	06/30/2018
4.2	Informational sign photo.	05/31/2019

SCOPE OF WORK

Task Number: 5 **Task Cost: \$6,000.00**

Task Title: Project Report

Task Description:

A. The RECIPIENT will prepare a final project report presenting and summarizing all observations and data collected.

Task Goal Statement:

Prepare a final project report that describes project activities and results associated with lake phosphorus inactivation, watershed phosphorus control, and public involvement/education.

Task Expected Outcome:

A detailed final project report documenting project activities and results for future management of the lake and education of the lake users.

Project Report

Deliverables

Number	Description	Due Date
5.1	Final Project Report	06/30/2019

BUDGET

Funding Distribution EG170154

NOTE: The above funding distribution number is used to identify this specific agreement and budget on payment remittances and may be referenced on other communications from ECOLOGY. Your agreement may have multiple funding distribution numbers to identify each budget.

Funding Title: Heart Lake Algae Management Program Funding Type: Grant
Funding Effective Date: 07/01/2017 Funding Expiration Date: 06/30/2019

Funding Source:

Title: Freshwater Algae Control Program
Type: State
Funding Source %: 100%
Description: \$1 license fee on boat owners

Approved Indirect Costs Rate: Approved State Indirect Rate: 25%
Recipient Match %: 25%
InKind Interlocal Allowed: Yes
InKind Other Allowed: Yes
Is this Funding Distribution used to match a federal grant? No

Heart Lake Algae Management Program	Task Total
Project Administration/Management	\$ 3,000.00
Phosphorus and Algae Control	\$ 20,000.00
Lake Phosphorus Inactivation	\$ 31,666.00
Public Involvement and Education	\$ 6,000.00
Project Report	\$ 6,000.00

Total: \$ 66,666.00

Funding Distribution Summary

Recipient / Ecology Share

Funding Distribution Name	Recipient Match %	Recipient Share	Ecology Share	Total
Heart Lake Algae Management Program	25.00 %	\$ 16,666.50	\$ 49,999.50	\$ 66,666.00
Total		\$ 16,666.50	\$ 49,999.50	\$ 66,666.00

AGREEMENT SPECIFIC TERMS AND CONDITIONS

N/A

SPECIAL TERMS AND CONDITIONS

GENERAL FEDERAL CONDITIONS

If a portion or all of the funds for this agreement are provided through federal funding sources or this agreement is used to match a federal grant award, the following terms and conditions apply to you.

A. CERTIFICATION REGARDING SUSPENSION, DEBARMENT, INELIGIBILITY OR VOLUNTARY EXCLUSION:

1. The RECIPIENT/CONTRACTOR, by signing this agreement, certifies that it is not suspended, debarred, proposed for debarment, declared ineligible or otherwise excluded from contracting with the federal government, or from receiving contracts paid for with federal funds. If the RECIPIENT/CONTRACTOR is unable to certify to the statements contained in the certification, they must provide an explanation as to why they cannot.
2. The RECIPIENT/CONTRACTOR shall provide immediate written notice to ECOLOGY if at any time the RECIPIENT/CONTRACTOR learns that its certification was erroneous when submitted or had become erroneous by reason of changed circumstances.
3. The terms covered transaction, debarred, suspended, ineligible, lower tier covered transaction, participant, person, primary covered transaction, principal, proposal, and voluntarily excluded, as used in this clause, have the meaning set out in the Definitions and Coverage sections of rules implementing Executive Order 12549. You may contact ECOLOGY for assistance in obtaining a copy of those regulations.
4. The RECIPIENT/CONTRACTOR agrees it shall not knowingly enter into any lower tier covered transaction with a person who is proposed for debarment under the applicable Code of Federal Regulations, debarred, suspended, declared ineligible, or voluntarily excluded from participation in this covered transaction.
5. The RECIPIENT/CONTRACTOR further agrees by signing this agreement, that it will include this clause titled "CERTIFICATION REGARDING SUSPENSION, DEBARMENT, INELIGIBILITY OR VOLUNTARY EXCLUSION" without modification in all lower tier covered transactions and in all solicitations for lower tier

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Recipient Name: City of Anacortes

covered transactions.

6. Pursuant to 2CFR180.330, the RECIPIENT/CONTRACTOR is responsible for ensuring that any lower tier covered transaction complies with certification of suspension and debarment requirements.
7. RECIPIENT/CONTRACTOR acknowledges that failing to disclose the information required in the Code of Federal Regulations may result in the delay or negation of this funding agreement, or pursuance of legal remedies, including suspension and debarment.
8. RECIPIENT/CONTRACTOR agrees to keep proof in its agreement file, that it, and all lower tier recipients or contractors, are not suspended or debarred, and will make this proof available to ECOLOGY before requests for reimbursements will be approved for payment. RECIPIENT/CONTRACTOR must run a search in <http://www.sam.gov> and print a copy of completed searches to document proof of compliance.

B. FEDERAL FUNDING ACCOUNTABILITY AND TRANSPARENCY ACT (FFATA) REPORTING REQUIREMENTS:

CONTRACTOR/RECIPIENT must complete the FFATA Data Collection Form (ECY 070-395) and return it with the signed agreement to ECOLOGY.

Any CONTRACTOR/RECIPIENT that meets each of the criteria below must report compensation for its five top executives using the FFATA Data Collection Form.

- Receives more than \$25,000 in federal funds under this award.
- Receives more than 80 percent of its annual gross revenues from federal funds.
- Receives more than \$25,000,000 in annual federal funds.

Ecology will not pay any invoices until it has received a completed and signed FFATA Data Collection Form. Ecology is required to report the FFATA information for federally funded agreements, including the required DUNS number, at www.fsrs.gov <http://www.fsrs.gov> within 30 days of agreement signature. The FFATA information will be available to the public at www.usaspending.gov <http://www.usaspending.gov>.

For more details on FFATA requirements, see www.fsrs.gov <http://www.fsrs.gov>.

GENERAL TERMS AND CONDITIONS

Pertaining to Grant and Loan Agreements With the state of Washington, Department of Ecology

1. ADMINISTRATIVE REQUIREMENTS

- a) RECIPIENT shall follow the "Administrative Requirements for Recipients of Ecology Grants and Loans – EAGL Edition." <https://fortress.wa.gov/ecy/publications/SummaryPages/1401002.html>
- b) RECIPIENT shall complete all activities funded by this Agreement and be fully responsible for the proper management of all funds and resources made available under this Agreement.
- c) RECIPIENT agrees to take complete responsibility for all actions taken under this Agreement, including ensuring all subgrantees and contractors comply with the terms and conditions of this Agreement. ECOLOGY reserves the right to request proof of compliance by subgrantees and contractors.
- d) RECIPIENT's activities under this Agreement shall be subject to the review and approval by ECOLOGY for the extent and character of all work and services.

2. AMENDMENTS AND MODIFICATIONS

This Agreement may be altered, amended, or waived only by a written amendment executed by both parties. No subsequent modification(s) or amendment(s) of this Agreement will be of any force or effect unless in writing and signed by authorized representatives of both parties. ECOLOGY and the RECIPIENT may change their respective staff contacts and administrative information without the concurrence of either party.

3. ARCHAEOLOGICAL AND CULTURAL RESOURCES

RECIPIENT shall take reasonable action to avoid, minimize, or mitigate adverse effects to archeological and historic resources. The RECIPIENT must agree to hold harmless the State of Washington in relation to any claim related to historical or cultural artifacts discovered, disturbed, or damaged due to the RECIPIENT's project funded under this Agreement.

RECIPIENT shall:

- a) Contact the ECOLOGY Program issuing the grant or loan to discuss any Cultural Resources requirements for their project:
 - For capital construction projects or land acquisitions for capital construction projects, if required, comply with Governor Executive Order 05-05, Archaeology and Cultural Resources.
 - For projects with any federal involvement, if required, comply with the National Historic Preservation Act.
 - Any cultural resources federal or state requirements must be completed prior to the start of any work on the project site.
 - b) If required by the ECOLOGY Program, submit an Inadvertent Discovery Plan (IDP) to ECOLOGY prior to implementing any project that involves ground disturbing activities. ECOLOGY will provide the IDP form.
- RECIPIENT shall:
- Keep the IDP at the project site.
 - Make the IDP readily available to anyone working at the project site.
 - Discuss the IDP with staff and contractors working at the project site.
 - Implement the IDP when cultural resources or human remains are found at the project site.
- c) If any archeological or historic resources are found while conducting work under this Agreement:
 - Immediately stop work and notify the ECOLOGY Program, the Department of Archaeology and Historic Preservation at (360) 586-3064, any affected Tribe, and the local government.
 - d) If any human remains are found while conducting work under this Agreement:
 - Immediately stop work and notify the local Law Enforcement Agency or Medical Examiner/Coroner's Office, and then the ECOLOGY Program.

e) Comply with RCW 27.53, RCW 27.44.055, and RCW 68.50.645, and all other applicable local, state, and federal laws protecting cultural resources and human remains.

4. ASSIGNMENT

No right or claim of the RECIPIENT arising under this Agreement shall be transferred or assigned by the RECIPIENT.

5. COMMUNICATION

RECIPIENT shall make every effort to maintain effective communications with the RECIPIENT's designees, ECOLOGY, all affected local, state, or federal jurisdictions, and any interested individuals or groups.

6. COMPENSATION

- a) Any work performed prior to effective date of this Agreement will be at the sole expense and risk of the RECIPIENT. ECOLOGY must sign the Agreement before any payment requests can be submitted.
- b) Payments will be made on a reimbursable basis for approved and completed work as specified in this Agreement.
- c) RECIPIENT is responsible to determine if costs are eligible. Any questions regarding eligibility should be clarified with ECOLOGY prior to incurring costs. Costs that are conditionally eligible require approval by ECOLOGY prior to expenditure.
- d) RECIPIENT shall not invoice more than once per month unless agreed on by ECOLOGY.
- e) ECOLOGY will not process payment requests without the proper reimbursement forms, Progress Report and supporting documentation. ECOLOGY will provide instructions for submitting payment requests.
- f) ECOLOGY will pay the RECIPIENT thirty (30) days after receipt of a properly completed request for payment.
- g) RECIPIENT will receive payment through Washington State Department of Enterprise Services' Statewide Payee Desk. RECIPIENT must register as a payee by submitting a Statewide Payee Registration form and an IRS W-9 form at the website, <http://www.des.wa.gov/services/ContractingPurchasing/Business/VendorPay/Pages/default.aspx>. For any questions about the vendor registration process contact the Statewide Payee Help Desk at (360) 407-8180 or email payeehelpdesk@des.wa.gov.
- h) ECOLOGY may, at its sole discretion, withhold payments claimed by the RECIPIENT if the RECIPIENT fails to satisfactorily comply with any term or condition of this Agreement.
- i) Monies withheld by ECOLOGY may be paid to the RECIPIENT when the work described herein, or a portion thereof, has been completed if, at ECOLOGY's sole discretion, such payment is reasonable and approved according to this Agreement, as appropriate, or upon completion of an audit as specified herein.
- j) RECIPIENT should submit final requests for compensation within thirty (30) days after the expiration date of this Agreement. Failure to comply may result in delayed reimbursement.

7. COMPLIANCE WITH ALL LAWS

RECIPIENT agrees to comply fully with all applicable federal, state and local laws, orders, regulations, and permits related to this Agreement, including but not limited to:

- a) RECIPIENT agrees to comply with all applicable laws, regulations, and policies of the United States and the State of Washington which affect wages and job safety.
- b) RECIPIENT agrees to be bound by all applicable federal and state laws, regulations, and policies against discrimination.
- c) RECIPIENT certifies full compliance with all applicable state industrial insurance requirements.
- d) RECIPIENT agrees to secure and provide assurance to ECOLOGY that all the necessary approvals and permits required by authorities having jurisdiction over the project are obtained. RECIPIENT must include time in their project timeline for the permit and approval processes.

ECOLOGY shall have the right to immediately terminate for cause this Agreement as provided herein if the RECIPIENT fails to comply with above requirements.

If any provision of this Agreement violates any statute or rule of law of the state of Washington, it is considered

modified to conform to that statute or rule of law.

8. CONFLICT OF INTEREST

RECIPIENT and ECOLOGY agree that any officer, member, agent, or employee, who exercises any function or responsibility in the review, approval, or carrying out of this Agreement, shall not have any personal or financial interest, direct or indirect, nor affect the interest of any corporation, partnership, or association in which he/she is a part, in this Agreement or the proceeds thereof.

9. CONTRACTING FOR GOODS AND SERVICES

RECIPIENT may contract to buy goods or services related to its performance under this Agreement. RECIPIENT shall award all contracts for construction, purchase of goods, equipment, services, and professional architectural and engineering services through a competitive process, if required by State law. RECIPIENT is required to follow procurement procedures that ensure legal, fair, and open competition.

RECIPIENT must have a standard procurement process or follow current state procurement procedures. RECIPIENT may be required to provide written certification that they have followed their standard procurement procedures and applicable state law in awarding contracts under this Agreement.

ECOLOGY reserves the right to inspect and request copies of all procurement documentation, and review procurement practices related to this Agreement. Any costs incurred as a result of procurement practices not in compliance with state procurement law or the RECIPIENT's normal procedures may be disallowed at ECOLOGY's sole discretion.

10. DISPUTES

When there is a dispute with regard to the extent and character of the work, or any other matter related to this Agreement the determination of ECOLOGY will govern, although the RECIPIENT shall have the right to appeal decisions as provided for below:

- a) RECIPIENT notifies the funding program of an appeal request.
- b) Appeal request must be in writing and state the disputed issue(s).
- c) RECIPIENT has the opportunity to be heard and offer evidence in support of its appeal.
- d) ECOLOGY reviews the RECIPIENT's appeal.
- e) ECOLOGY sends a written answer within ten (10) business days, unless more time is needed, after concluding the review.

The decision of ECOLOGY from an appeal will be final and conclusive, unless within thirty (30) days from the date of such decision, the RECIPIENT furnishes to the Director of ECOLOGY a written appeal. The decision of the Director or duly authorized representative will be final and conclusive.

The parties agree that this dispute process will precede any action in a judicial or quasi-judicial tribunal.

Appeals of the Director's decision will be brought in the Superior Court of Thurston County. Review of the Director's decision will not be taken to Environmental and Land Use Hearings Office.

Pending final decision of a dispute, the RECIPIENT agrees to proceed diligently with the performance of this Agreement and in accordance with the decision rendered.

Nothing in this Agreement will be construed to limit the parties' choice of another mutually acceptable method, in addition to the dispute resolution procedure outlined above.

11. ENVIRONMENTAL DATA STANDARDS

a) RECIPIENT shall prepare a Quality Assurance Project Plan (QAPP) for each project that collects or uses environmental measurement data. RECIPIENTS unsure about whether a QAPP is required for their project shall contact the ECOLOGY Program issuing the grant or loan. If a QAPP is required the RECIPIENT shall:

- Use ECOLOGY's QAPP Template provided by the ECOLOGY Program.
- Follow ECOLOGY's Guidelines for Preparing Quality Assurance Project Plans for Environmental Studies, July 2004 (Ecology Publication No. 04-03-030).

- Submit the QAPP to ECOLOGY for review and approval before the start of the work.
- b) RECIPIENT shall submit environmental data that was collected on a project to ECOLOGY using the Environmental Information Management system (EIM), unless the ECOLOGY Program instructs otherwise. The data must be successfully loaded into EIM, find instructions at: <http://www.ecy.wa.gov/eim>.
- c) RECIPIENT shall follow ECOLOGY's data standards when Geographic Information System (GIS) data is collected and processed. Guidelines for Creating and Accessing GIS Data are available at: <http://www.ecy.wa.gov/services/gis/data/standards/standards.htm>. RECIPIENT, when requested by ECOLOGY, shall provide copies to ECOLOGY of all final GIS data layers, imagery, related tables, raw data collection files, map products, and all metadata and project documentation.

12. GOVERNING LAW

This Agreement will be governed by the laws of the State of Washington, and the venue of any action brought hereunder will be in the Superior Court of Thurston County.

13. INDEMNIFICATION

ECOLOGY will in no way be held responsible for payment of salaries, consultant's fees, and other costs related to the project described herein, except as provided in the Scope of Work.

To the extent that the Constitution and laws of the State of Washington permit, each party will indemnify and hold the other harmless from and against any liability for any or all injuries to persons or property arising from the negligent act or omission of that party or that party's agents or employees arising out of this Agreement.

14. INDEPENDENT STATUS

The employees, volunteers, or agents of each party who are engaged in the performance of this Agreement will continue to be employees, volunteers, or agents of that party and will not for any purpose be employees, volunteers, or agents of the other party.

15. KICKBACKS

RECIPIENT is prohibited from inducing by any means any person employed or otherwise involved in this Agreement to give up any part of the compensation to which he/she is otherwise entitled to or receive any fee, commission, or gift in return for award of a subcontract hereunder.

16. MINORITY AND WOMEN'S BUSINESS ENTERPRISES (MWBE)

RECIPIENT is encouraged to solicit and recruit, to the extent possible, certified minority-owned (MBE) and women-owned (WBE) businesses in purchases and contracts initiated under this Agreement.

Contract awards or rejections cannot be made based on MWBE participation; however, the RECIPIENT is encouraged to take the following actions, when possible, in any procurement under this Agreement:

- a) Include qualified minority and women's businesses on solicitation lists whenever they are potential sources of goods or services.
- b) Divide the total requirements, when economically feasible, into smaller tasks or quantities, to permit maximum participation by qualified minority and women's businesses.
- c) Establish delivery schedules, where work requirements permit, which will encourage participation of qualified minority and women's businesses.
- d) Use the services and assistance of the Washington State Office of Minority and Women's Business Enterprises (OMWBE) (866-208-1064) and the Office of Minority Business Enterprises of the U.S. Department of Commerce, as appropriate.

17. ORDER OF PRECEDENCE

In the event of inconsistency in this Agreement, unless otherwise provided herein, the inconsistency shall be resolved

by giving precedence in the following order: (a) applicable federal and state statutes and regulations; (b) The Agreement; (c) Scope of Work; (d) Special Terms and Conditions; (e) Any provisions or terms incorporated herein by reference, including the "Administrative Requirements for Recipients of Ecology Grants and Loans"; and (f) the General Terms and Conditions.

18. PRESENTATION AND PROMOTIONAL MATERIALS

ECOLOGY reserves the right to approve RECIPIENT's communication documents and materials related to the fulfillment of this Agreement:

- a) If requested, RECIPIENT shall provide a draft copy to ECOLOGY for review and approval ten (10) business days prior to production and distribution.
- b) RECIPIENT shall include time for ECOLOGY's review and approval process in their project timeline.
- c) If requested, RECIPIENT shall provide ECOLOGY two (2) final copies and an electronic copy of any tangible products developed.

Copies include any printed materials, and all tangible products developed such as brochures, manuals, pamphlets, videos, audio tapes, CDs, curriculum, posters, media announcements, or gadgets with a message, such as a refrigerator magnet, and any online communications, such as web pages, blogs, and twitter campaigns. If it is not practical to provide a copy, then the RECIPIENT shall provide a description (photographs, drawings, printouts, etc.) that best represents the item.

Any communications intended for public distribution that uses ECOLOGY's logo shall comply with ECOLOGY's graphic requirements and any additional requirements specified in this Agreement. Before the use of ECOLOGY's logo contact ECOLOGY for guidelines.

RECIPIENT shall acknowledge in the communications that funding was provided by ECOLOGY.

19. PROGRESS REPORTING

- a) RECIPIENT must satisfactorily demonstrate the timely use of funds by submitting payment requests and progress reports to ECOLOGY. ECOLOGY reserves the right to amend or terminate this Agreement if the RECIPIENT does not document timely use of funds.
- b) RECIPIENT must submit a progress report with each payment request. Payment requests will not be processed without a progress report. ECOLOGY will define the elements and frequency of progress reports.
- c) RECIPIENT shall use ECOLOGY's provided progress report format.
- d) Quarterly progress reports will cover the periods from January 1 through March 31, April 1 through June 30, July 1 through September 30, and October 1 through December 31. Reports shall be submitted within thirty (30) days after the end of the quarter being reported.
- e) RECIPIENT shall submit the Closeout Report within thirty (30) days of the expiration date of the project, unless an extension has been approved by ECOLOGY. RECIPIENT shall use the ECOLOGY provided closeout report format.

20. PROPERTY RIGHTS

- a) Copyrights and Patents. When the RECIPIENT creates any copyrightable materials or invents any patentable property under this Agreement, the RECIPIENT may copyright or patent the same but ECOLOGY retains a royalty free, nonexclusive, and irrevocable license to reproduce, publish, recover, or otherwise use the material(s) or property, and to authorize others to use the same for federal, state, or local government purposes.
- b) Publications. When the RECIPIENT or persons employed by the RECIPIENT use or publish ECOLOGY information; present papers, lectures, or seminars involving information supplied by ECOLOGY; or use logos, reports, maps, or other data in printed reports, signs, brochures, pamphlets, etc., appropriate credit shall be given to ECOLOGY.
- c) Presentation and Promotional Materials. ECOLOGY shall have the right to use or reproduce any printed or graphic materials produced in fulfillment of this Agreement, in any manner ECOLOGY deems appropriate. ECOLOGY shall acknowledge the RECIPIENT as the sole copyright owner in every use or reproduction of the materials.
- d) Tangible Property Rights. ECOLOGY's current edition of "Administrative Requirements for Recipients of Ecology

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Grants and Loans," shall control the use and disposition of all real and personal property purchased wholly or in part with funds furnished by ECOLOGY in the absence of state and federal statutes, regulations, or policies to the contrary, or upon specific instructions with respect thereto in this Agreement.

e) Personal Property Furnished by ECOLOGY. When ECOLOGY provides personal property directly to the RECIPIENT for use in performance of the project, it shall be returned to ECOLOGY prior to final payment by ECOLOGY. If said property is lost, stolen, or damaged while in the RECIPIENT's possession, then ECOLOGY shall be reimbursed in cash or by setoff by the RECIPIENT for the fair market value of such property.

f) Acquisition Projects. The following provisions shall apply if the project covered by this Agreement includes funds for the acquisition of land or facilities:

1. RECIPIENT shall establish that the cost is fair value and reasonable prior to disbursement of funds provided for in this Agreement.

2. RECIPIENT shall provide satisfactory evidence of title or ability to acquire title for each parcel prior to disbursement of funds provided by this Agreement. Such evidence may include title insurance policies, Torrens certificates, or abstracts, and attorney's opinions establishing that the land is free from any impediment, lien, or claim which would impair the uses intended by this Agreement.

g) Conversions. Regardless of the Agreement expiration date, the RECIPIENT shall not at any time convert any equipment, property, or facility acquired or developed under this Agreement to uses other than those for which assistance was originally approved without prior written approval of ECOLOGY. Such approval may be conditioned upon payment to ECOLOGY of that portion of the proceeds of the sale, lease, or other conversion or encumbrance which monies granted pursuant to this Agreement bear to the total acquisition, purchase, or construction costs of such property.

21. RECORDS, AUDITS, AND INSPECTIONS

RECIPIENT shall maintain complete program and financial records relating to this Agreement, including any engineering documentation and field inspection reports of all construction work accomplished.

All records shall:

- a) Be kept in a manner which provides an audit trail for all expenditures.
- b) Be kept in a common file to facilitate audits and inspections.
- c) Clearly indicate total receipts and expenditures related to this Agreement.
- d) Be open for audit or inspection by ECOLOGY, or by any duly authorized audit representative of the State of Washington, for a period of at least three (3) years after the final grant payment or loan repayment, or any dispute resolution hereunder.

RECIPIENT shall provide clarification and make necessary adjustments if any audits or inspections identify discrepancies in the records.

ECOLOGY reserves the right to audit, or have a designated third party audit, applicable records to ensure that the state has been properly invoiced. Any remedies and penalties allowed by law to recover monies determined owed will be enforced. Repetitive instances of incorrect invoicing or inadequate records may be considered cause for termination.

All work performed under this Agreement and any property and equipment purchased shall be made available to ECOLOGY and to any authorized state, federal or local representative for inspection at any time during the course of this Agreement and for at least three (3) years following grant or loan termination or dispute resolution hereunder.

RECIPIENT shall provide right of access to ECOLOGY, or any other authorized representative, at all reasonable times, in order to monitor and evaluate performance, compliance, and any other conditions under this Agreement.

22. RECOVERY OF FUNDS

The right of the RECIPIENT to retain monies received as reimbursement payments is contingent upon satisfactory performance of this Agreement and completion of the work described in the Scope of Work.

All payments to the RECIPIENT are subject to approval and audit by ECOLOGY, and any unauthorized expenditure(s) or unallowable cost charged to this Agreement shall be refunded to ECOLOGY by the RECIPIENT.

RECIPIENT shall refund to ECOLOGY the full amount of any erroneous payment or overpayment under this Agreement.

RECIPIENT shall refund by check payable to ECOLOGY the amount of any such reduction of payments or repayments within thirty (30) days of a written notice. Interest will accrue at the rate of twelve percent (12%) per year from the time ECOLOGY demands repayment of funds.

Any property acquired under this Agreement, at the option of ECOLOGY, may become ECOLOGY's property and the RECIPIENT's liability to repay monies will be reduced by an amount reflecting the fair value of such property.

23. SEVERABILITY

If any provision of this Agreement or any provision of any document incorporated by reference shall be held invalid, such invalidity shall not affect the other provisions of this Agreement which can be given effect without the invalid provision, and to this end the provisions of this Agreement are declared to be severable.

24. STATE ENVIRONMENTAL POLICY ACT (SEPA)

RECIPIENT must demonstrate to ECOLOGY's satisfaction that compliance with the requirements of the State Environmental Policy Act (Chapter 43.21C RCW and Chapter 197-11 WAC) have been or will be met. Any reimbursements are subject to this provision.

25. SUSPENSION

When in the best interest of ECOLOGY, ECOLOGY may at any time, and without cause, suspend this Agreement or any portion thereof for a temporary period by written notice from ECOLOGY to the RECIPIENT. RECIPIENT shall resume performance on the next business day following the suspension period unless another day is specified by ECOLOGY.

26. SUSTAINABLE PRACTICES

In order to sustain Washington's natural resources and ecosystems, the RECIPIENT is fully encouraged to implement sustainable practices and to purchase environmentally preferable products under this Agreement.

- a) Sustainable practices may include such activities as: use of clean energy, use of double-sided printing, hosting low impact meetings, and setting up recycling and composting programs.
- b) Purchasing may include such items as: sustainably produced products and services, EPEAT registered computers and imaging equipment, independently certified green cleaning products, remanufactured toner cartridges, products with reduced packaging, office products that are refillable, rechargeable, and recyclable, and 100% post-consumer recycled paper.

For more suggestions visit ECOLOGY's web page: Green Purchasing, <http://www.ecy.wa.gov/programs/swfa/epp>.

27. TERMINATION

a) For Cause

ECOLOGY may terminate for cause this Agreement with a seven (7) calendar days prior written notification to the RECIPIENT, at the sole discretion of ECOLOGY, for failing to perform an Agreement requirement or for a material breach of any term or condition. If this Agreement is so terminated, the parties shall be liable only for performance rendered or costs incurred in accordance with the terms of this Agreement prior to the effective date of termination.

Failure to Commence Work. ECOLOGY reserves the right to terminate this Agreement if RECIPIENT fails to commence work on the project funded within four (4) months after the effective date of this Agreement, or by any date mutually agreed upon in writing for commencement of work, or the time period defined within the Scope of Work.

Non-Performance. The obligation of ECOLOGY to the RECIPIENT is contingent upon satisfactory performance by the RECIPIENT of all of its obligations under this Agreement. In the event the RECIPIENT unjustifiably fails, in the opinion of ECOLOGY, to perform any obligation required of it by this Agreement, ECOLOGY may refuse to pay any further funds, terminate in whole or in part this Agreement, and exercise any other rights under this Agreement.

Despite the above, the RECIPIENT shall not be relieved of any liability to ECOLOGY for damages sustained by ECOLOGY and the State of Washington because of any breach of this Agreement by the RECIPIENT. ECOLOGY may withhold payments for the purpose of setoff until such time as the exact amount of damages due ECOLOGY from the RECIPIENT is determined.

b) For Convenience

ECOLOGY may terminate for convenience this Agreement, in whole or in part, for any reason when it is the best interest of ECOLOGY, with a thirty (30) calendar days prior written notification to the RECIPIENT, except as noted below. If this Agreement is so terminated, the parties shall be liable only for performance rendered or costs incurred in accordance with the terms of this Agreement prior to the effective date of termination.

Non-Allocation of Funds. ECOLOGY's ability to make payments is contingent on availability of funding. In the event funding from state, federal or other sources is withdrawn, reduced, or limited in any way after the effective date and prior to the completion or expiration date of this Agreement, ECOLOGY, at its sole discretion, may elect to terminate the Agreement, in whole or part, or renegotiate the Agreement, subject to new funding limitations or conditions. ECOLOGY may also elect to suspend performance of the Agreement until ECOLOGY determines the funding insufficiency is resolved. ECOLOGY may exercise any of these options with no notification or restrictions, although ECOLOGY will make a reasonable attempt to provide notice.

In the event of termination or suspension, ECOLOGY will reimburse eligible costs incurred by the recipient/contractor through the effective date of termination or suspension. Reimbursed costs must be agreed to by ECOLOGY and the recipient/contractor. In no event shall ECOLOGY's reimbursement exceed ECOLOGY's total responsibility under the agreement and any amendments.

If payments have been discontinued by ECOLOGY due to unavailable funds, the RECIPIENT shall not be obligated to repay monies which had been paid to the RECIPIENT prior to such termination.

RECIPIENT's obligation to continue or complete the work described in this Agreement shall be contingent upon availability of funds by the RECIPIENT's governing body.

c) By Mutual Agreement

ECOLOGY and the RECIPIENT may terminate this Agreement, in whole or in part, at any time, by mutual written agreement.

d) In Event of Termination

All finished or unfinished documents, data studies, surveys, drawings, maps, models, photographs, reports or other materials prepared by the RECIPIENT under this Agreement, at the option of ECOLOGY, will become property of ECOLOGY and the RECIPIENT shall be entitled to receive just and equitable compensation for any satisfactory work completed on such documents and other materials.

Nothing contained herein shall preclude ECOLOGY from demanding repayment of all funds paid to the RECIPIENT in accordance with Recovery of Funds, identified herein.

28. THIRD PARTY BENEFICIARY

RECIPIENT shall ensure that in all subcontracts entered into by the RECIPIENT pursuant to this Agreement, the state of Washington is named as an express third party beneficiary of such subcontracts with full rights as such.

29. WAIVER

Waiver of a default or breach of any provision of this Agreement is not a waiver of any subsequent default or breach, and will not be construed as a modification of the terms of this Agreement unless stated as such in writing by the authorized representative of ECOLOGY.

Agreement No: WQALG-2018-Anacor-00002

Project Title: Heart Lake Algae Management Program

Recipient Name: City of Anacortes

GENERAL TERMS AND CONDITIONS LAST UPDATED 05/11/2017

DRAFT

State law requires a City's clerk/treasurer and police chief acquire a bond, that is paid for by the city.

RCW 35A.12.080

Oath and bond of officers.

Any officer before entering upon the performance of his or her duties may be required to take an oath or affirmation as prescribed by charter or by ordinance for the faithful performance of his or her duties. The oath or affirmation shall be filed with the county auditor. The clerk, treasurer, if any, chief of police, and such other officers or employees as may be designated by ordinance or by charter shall be required to furnish annually an official bond conditioned on the honest and faithful performance of their official duties. The terms and penalty of official bonds and the surety therefor shall be prescribed by ordinance or charter and the bond shall be approved by the chief administrative officer of the city. The premiums on such bonds shall be paid by the city. When the furnishing of an official bond is required of an officer or employee, compliance with such provisions shall be an essential part of qualification for office.

Anacortes Municipal Code

AMC 2.08 essentially repeats the bonding requirement outlined in RCW 35A.12.080:

2.08.010 - Amount.



Before entering upon the duties of their respective offices each person elected or appointed to any office hereinafter named in the city of Anacortes, shall execute and file with the city clerk a bond in the penal sum hereinafter named (except the city clerk who shall file with the mayor), to wit:

- A. All city employees, in the penal sum of twenty-five thousand dollars;
- B. The city clerk treasurer, in the penal sum of one hundred thousand dollars this amount is excess indemnity;
- C. The police chief, in the penal sum of one hundred thousand dollars this amount is excess indemnity.

(Ord. 2683 § 1, 2004)

2.08.020 - Payment by city.



The city of Anacortes shall pay for the bond for all city employees including the city clerk treasurer, and police chief, such bonds to be obtained from some surety company subject to the approval of the city council.

Anacortes changed providers for bonding coverage

Prior coverage:

- \$100,000 bond for clerk/treasurer and police chief.
- \$25,000 coverage for all other employees.
 - Annual cost: \$1,303

Current coverage

- Crime policy through WCIA
- \$2.5 million coverage for every city employee
 - Annual cost: \$2,080



City Council Agenda Bill

Meeting Date: 6/19/2017

Agenda Item: 7b

Subject: Ordinance 3007 repealing AMC 2.08

Staff Contact: Steve Hoglund, Finance Director

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

Action Type	
x	Ordinance No. 3007
x	Code Revision?
	Resolution No.
	Contract
	Public Hearing
	Staff Report

Summary Statement: Ordinance 3007 would repeal Ordinance 2683 adopted in 2004 and AMC Chapter 2.08.

Background: RCW 35A.12.080 requires the City Clerk, Treasurer, and Chief of Police to furnish annual bonds "conditioned on the honest and faithful performance of their official duties." In December 2004 the city adopted Ordinance 2683 specifying bonds for all city employees in the penal sum of \$25,000 and for the City Clerk-Treasurer and Police Chief in the penal sum of \$100,000. The ordinance was codified as AMC 2.08. The bond amounts specified in the ordinance, which are intended to cover the city in case of employee theft or malfeasance, are no longer appropriate. Anacortes currently carries insurance coverage through Washington Cities Insurance Authority (WCIA) for both faithful performance of official duties and for theft, fraud and other financial crimes up to \$2,500,000 with a \$10,000 deductible, for all City employees. The WCIA insurance meets State Auditor review for RCW compliance. The prior insurance coverage for Chief and Clerk bond, and cash handler coverage, cost \$1,303 annually. The WCIA coverage is \$2,080 annually, for dramatically better coverage. Staff recommends removing the bonding and insurance requirements from city code to remove potential conflicts with state law and to allow coverage limits adjustments as appropriate over time.

Previous Council/Committee Action: Ordinance 2683 adopted December 20, 2004

Recommended Motion: I move to adopt Ordinance 3007 repealing Ordinance 2683 and AMC 2.08.

Alternative Actions: Retain the existing code, or update the code to specify new limits of coverage

Attachments (listed in order presented): Ordinance 3007; Ordinance 2683; WCIA Crime and Fidelity Policy 03-829-45-80

ORDINANCE 3007

AN ORDINANCE REPEALING ORDINANCE NO. 2683 FIXING THE BONDS OF THE VARIOUS CITY OFFICERS, AND PROVIDING FOR PAYMENT OF SURETY BONDS FOR CERTAIN CITY OFFICERS BY THE CITY AND AMENDING CHAPTER 2.08 OF THE ANACORTES MUNICIPAL CODE.

THE CITY COUNCIL OF THE CITY OF ANACORTES DOES HEREBY ORDAIN AS FOLLOWS:

WHEREAS, RCW 35A.12.080 specifies the bonding requirements for public officials, and

WHEREAS, the City Council of the City of Anacortes wishes to repeal Ordinance No. 2683 passed and approved December 20, 2004, declaring it obsolete;

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

SECTION 1. Repeal. Ordinance No. 2683 passed and approved December 20, 2004 is hereby repealed in its entirety.

SECTION 2. Repeal. Chapter 2.08 of the Anacortes Municipal Code titled City Officer Bonds is hereby repealed in its entirety.

SECTION 3. 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 ____ of June, 2017.

CITY OF ANACORTES:

Laurie Gere, Mayor

Attest:

Steve Hoglund, City Clerk-Treasurer

Approved as to Form:

Darcy Swetnam, City Attorney

ORDINANCE NO. 2683

AN ORDINANCE REPEALING ORDINANCE NO. 855 FIXING THE BONDS OF THE VARIOUS CITY OFFICERS, AND PROVIDING FOR PAYMENT OF SURETY BONDS FOR CERTAIN CITY OFFICERS BY THE CITY AND AMENDING CHAPTER 2.08 OF THE ANACORTES MUNICIPAL CODE.

THE CITY COUNCIL OF THE CITY OF ANACORTES DO ORDAIN AS FOLLOWS:

WHEREAS, the City Council of the City of Anacortes wishes to repeal Ordinance No. 855 passed and approved October 1, 1935 declaring it obsolete, and

WHEREAS, Chapter 2.08 of the Anacortes Municipal Code titled City Officer Bonds should read as follows:

SECTION 1. Amount. Before entering upon the duties of their respective offices each person elected or appointed to any office hereinafter named in the City of Anacortes, shall execute and file with the city clerk a bond in the penal sum hereinafter named (except the city clerk who shall file with the mayor), to wit:

All City employees, in the penal sum of \$25,000;

The City Clerk Treasurer, in the penal sum of \$100,000.00 this amount is excess indemnity;

The Police Chief, in the penal sum of \$100,000.00 this amount is excess indemnity;

SECTION 2. Payment by City. The City of Anacortes shall pay for the bond for all city employees including the city clerk treasurer, and police chief, such bonds to be obtained from some surety company subject to the approval of the City Council.

SECTION 3. Repeal. Ordinance No. 855 passed and approved October 1, 1935 be and is hereby repealed in its entirety.

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 20th day of December 2004.

CITY OF ANACORTES:

By H. Dean Maxwell
H. Dean Maxwell, Mayor

ATTEST:

Wanda Johnson
Wanda Johnson, City Clerk Treasurer

APPROVED AS TO FORM:

Ian S. Munce
Ian S. Munce, City Attorney



Insurance Authority

Washington Cities Insurance Authority

PO Box 88030
Tukwila, WA 98138

Bill To

Anacortes
PO Box 547
Anacortes, WA 98221

Invoice

Date	Invoice #
6/2/2017	13967

Due Date
7/2/2017

Description	Amount
Anacortes Crime Policy 03-829-45-80 05/04/17 -12/31/17	1,373.00
<i>001.210.514.2044</i>	

Total	\$1,373.00
Payments/Credits	\$0.00
Balance Due	\$1,373.00

Phone #	Fax #
206-575-6046	206-575-7426

Hunt, Marcia

From: Eric Larson <EricL@wciapool.org>
Sent: Tuesday, June 13, 2017 9:15 AM
To: Hoglund, Steve
Cc: Debbi Sellers; Schuh, Emily; Hunt, Marcia; Tiffany Woods
Subject: RE: City of Anacortes crime coverage
Attachments: 2017 Crime Fidelity as of 6-13-17.pdf

Hi Steve,

Please find attached the crime fidelity policy. Anacortes is added by endorsement #20 at the back.

Eric B. Larson
Washington Cities Insurance Authority
(206) 575-6046



From: Eric Larson
Sent: Thursday, May 25, 2017 3:34 PM
To: 'Hoglund, Steve'
Cc: Debbi Sellers; 'Schuh, Emily'; 'Hunt, Marcia'
Subject: RE: City of Anacortes crime coverage

Coverage is effective 5-4-17 Steve,
It will be a few weeks for the endorsement to the policy to add Anacortes is received.

Eric B. Larson
Washington Cities Insurance Authority
(206) 575-6046



From: Eric Larson
Sent: Thursday, May 25, 2017 1:08 PM
To: 'Hoglund, Steve'
Cc: Debbi Sellers; Schuh, Emily; Hunt, Marcia
Subject: RE: City of Anacortes crime coverage

Thanks Steve,

We should have confirmation from the carrier shortly that coverage will be bond effective 5/4/17.

Eric B. Larson
Washington Cities Insurance Authority
(206) 575-6046



From: Hoglund, Steve [<mailto:steveh@cityofanacortes.org>]
Sent: Wednesday, May 24, 2017 4:30 PM
To: Eric Larson
Cc: Debbi Sellers; Schuh, Emily; Hunt, Marcia
Subject: RE: City of Anacortes crime coverage

This is great, thanks so much Eric. We would like to go ahead and take this coverage to be effective asap. Please advise as to next steps, we'll look forward to an invoice!

Thanks again,
Steve
360-293-1906

From: Eric Larson [<mailto:EricL@wciapool.org>]
Sent: Wednesday, May 24, 2017 8:14 AM
To: Hoglund, Steve <steveh@cityofanacortes.org>
Cc: Debbi Sellers <DebbiS@wciapool.org>
Subject: RE: City of Anacortes crime coverage

Here you go Steve,
Firm numbers, hopefully you can take the coverage. Some of our biggest losses were up your way:
Burlington \$450K about computer/fund transfer fraud
Arlington \$1.1 million employee theft
SERS \$200K employee theft
Approx. \$ numbers above.

Call if you want, we can discuss.

Eric B. Larson
Washington Cities Insurance Authority
(206) 575-6046



City of Anacortes Crime & Fidelity Quote

Coverage:	Limits:
Employee Theft	\$2,500,000
Inside Premises Theft & Robbery	\$2,500,000
Faithful Performance of Duty as Prescribed by Law	\$2,500,000
Computer Fraud	\$2,500,000
Employee Forgery and Alteration	\$2,500,000
Funds Transfer Fraud	\$2,500,000
Money Order and Counterfeit Paper Currency	\$2,500,000
Outside Premises Employee Messenger or Armored Car	\$2,500,000
Impersonation Fraud Coverage	\$2,500,000
Blanket Basis All Employees Covered	
Deductible	\$10,000
Carrier	National Union
Estimated Premium	Annual : \$2,080 5/4/17 – 12/31/17: \$1,373

**GOVERNMENT CRIME
POLICY DECLARATIONS**

CRIME AND FIDELITY
CR DS 04 08 07
 POLICY NUMBER:
03-829-45-80
 REPLACEMENT OF
 POLICY NUMBER:
03-245-65-82

In Return For The Payment Of The Premium, And Subject To All The Terms And Conditions Of This Policy, We Agree With You To Provide The Insurance As Stated In This Policy.

Coverage Is Written:

☒ **Primary** ☐ **Excess** ☐ **Coindemnity** ☐ **Concurrent**

Company Name Area: <i>National Union Fire Insurance Company of Pittsburgh, Pa.</i>	
Producer Name Area: <i>MARSH USA INC. 1301 FIFTH AVENUE, SUITE 1900 SEATTLE, WA 98101</i>	
Named Insured: <i>WASHINGTON CITIES INSURANCE AUTHORITY</i>	
(including any Employee Welfare or Benefit Plans)	
Mailing Address: <i>320 ANDOVER PARK EAST, STE 104 TUKWILA, WA 98188</i>	
Policy Period	
From:	<i>December 31, 2016</i>
To:	<i>December 31, 2017</i> 12:01 A.M. at your mailing address shown above.

Insurance Agreements	Limit of Insurance Per Occurrence	Deductible Amount Per Occurrence
1. Employee Theft – Per Loss Coverage	\$2,500,000	\$10,000
2. Employee Theft – Per Employee Coverage	Not Covered	
3. Forgery Or Alteration	\$2,500,000	\$10,000
4. Inside The Premises – Theft Of Money And Securities	\$2,500,000	\$10,000
5. Inside The Premises – Robbery Or Safe Burglary Of Other Property	\$2,500,000	\$10,000
6. Outside The Premises	\$2,500,000	\$10,000
7. Computer Fraud	\$2,500,000	\$10,000
8. Funds Transfer Fraud	\$2,500,000	\$10,000
9. Money Orders And Counterfeit Money	\$2,500,000	\$10,000
If "Not Covered" is inserted above opposite any Insuring Agreement, such Insuring Agreement and any other reference thereto in this policy is deleted.		

334046

GOVERNMENT CRIME
POLICY DECLARATIONS

CRIME AND FIDELITY
CR DS 04 08 07
POLICY NUMBER:
03-829-45-80
REPLACEMENT OF
POLICY NUMBER:
03-245-65-82

Endorsements Forming Part Of This Policy When Issued:

#1, #2, #3, #4, #5, #6, #7, #8, #9, #10, #11, #12, #13, #14, #15, #16, #17, #18, #19

Cancellation Of Prior Insurance Issued By Us:

By acceptance of this Policy you give us notice cancelling prior policy Nos. 032456582; the cancellation to be effective at the time this Policy becomes effective.

Premium: \$147,909

Countersignature Of Authorized Representative

Name:

Title:

Signature:

Date:

IN WITNESS WHEREOF, the Insurer has caused this Policy to be signed by its President, Secretary and Authorized Representative. This Policy shall not be valid unless signed below at the time of issuance by an authorized representative of the insurer.



PRESIDENT



SECRETARY



AUTHORIZED REPRESENTATIVE

334046

**GOVERNMENT CRIME POLICY
(DISCOVERY FORM)**

Various provisions in this policy restrict coverage. Read the entire policy carefully to determine rights, duties and what is or is not covered.

Throughout this policy the words "you" and "your" refer to the Named Insured shown in the Declarations. The words "we", "us" and "our" refer to the Company providing this insurance.

Other words and phrases that appear in quotation marks have special meaning. Refer to Section F. Definitions.

A. Insuring Agreements

Coverage is provided under the following Insuring Agreements for which a Limit of Insurance is shown in the Declarations and applies to loss that you sustain resulting directly from an "occurrence" taking place at any time which is "discovered" by you during the Policy Period shown in the Declarations or during the period of time provided in the Extended Period To Discover Loss Condition E.1.i.:

1. Employee Theft - Per Loss Coverage

We will pay for loss of or damage to "money", "securities" and "other property" resulting directly from "theft" committed by an "employee", whether identified or not, acting alone or in collusion with other persons.

For the purposes of this Insuring Agreement, "theft" shall also include forgery.

2. Employee Theft - Per Employee Coverage

We will pay for loss of or damage to "money", "securities" and "other property" resulting directly from "theft" committed by each "employee", whether identified or not, acting alone or in collusion with other persons.

For the purposes of this Insuring Agreement, "theft" shall also include forgery.

3. Forgery Or Alteration

- a. We will pay for loss resulting directly from "forgery" or alteration of checks, drafts, promissory notes, or similar written

promises, orders or directions to pay a sum certain in "money" that are:

- (1) Made or drawn by or drawn upon you; or
(2) Made or drawn by one acting as your agent;

or that are purported to have been so made or drawn.

For the purposes of this Insuring Agreement, a substitute check as defined in the Check Clearing for the 21st Century Act shall be treated the same as the original it replaced.

- b. If you are sued for refusing to pay any instrument covered in Paragraph 3.a., on the basis that it has been forged or altered, and you have our written consent to defend against the suit, we will pay for any reasonable legal expenses that you incur and pay in that defense. The amount that we will pay is in addition to the Limit of Insurance applicable to this Insuring Agreement.

4. Inside The Premises - Theft Of Money And Securities

- a. We will pay for loss of "money" and "securities" inside the "premises" or "banking premises":

- (1) Resulting directly from "theft" committed by a person present inside such "premises" or "banking premises"; or
(2) Resulting directly from disappearance or destruction.

- b. We will pay for loss from damage to the "premises" or its exterior resulting directly from an actual or attempted "theft" of "money" and "securities", if you are the owner of the "premises" or are liable for damage to it.

- c. We will pay for loss of or damage to a locked safe, vault, cash register, cash box or cash drawer located inside the "premises" resulting directly from an actual or attempted

"theft" of or unlawful entry into those containers.

5. Inside The Premises – Robbery Or Safe Burglary Of Other Property

a. We will pay for loss of or damage to "other property":

(1) Inside the "premises" resulting directly from an actual or attempted "robbery" of a "custodian"; or

(2) Inside the "premises" in a safe or vault resulting directly from an actual or attempted "safe burglary".

b. We will pay for loss from damage to the "premises" or its exterior resulting directly from an actual or attempted "robbery" or "safe burglary" of "other property", if you are the owner of the "premises" or are liable for damage to it.

c. We will pay for loss of or damage to a locked safe or vault located inside the "premises" resulting directly from an actual or attempted "robbery" or "safe burglary".

6. Outside The Premises

a. We will pay for loss of "money" and "securities" outside the "premises" in the care and custody of a "messenger" or an armored motor vehicle company resulting directly from "theft", disappearance or destruction.

b. We will pay for loss of or damage to "other property" outside the "premises" in the care and custody of a "messenger" or an armored motor vehicle company resulting directly from an actual or attempted "robbery".

7. Computer Fraud

We will pay for loss of or damage to "money", "securities" and "other property" resulting directly from the use of any computer to fraudulently cause a transfer of that property from inside the "premises" or "banking premises":

a. To a person (other than a "messenger") outside those "premises"; or

b. To a place outside those "premises".

8. Funds Transfer Fraud

We will pay for loss of "funds" resulting directly from a "fraudulent

instruction" directing a financial institution to transfer, pay or deliver "funds" from your "transfer account".

9. Money Orders And Counterfeit Money

We will pay for loss resulting directly from your having accepted in good faith, in exchange for merchandise, "money" or services:

a. Money orders issued by any post office, express company or bank that are not paid upon presentation; or

b. "Counterfeit money" that is acquired during the regular course of business.

B. Limit Of Insurance

The most we will pay for all loss resulting directly from an "occurrence" is the applicable Limit of Insurance shown in the Declarations.

If any loss is covered under more than one Insuring Agreement or Coverage, the most we will pay for such loss shall not exceed the largest Limit of Insurance available under any one of those Insuring Agreements or Coverages.

C. Deductible

We will not pay for loss resulting directly from an "occurrence" unless the amount of loss exceeds the Deductible Amount shown in the Declarations. We will then pay the amount of loss in excess of the Deductible Amount, up to the Limit of Insurance.

D. Exclusions

1. This policy does not cover:

a. Acts Committed By You

Loss resulting from "theft" or any other dishonest act committed by you, whether acting alone or in collusion with other persons.

b. Acts Of Employees Learned Of By You Prior To The Policy Period

Loss caused by an "employee" if the "employee" had also committed "theft" or any other dishonest act prior to the effective date of this policy and you or any of your officials, not in collusion with the "employee", learned of that "theft" or dishonest act prior to the Policy Period shown in the Declarations.

c. Acts Of Officials, Employees Or Representatives

Loss resulting from "theft" or any other dishonest act committed by any of your officials, "employees" or authorized representatives:

- (1) Whether acting alone or in collusion with other persons; or
- (2) While performing services for you or otherwise;

except when covered under Insuring Agreement A.1. or A.2.

d. Confidential Information

Loss resulting from:

- (1) The unauthorized disclosure of your confidential information including, but not limited to, patents, trade secrets, processing methods or customer lists; or
- (2) The unauthorized use or disclosure of confidential information of another person or entity which is held by you including, but not limited to, financial information, personal information, credit card information or similar non-public information.

e. Governmental Action

Loss resulting from seizure or destruction of property by order of governmental authority.

f. Indirect Loss

Loss that is an indirect result of an "occurrence" covered by this policy including, but not limited to, loss resulting from:

- (1) Your inability to realize income that you would have realized had there been no loss of or damage to "money", "securities" or "other property".
- (2) Payment of damages of any type for which you are legally liable. But, we will pay compensatory damages arising directly from a loss covered under this policy.
- (3) Payment of costs, fees or other expenses you incur in establishing either the existence or the amount of loss under this policy.

g. Legal Fees, Costs And Ex-

penses

Fees, costs and expenses incurred by you which are related to any legal action, except when covered under Insuring Agreement A.3.

h. Nuclear Hazard

Loss or damage resulting from nuclear reaction or radiation, or radioactive contamination, however caused.

i. Pollution

Loss or damage caused by or resulting from pollution. Pollution means the discharge, dispersal, seepage, migration, release or escape of any solid, liquid, gaseous or thermal irritant or contaminant, including smoke, vapor, soot, fumes, acids, alkalis, chemicals and waste. Waste includes materials to be recycled, reconditioned or reclaimed.

j. War And Military Action

Loss or damage resulting from:

- (1) War, including undeclared or civil war;
- (2) Warlike action by a military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign or other authority using military personnel or other agents; or
- (3) Insurrection, rebellion, revolution, usurped power, or action taken by governmental authority in hindering or defending against any of these.

2. Insuring Agreements A.1. and A.2. do not cover:

a. Bonded Employees

Loss caused by any "employee" required by law to be individually bonded.

b. Inventory Shortages

Loss, or that part of any loss, the proof of which as to its existence or amount is dependent upon:

- (1) An inventory computation; or
- (2) A profit and loss computation.

However, where you establish

wholly apart from such computations that you have sustained a loss, then you may offer your inventory records and actual physical count of inventory in support of the amount of loss claimed.

c. Trading

Loss resulting from trading, whether in your name or in a genuine or fictitious account.

d. Treasurers Or Tax Collectors

Loss caused by any treasurer or tax collector by whatever name known.

3. Insuring Agreements A.4., A.5. and A.6. do not cover:

a. Accounting Or Arithmetical Errors Or Omissions

Loss resulting from accounting or arithmetical errors or omissions.

b. Exchanges Or Purchases

Loss resulting from the giving or surrendering of property in any exchange or purchase.

c. Fire

Loss or damage resulting from fire, however caused, except:

- (1) Loss of or damage to "money" and "securities"; and
- (2) Loss from damage to a safe or vault.

d. Money Operated Devices

Loss of property contained in any money operated device unless the amount of "money" deposited in it is recorded by a continuous recording instrument in the device.

e. Motor Vehicles Or Equipment And Accessories

Loss of or damage to motor vehicles, trailers or semi-trailers or equipment and accessories attached to them.

f. Transfer Or Surrender Of Property

- (1) Loss of or damage to property after it has been transferred or surrendered to a person or place outside the "premises" or "banking premises":
 - (a) On the basis of unauthorized instructions;
 - (b) As a result of a threat to

do bodily harm to any person;

- (c) As a result of a threat to do damage to any property;

- (d) As a result of a threat to introduce a denial of service attack into your computer system;

- (e) As a result of a threat to introduce a virus or other malicious instruction into your computer system which is designed to damage, destroy or corrupt data or computer programs stored within your computer system;

- (f) As a result of a threat to contaminate, pollute or render substandard your products or goods; or

- (g) As a result of a threat to disseminate, divulge or utilize:

- (i) Your confidential information; or
- (ii) Weaknesses in the source code within your computer system.

- (2) But, this Exclusion does not apply under Insuring Agreement A.6. to loss of "money", "securities" or "other property" while outside the "premises" in the care and custody of a "messenger" if you:

- (a) Had no knowledge of any threat at the time the conveyance began; or
- (b) Had knowledge of a threat at the time the conveyance began, but the loss was not related to the threat.

g. Vandalism

Loss from damage to the "premises" or its exterior, or to any safe, vault, cash register, cash box, cash drawer or "other property" by vandalism or malicious mischief.

h. Voluntary Parting Of Title To Or Possession Of Property

Loss resulting from your, or anyone acting on your express

or implied authority, being induced by any dishonest act to voluntarily part with title to or possession of any property.

4. Insuring Agreement A.7. does not cover:

a. Credit Card Transactions

Loss resulting from the use or purported use of credit, debit, charge, access, convenience, identification, stored-value or other cards or the information contained on such cards.

b. Funds Transfer Fraud

Loss resulting from a "fraudulent instruction" directing a financial institution to transfer, pay or deliver "funds" from your "transfer account".

c. Inventory Shortages

Loss, or that part of any loss, the proof of which as to its existence or amount is dependent upon:

- (1) An inventory computation; or
- (2) A profit and loss computation.

5. Insuring Agreement A.8. does not cover:

COMPUTER FRAUD

Loss resulting from the use of any computer to fraudulently cause a transfer of "money", "securities" or "other property".

E. Conditions

1. Conditions Applicable To All Insuring Agreements

a. Additional Premises Or Employees

If, while this policy is in force, you establish any additional "premises" or hire additional "employees", such "premises" and "employees" shall automatically be covered under this policy. Notice to us of an increase in the number of "premises" or "employees" need not be given and no additional premium need be paid for the remainder of the Policy Period shown in the Declarations.

b. Cancellation Of Policy

- (1) The first Named Insured shown in the Declarations may cancel this policy by

mailing or delivering to us advance written notice of cancellation.

- (2) We may cancel this policy by mailing or delivering to the first Named Insured written notice of cancellation at least:

- (a) 10 days before the effective date of cancellation if we cancel for nonpayment of premium; or
- (b) 30 days before the effective date of cancellation if we cancel for any other reason.

- (3) We will mail or deliver our notice to the first Named Insured's last mailing address known to us.

- (4) Notice of cancellation will state the effective date of cancellation. The policy period will end on that date.

- (5) If this policy is cancelled, we will send the first Named Insured any premium refund due. If we cancel, the refund will be pro rata. If the first Named Insured cancels, the refund may be less than pro rata. The cancellation will be effective even if we have not made or offered a refund.

- (6) If notice is mailed, proof of mailing will be sufficient proof of notice.

c. Changes

This policy contains all the agreements between you and us concerning the insurance afforded. The first Named Insured shown in the Declarations is authorized to make changes in the terms of this policy with our consent. This policy's terms can be amended or waived only by endorsement issued by us and made a part of this policy.

d. Concealment, Misrepresentation Or Fraud

This policy is void in any case of fraud by you as it relates to this policy at any time. It is also void if you or any other Insured, at any time, intentionally conceal or misrepresent a material fact concerning:

- (1) This policy;
- (2) The property covered under this policy;
- (3) Your interest in the property covered under this policy; or
- (4) A claim under this policy.

e. Cooperation

You must cooperate with us in all matters pertaining to this policy as stated in its terms and conditions.

f. Duties In The Event Of Loss

After you "discover" a loss or a situation that may result in loss of or damage to "money", "securities" or "other property" you must:

- (1) Notify us as soon as possible. If you have reason to believe that any loss (except for loss covered under Insuring Agreement A.1., A.2. or A.3.) involves a violation of law, you must also notify the local law enforcement authorities.
- (2) Submit to examination under oath at our request and give us a signed statement of your answers.
- (3) Produce for our examination all pertinent records.
- (4) Give us a detailed, sworn proof of loss within 120 days.
- (5) Cooperate with us in the investigation and settlement of any claim.

g. Employee Benefit Plans

- (1) The employee benefit plans shown in the Declarations (hereafter referred to as Plan) are included as Insureds under Insuring Agreement A.1. or A.2.
- (2) Any payment we make for loss sustained by any Plan will be made to the Plan sustaining the loss.
- (3) The Deductible Amount applicable to Insuring Agreement A.1. or A.2. does not apply to loss sustained by any Plan.

h. Examination Of Your Books And Records

We may examine and audit your

books and records as they relate to this policy at any time during the Policy Period shown in the Declarations and up to 3 years afterward.

i. Extended Period To Discover Loss

We will pay for loss that you sustained prior to the effective date of cancellation of this policy, which is "discovered" by you no later than 60 days from the date of that cancellation.

However, this extended period to "discover" loss terminates immediately upon the effective date of any other insurance obtained by you, whether from us or another insurer, replacing in whole or in part the coverage afforded under this policy, whether or not such other insurance provides coverage for loss sustained prior to its effective date.

j. Inspections And Surveys

- (1) We have the right to:
 - (a) Make inspections and surveys at any time;
 - (b) Give you reports on the conditions we find; and
 - (c) Recommend changes.
- (2) We are not obligated to make any inspections, surveys, reports or recommendations and any such actions we do undertake relate only to insurability and the premiums to be charged. We do not make safety inspections. We do not undertake to perform the duty of any person or organization to provide for the health or safety of workers or the public. And we do not warrant that conditions:
 - (a) Are safe or healthful; or
 - (b) Comply with laws, regulations, codes or standards.
- (3) Paragraphs j.(1) and j.(2) apply not only to us, but also to any rating, advisory, rate service or similar organization which makes insurance inspections, surveys, reports or recommendations.

k. Joint Insured

- (1) If more than one Insured is named in the Declarations, the first Named Insured will act for itself and for every other Insured for all purposes of this policy. If the first Named Insured ceases to be covered, then the next Named Insured will become the first Named Insured.
- (2) If any Insured or official of that Insured has knowledge of any information relevant to this policy, that knowledge is considered knowledge of every Insured.
- (3) An "employee" of any Insured is considered to be an "employee" of every Insured.
- (4) If this policy or any of its coverages is cancelled as to any Insured, loss sustained by that Insured is covered only if it is "discovered" by you no later than 60 days from the date of that cancellation.

However, this extended period to "discover" loss terminates immediately upon the effective date of any other insurance obtained by that Insured, whether from us or another insurer, replacing in whole or in part the coverage afforded under this policy, whether or not such other insurance provides coverage for loss sustained prior to its effective date.

- (5) We will not pay more for loss sustained by more than one Insured than the amount we would pay if all such loss had been sustained by one Insured.
- (6) Payment by us to the first Named Insured for loss sustained by any Insured, other than an employee benefit plan, shall fully release us on account of such loss.

I. Legal Action Against Us

You may not bring any legal action against us involving loss:

- (1) Unless you have complied with all the terms of this policy;
- (2) Until 90 days after you have

filed proof of loss with us; and

- (3) Unless brought within 2 years from the date you "discovered" the loss.

If any limitation in this Condition is prohibited by law, such limitation is amended so as to equal the minimum period of limitation provided by such law.

m. Liberalization

If we adopt any revision that would broaden the coverage under this policy without additional premium within 45 days prior to or during the Policy Period shown in the Declarations, the broadened coverage will immediately apply to this policy.

n. Other Insurance

If other valid and collectible insurance is available to you for loss covered under this policy, our obligations are limited as follows:

(1) Primary Insurance

When this policy is written as primary insurance, and:

- (a) You have other insurance subject to the same terms and conditions as this policy, we will pay our share of the covered loss. Our share is the proportion that the applicable Limit of Insurance shown in the Declarations bears to the total limit of all insurance covering the same loss.
- (b) You have other insurance covering the same loss other than that described in Paragraph (1)(a), we will only pay for the amount of loss that exceeds:

- (i) The Limit of Insurance and Deductible Amount of that other insurance, whether you can collect on it or not; or
- (ii) The Deductible Amount shown in the Declarations;

whichever is greater. Our payment for loss is sub-

ject to the terms and conditions of this policy.

(2) Excess Insurance

(a) When this policy is written excess over other insurance, we will only pay for the amount of loss that exceeds the Limit of Insurance and Deductible Amount of that other insurance, whether you can collect on it or not. Our payment for loss is subject to the terms and conditions of this policy.

(b) However, if loss covered under this policy is subject to a Deductible, we will reduce the Deductible Amount shown in the Declarations by the sum total of all such other insurance plus any Deductible Amount applicable to that other insurance.

o. Ownership Of Property; Interests Covered

The property covered under this policy is limited to property:

- (1) That you own or lease; or
- (2) That you hold for others whether or not you are legally liable for the loss of such property.

However, this policy is for your benefit only. It provides no rights or benefits to any other person or organization. Any claim for loss that is covered under this policy must be presented by you.

p. Policy Bridge - Discovery Replacing Loss Sustained

(1) If this policy replaces insurance that provided you with an extended period of time after cancellation in which to discover loss and which did not terminate at the time this policy became effective:

- (a) We will not pay for any loss that occurred during the Policy Period of that prior insurance which is "discovered" by you during the extended period to "discover" loss, unless the amount of loss exceeds the Limit of In-

surance and Deductible Amount of that prior insurance. In that case, we will pay for the excess loss subject to the terms and conditions of this policy.

- (b) However, any payment we make for the excess loss will not be greater than the difference between the Limit of Insurance and Deductible Amount of that prior insurance and the Limit of Insurance shown in the Declarations. We will not apply the Deductible Amount shown in the Declarations to this excess loss.

(2) The Other Insurance Condition E.1.n. does not apply to this Condition.

q. Premiums

The first Named Insured shown in the Declarations:

- (1) Is responsible for the payment of all premiums; and
- (2) Will be the payee for any return premiums we pay.

r. Records

You must keep records of all property covered under this policy so we can verify the amount of any loss.

s. Recoveries

(1) Any recoveries, whether effected before or after any payment under this policy, whether made by us or you, shall be applied net of the expense of such recovery:

- (a) First, to you in satisfaction of your covered loss in excess of the amount paid under this policy;
- (b) Second, to us in satisfaction of amounts paid in settlement of your claim;
- (c) Third, to you in satisfaction of any Deductible Amount; and
- (d) Fourth, to you in satisfaction of any loss not covered under this policy.

(2) Recoveries do not include any recovery:

- (a) From insurance, suretyship, reinsurance, security or indemnity taken for our benefit; or
- (b) Of original "securities" after duplicates of them have been issued.

t. Territory

This policy covers loss that you sustain resulting directly from an "occurrence" taking place within the United States of America (including its territories and possessions) and Puerto Rico.

u. Transfer Of Your Rights And Duties Under This Policy

Your rights and duties under this policy may not be transferred without our written consent.

v. Transfer Of Your Rights Of Recovery Against Others To Us

You must transfer to us all your rights of recovery against any person or organization for any loss you sustained and for which we have paid or settled. You must also do everything necessary to secure those rights and do nothing after loss to impair them.

w. Valuation - Settlement

(1) The value of any loss for purposes of coverage under this policy shall be determined as follows:

- (a) Loss of "money" but only up to and including its face value.
- (b) Loss of "securities" but only up to and including their value at the close of business on the day the loss was "discovered". We may, at our option:
 - (i) Pay the market value of such "securities" or replace them in kind, in which event you must assign to us all your rights, title and interest in and to those "securities"; or
 - (ii) Pay the cost of any Lost Securities Bond

required in connection with issuing duplicates of the "securities". However, we will be liable only for the payment of so much of the cost of the bond as would be charged for a bond having a penalty not exceeding the lesser of the:

- i. Market value of the "securities" at the close of business on the day the loss was "discovered"; or
- ii. The Limit of Insurance applicable to the "securities".

(c) Loss of or damage to "other property" or loss from damage to the "premises" or its exterior for the replacement cost of the property without deduction for depreciation. However, we will not pay more than the least of the following:

- (i) The cost to replace the lost or damaged property with property of comparable material and quality and used for the same purpose;
- (ii) The amount you actually spend that is necessary to repair or replace the lost or damaged property; or
- (iii) The Limit of Insurance applicable to the lost or damaged property.

With regard to Paragraphs w.(1)(c)(i) through w.(1)(c)(iii), we will not pay on a replacement cost basis for any loss or damage:

- i. Until the lost or damaged property is actually repaired or replaced; and
- ii. Unless the repairs or replacement are made as soon

as reasonably possible after the loss or damage.

If the lost or damaged property is not repaired or replaced, we will pay on an actual cash value basis.

- (2) Any property that we pay for or replace becomes our property.

2. Conditions Applicable To Insuring Agreements A.1. And A.2.

a. Indemnification

We will indemnify any of your officials who are required by law to give individual bonds for the faithful performance of their duties against loss through "theft" committed by "employees" who serve under them, subject to the applicable Limit of Insurance.

b. Termination As To Any Employee

This Insuring Agreement terminates as to any "employee":

- (1) As soon as:

(a) You; or

(b) Any of your officials or employees authorized to manage, govern or control your "employees" not in collusion with the "employee";

learn of "theft" or any other dishonest act committed by the "employee" whether before or after becoming employed by you.

- (2) On the date specified in a notice mailed to the first Named Insured. That date will be at least 30 days after the date of mailing.

We will mail or deliver our notice to the first Named Insured's last mailing address known to us. If notice is mailed, proof of mailing will be sufficient proof of notice.

c. Territory

We will pay for loss caused by any "employee" while temporarily outside the territory specified in the Territory Condition E.1.t. for a period of not more

than 90 consecutive days.

3. Conditions Applicable To Insuring Agreement A.3.

a. Deductible Amount

The Deductible Amount does not apply to legal expenses paid under Insuring Agreement A.3.

b. Electronic And Mechanical Signatures

We will treat signatures that are produced or reproduced electronically, mechanically or by other means the same as handwritten signatures.

c. Proof Of Loss

You must include with your proof of loss any instrument involved in that loss, or, if that is not possible, an affidavit setting forth the amount and cause of loss.

d. Territory

We will cover loss that you sustain resulting directly from an "occurrence" taking place anywhere in the world. Territory Condition E.1.t. does not apply to Insuring Agreement A.3.

4. Conditions Applicable To Insuring Agreements A.5. And A.6.

a. Armored Motor Vehicle Companies

Under Insuring Agreement A.6., we will only pay for the amount of loss you cannot recover:

- (1) Under your contract with the armored motor vehicle company; and

(2) From any insurance or indemnity carried by, or for the benefit of customers of, the armored motor vehicle company.

b. Special Limit Of Insurance For Specified Property

We will only pay up to \$5,000 for any one "occurrence" of loss of or damage to manuscripts, drawings, or records of any kind, or the cost of reconstructing them or reproducing any information contained in them.

5. Conditions Applicable To Insuring Agreement A.7.

a. Special Limit Of Insurance For Specified Property

We will only pay up to \$5,000 for any one "occurrence" of loss of or damage to manuscripts, drawings, or records of any kind, or the cost of reconstructing them or reproducing any information contained in them.

b. Territory

We will cover loss that you sustain resulting directly from an "occurrence" taking place anywhere in the world. Territory Condition E.1.t. does not apply to Insuring Agreement A.7.

F. Definitions

1. "Banking premises" means the interior of that portion of any building occupied by a banking institution or similar safe depository.
2. "Counterfeit money" means an imitation of "money" that is intended to deceive and to be taken as genuine.
3. "Custodian" means you, or any "employee" while having care and custody of property inside the "premises", excluding any person while acting as a "watchperson" or janitor.
4. "Discover" or "discovered" means the time when you first become aware of facts which would cause a reasonable person to assume that a loss of a type covered by this policy has been or will be incurred, regardless of when the act or acts causing or contributing to such loss occurred, even though the exact amount or details of loss may not then be known.
"Discover" or "discovered" also means the time when you first receive notice of an actual or potential claim in which it is alleged that you are liable to a third party under circumstances which, if true, would constitute a loss under this policy.
5. "Employee":
 - a. "Employee" means:
 - (1) Any natural person:
 - (a) While in your service and for the first 30 days immediately after termination of service, unless such termination is due to "theft" or any other

dishonest act committed by the "employee";

- (b) Who you compensate directly by salary, wages or commissions; and
 - (c) Who you have the right to direct and control while performing services for you;
- (2) Any natural person who is furnished temporarily to you:
 - (a) To substitute for a permanent "employee" as defined in Paragraph a.(1), who is on leave; or
 - (b) To meet seasonal or short-term workload conditions;
while that person is subject to your direction and control and performing services for you, excluding, however, any such person while having care and custody of property outside the "premises";
- (3) Any natural person who is leased to you under a written agreement between you and a labor leasing firm, to perform duties related to the conduct of your business, but does not mean a temporary employee as defined in Paragraph a.(2);
- (4) Any natural person who is:
 - (a) A trustee, officer, employee, administrator or manager, except an administrator or manager who is an independent contractor, of any employee benefit plan; and
 - (b) An official of yours while that person is engaged in handling "funds" or "other property" of any employee benefit plan;
- (5) Any natural person who is a former official, "employee" or trustee retained as a consultant while performing services for you; or
- (6) Any natural person who is a guest student or intern pursuing studies or duties, excluding, however, any such person while having care and custody of property outside the "premises".

- b. "Employee" does not mean any agent, independent contractor or representative of the same general character not specified in Paragraph 5.a.
- 6. "Forgery" means the signing of the name of another person or organization with intent to deceive; it does not mean a signature which consists in whole or in part of one's own name signed with or without authority, in any capacity, for any purpose.
- 7. "Fraudulent instruction" means:
 - a. An electronic, telegraphic, cable, teletype, telefacsimile or telephone instruction which purports to have been transmitted by you, but which was in fact fraudulently transmitted by someone else without your knowledge or consent;
 - b. A written instruction (other than those described in Insuring Agreement A.3.) issued by you, which was forged or altered by someone other than you without your knowledge or consent, or which purports to have been issued by you, but was in fact fraudulently issued without your knowledge or consent; or
 - c. An electronic, telegraphic, cable, teletype, telefacsimile, telephone or written instruction initially received by you which purports to have been transmitted by an "employee" but which was in fact fraudulently transmitted by someone else without your or the "employee's" knowledge or consent.
- 8. "Funds" means "money" and "securities".
- 9. "Messenger" means you or any "employee" while having care and custody of property outside the "premises".
- 10. "Money" means:
 - a. Currency, coins and bank notes in current use and having a face value; and
 - b. Travelers checks, register checks and money orders held for sale to the public.
- 11. "Occurrence" means:
 - a. Under Insuring Agreement A.1.:
 - (1) An individual act;
 - (2) The combined total of all separate acts whether or not related; or
- (3) A series of acts whether or not related;
 - committed by an "employee" acting alone or in collusion with other persons, during the Policy Period shown in the Declarations, before such Policy Period or both.
- b. Under Insuring Agreement A.2.:
 - (1) An individual act;
 - (2) The combined total of all separate acts whether or not related; or
 - (3) A series of acts whether or not related;
- committed by each "employee" acting alone or in collusion with other persons, during the Policy Period shown in the Declarations, before such Policy Period or both.
- c. Under Insuring Agreement A.3.:
 - (1) An individual act;
 - (2) The combined total of all separate acts whether or not related; or
 - (3) A series of acts whether or not related;
- committed by a person acting alone or in collusion with other persons, involving one or more instruments, during the Policy Period shown in the Declarations, before such Policy Period or both.
- d. Under All Other Insuring Agreements:
 - (1) An individual act or event;
 - (2) The combined total of all separate acts or events whether or not related; or
 - (3) A series of acts or events whether or not related;
- committed by a person acting alone or in collusion with other persons, or not committed by any person, during the Policy Period shown in the Declarations, before such Policy Period or both.

12. "Other property" means any tangible property other than "money" and "securities" that has intrinsic value. "Other property" does not include computer programs, elec-

tronic data or any property specifically excluded under this policy.

13. "Premises" means the interior of that portion of any building you occupy in conducting your business.
14. "Robbery" means the unlawful taking of property from the care and custody of a person by one who has:
 - a. Caused or threatened to cause that person bodily harm; or
 - b. Committed an obviously unlawful act witnessed by that person.
15. "Safe burglary" means the unlawful taking of:
 - a. Property from within a locked safe or vault by a person unlawfully entering the safe or vault as evidenced by marks of forcible entry upon its exterior; or
 - b. A safe or vault from inside the "premises".
16. "Securities" means negotiable and nonnegotiable instruments or contracts representing either "money" or property and includes:
 - a. Tokens, tickets, revenue and other stamps (whether represented by actual stamps or unused value in a meter) in

current use; and

- b. Evidences of debt issued in connection with credit or charge cards, which cards are not issued by you;
but does not include "money".
17. "Theft" means the unlawful taking of property to the deprivation of the Insured.
18. "Transfer account" means an account maintained by you at a financial institution from which you can initiate the transfer, payment or delivery of "funds":
 - a. By means of electronic, telegraphic, cable, teletype, telefacsimile or telephone instructions communicated directly through an electronic funds transfer system; or
 - b. By means of written instructions (other than those described in Insuring Agreement A.3.) establishing the conditions under which such transfers are to be initiated by such financial institution through an electronic funds transfer system.
19. "Watchperson" means any person you retain specifically to have care and custody of property inside the "premises" and who has no other duties.

This endorsement, effective 12:01 am December 31, 2016
policy number 03-829-45-80
issued to WASHINGTON CITIES INSURANCE AUTHORITY

forms a part of

by *National Union Fire Insurance Company of Pittsburgh, Pa.*

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

WASHINGTON CHANGES

This endorsement modifies insurance provided under the following:

COMMERCIAL CRIME POLICY
EMPLOYEE THEFT AND FORGERY POLICY
GOVERNMENT CRIME POLICY
KIDNAP/RANSOM AND EXTORTION POLICY

- A. The Cancellation Of Policy Condition is replaced by the following:

CANCELLATION OF POLICY

- (1) The first Named Insured shown in the Declarations may cancel this policy by notifying us or the insurance producer in one of the following ways:

- a. Written notice by mail, fax or e-mail;
- b. Surrender of the policy or binder; or
- c. Verbal notice.

Upon receipt of such notice, we will cancel this policy or any binder issued as evidence of coverage, effective on the later of the following:

- a. The date on which notice is received or the policy or binder is surrendered; or
- b. The date of cancellation requested by the first Named Insured.

- (2) We may cancel this policy by mailing or delivering to the first Named Insured and the first Named Insured's agent or broker written notice of cancellation, including the actual reason for the cancellation, to the last mailing address known to us, at least:

- (a) 10 days before the effective date of cancellation if we cancel for nonpayment of premium; or
- (b) 45 days before the effective date of cancellation if we cancel for any other reason.

- (3) We will also mail or deliver to any other person shown in this policy to have an interest in any loss which may occur under this policy, at their last mailing address known to us, written notice of cancellation, prior to the effective date of cancellation. This notice will be the same as that mailed

or delivered to the first Named Insured.

- (4) Notice of cancellation will state the effective date of cancellation. The policy period will end on that date.

- (5) If this policy is cancelled, we will send the first Named Insured any premium refund due. If we cancel, the refund will be pro rata. If the first Named Insured cancels, the refund will be at least 90% of the pro rata refund. The cancellation will be effective even if we have not made or offered a refund.

- (6) If notice is mailed, proof of mailing will be sufficient proof of notice.

- B. The following is added and supersedes any other provision to the contrary:

NONRENEWAL

1. We may elect not to renew this policy by mailing or delivering written notice of nonrenewal, stating the reasons for nonrenewal, to the first Named Insured and the first Named Insured's agent or broker, at their last mailing addresses known to us. We will also mail to any other person shown in the policy to have an interest in any loss which may occur under this policy, at the last mailing address known to us, written notice of renewal. We will mail or deliver these notices at least 45 days before the:

- a. Expiration of the policy; or
- b. Anniversary date of this policy if this policy has been written for a term of more than one year.

Otherwise, we will renew this policy unless:

- a. The first Named Insured fails to pay the renewal premium after we have expressed our willingness to renew, including a statement of the renewal premium, to the first Named Insured and the first Named Insured's insurance agent or broker, at

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least 20 days before the expiration date; or

- b. Other coverage acceptable to the insured has been procured prior to the expiration date of the policy.

C. The Transfer Of Rights Of Recovery Against Others To Us Condition is replaced by the following:

TRANSFER OF RIGHTS OF RECOVERY AGAINST OTHERS TO US

If any person or organization to or for whom we make payment under this insurance has rights to recover damages from another, those rights are transferred to us to the extent of our payment. That person or organization must do everything necessary to secure our rights and must do nothing after loss to impair them.

D. Paragraph (1)(c) of the Valuation - Settlement Condition is replaced by the following:

1. Loss of, or loss from damage to, "other property" or loss from damage to the "premises" or its exterior for the replacement cost of the property without deduction for depreciation. However, we will not pay more than the least of the following:
 - a. The Limit of Insurance applicable to the lost or damaged property;
 - b. The amount it would cost to replace the lost or damaged property at the time of the loss with new property of comparable material and quality and used for the same purpose; or
 - c. The amount you actually spend that is necessary to repair or replace the lost or damaged property.
2. We will not pay on a replacement cost basis for any loss or damage:
 - a. Until the lost or damaged property is actually repaired or replaced; and
 - b. Unless the repairs or replacement are made as soon as reasonably possible after the loss

or damage.

If the lost or damaged property is not repaired or replaced, we will pay on an actual cash value basis.

E. Under the Commercial Crime Policy, Employee Theft And Forgery Policy and Government Crime Policy, the Legal Action Against Us Condition is replaced by the following:

LEGAL ACTION AGAINST US

You may not bring any legal action against us involving loss:

1. Unless you have complied with all the terms of this policy;
2. Until 90 days after you have filed proof of loss with us; and
3. Unless brought within two years from the date you "discover" the loss.

If this action is brought pursuant to Sec. 3 of RCW 48.30 then 20 days prior to filing such an action, you are required to provide written notice of the basis for the cause of action to us and the Office of the Insurance Commissioner. Such notice may be sent by regular mail, registered mail, or certified mail with return receipt requested.

F. Under the Kidnap/Ransom And Extortion Policy, the Legal Action Against Us Condition is replaced by the following:

LEGAL ACTION AGAINST US

You may not bring any legal action against us involving loss:

1. Unless you have complied with all the terms of this policy;
2. Until 90 days after you have filed proof of loss with us; and
3. Unless brought within two years from the date you reported the loss to us.

If this action is brought pursuant to Sec. 3 of RCW 48.30 then 20 days prior to filing such an action, you are required to provide written notice of the basis for the cause of action to us and the Office of the Insurance Commissioner. Such notice may be sent by regular mail, registered mail, or certified mail with return receipt requested.



AUTHORIZED REPRESENTATIVE

END 001

ENDORSEMENT# 2

This endorsement, effective *12:01 am December 31, 2016* forms a part of
policy number *03-829-45-80*
issued to *WASHINGTON CITIES INSURANCE AUTHORITY*

by *National Union Fire Insurance Company of Pittsburgh, Pa.*

**NOTICE OF CLAIM
(REPORTING BY E-MAIL)**

In consideration of the premium charged, it is hereby understood and agreed as follows:

1. *Email Reporting of Claims:* In addition to the postal address set forth for any Notice of Claim Reporting under this policy, such notice may also be given in writing pursuant to the policy's other terms and conditions to the Insurer by email at the following email address:

c-claim@AIG.com

Your email must reference the policy number for this policy. The date of the Insurer's receipt of the emailed notice shall constitute the date of notice.

In addition to Notice of Claim Reporting via email, notice may also be given to the Insurer by mailing such notice to: AIG, Financial Lines Claims, P.O. Box 25947, Shawnee Mission, KS 66225 or faxing such notice to (866) 227-1750.

2. *Definitions:* For this endorsement only, the following definitions shall apply:
 - (a) "Insurer" means the "Insurer," "Underwriter" or "Company" or other name specifically ascribed in this policy as the insurance company or underwriter for this policy.
 - (b) "Notice of Claim Reporting" means "notice of claim/circumstance," "notice of loss" or other reference in the policy designated for reporting of claims, loss or occurrences or situations that may give rise or result in loss under this policy.
 - (c) "Policy" means the policy, bond or other insurance product to which this endorsement is attached.
3. This endorsement does not apply to any Kidnap & Ransom/Extortion Coverage Section, if any, provided by this policy.

ALL OTHER TERMS, CONDITIONS AND EXCLUSIONS REMAIN UNCHANGED.



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END 002

ENDORSEMENT# 3**CRIME AND FIDELITY
CR 25 19 05 06**

This endorsement, effective *12:01 am December 31, 2016*
policy number *03-829-45-80*
issued to *WASHINGTON CITIES INSURANCE AUTHORITY*

forms a part of

by *National Union Fire Insurance Company of Pittsburgh, Pa.***THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.****ADD FAITHFUL PERFORMANCE OF DUTY COVERAGE
FOR GOVERNMENT EMPLOYEES**

This endorsement modifies insurance provided under the following:

GOVERNMENT CRIME COVERAGE FORM
GOVERNMENT CRIME POLICY

and applies to the Insuring Agreements designated below:

SCHEDULE

Insuring Agreement		Limit Of Insurance
☒	Employee Theft – Per Loss Coverage	\$2,500,000
☐	Employee Theft – Per Employee Coverage	
Information required to complete this Schedule, if not shown above, will be shown in the Declarations.		

1. The following is added to the Employee Theft Insuring Agreement designated above:

We will pay for loss or damage to "money", "securities" and "other property" resulting directly from the failure of any "employee" to faithfully perform his or her duties as prescribed by law, when such failure has as its direct and immediate result a loss of your covered property. The most we will pay for loss arising out of any one "occurrence" is the Limit of Insurance shown in the Schedule. That Limit, is part of, not in addition to, the Limit of Insurance shown in the Declarations.

2. The following exclusions are added to Section D.2. Exclusions:

- a. Loss resulting from the failure of any entity acting as a depository for your property or property for which you are responsible.
- b. Damages for which you are legally liable as a result of:
 - (1) The deprivation or violation of the civil rights of any person by an "employee"; or
 - (2) The tortious conduct of an "em-

ployee", except the conversion of property of other parties held by you in any capacity.

3. The **Indemnification** Condition is replaced by the following:

We will indemnify any of your officials who are required by law to give bonds for the faithful performance of their duties against loss through the failure of any "employee" under the supervision of that official to faithfully perform his or her duties as prescribed by law, when such failure has as its direct and immediate result a loss of your covered property.

4. Part (I) of the **Termination As To Any Employee** Condition is replaced by the following:

- (1) As soon as:

- (a) You; or
- (b) Any official or employee authorized to manage, govern or control your "employees" learn of any act committed by the "employee" whether before or after becoming employed by you which would constitute a loss covered under the terms of the Employee

END 003

ENDORSEMENT# 3 (Continued)

Theft Insuring Agreement, as amended by this endorsement.

ALL OTHER TERMS, CONDITIONS AND EXCLUSIONS REMAIN UNCHANGED.



AUTHORIZED REPRESENTATIVE

END 003

ENDORSEMENT# 4

This endorsement, effective at *12:01 am December 31, 2016* forms a part of
Policy number *03-829-45-80*
Issued to: *WASHINGTON CITIES INSURANCE AUTHORITY*

By: *National Union Fire Insurance Company of Pittsburgh, Pa.*

PROTECTED INFORMATION EXCLUSION

This endorsement modifies insurance provided under the following:

ISO COMMERCIAL CRIME POLICY
ISO GOVERNMENT CRIME POLICY

In consideration of the premium charged, it is hereby understood and agreed that this policy does not cover loss resulting directly or indirectly from the: (i) "theft," disappearance or destruction of; (ii) unauthorized use or disclosure of; (iii) unauthorized access to; or (iv) failure to protect any:

- (1) confidential or non-public; or
- (2) personal or personally identifiable;

information that any person or entity has a duty to protect under any law, rule or regulation, any agreement or any industry guideline or standard.

This exclusion shall not apply to the extent that any unauthorized use or disclosure of a password enables a "theft" by your "employee" of your "money," "securities" or "other property" or that you are holding for a third party; provided, however, this exception shall not apply to the extent that such unauthorized use or disclosure of a password enables a "theft" of or disclosure of information.

ALL OTHER TERMS, CONDITIONS AND EXCLUSIONS REMAIN UNCHANGED.



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END 004

ENDORSEMENT# 5**CRIME AND FIDELITY
CR 25 20 08 07**

This endorsement, effective *12:01 am December 31, 2016*
policy number *03-829-45-80*
issued to *WASHINGTON CITIES INSURANCE AUTHORITY*

forms a part of

by *National Union Fire Insurance Company of Pittsburgh, Pa.***THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.****ADD CREDIT, DEBIT OR CHARGE CARD FORGERY**

This endorsement modifies insurance provided under the following:

COMMERCIAL CRIME COVERAGE FORM
COMMERCIAL CRIME POLICY
EMPLOYEE THEFT AND FORGERY POLICY
GOVERNMENT CRIME COVERAGE FORM
GOVERNMENT CRIME POLICY

and applies to the Forgery Or Alteration Insuring Agreement:

SCHEDULE

Limit Of Insurance	Covered Instruments
<i>\$2,500,000</i>	☒ Includes written instruments required in conjunction with any credit, debit or charge card issued to you or any "employee" for business purposes.
	☐ Limited to written instruments required in conjunction with any credit, debit or charge card issued to you or any "employee" for business purposes.
Information required to complete this Schedule, if not shown above, will be shown in the Declarations.	

1. Covered Instruments either includes or is limited to, whichever is indicated as applicable in the Schedule, written instruments required in conjunction with any credit, debit or charge card issued to you or any "employee" for business purposes.
2. The most we will pay in any one "occurrence" is the Limit of Insurance shown in the Schedule.

3. The following exclusion is added to Section D.:

The Forgery Or Alteration Insuring Agreement does not apply to:

**NON-COMPLIANCE WITH CREDIT,
DEBIT OR CHARGE CARD ISSUER'S
REQUIREMENTS**

Loss arising from any credit, debit or charge card if you have not complied fully with the provisions, conditions or other terms under which the card was issued.

ALL OTHER TERMS, CONDITIONS AND EXCLUSIONS REMAIN UNCHANGED.



AUTHORIZED REPRESENTATIVE

END 005

ENDORSEMENT# 6

This endorsement, effective 12:01 am December 31, 2016 forms a part of
policy number 03-829-45-80
issued to WASHINGTON CITIES INSURANCE AUTHORITY

by National Union Fire Insurance Company of Pittsburgh, Pa.

ADDITIONAL NAMED INSURED

This endorsement modifies insurance provided under the following:

**COMMERCIAL CRIME POLICY
GOVERNMENT CRIME POLICY**

Schedule

The following Insured(s) is/are added as Named Insured(s):

NAMED INSURED

City of Aberdeen
City of Arlington
Arlington Transportation Benefit District
City of Auburn
City of Battle Ground
City of Benton City
City of Brier
City of Bonney Lake
City of Bothell
City of Burlington
City of Burien
City of Brewster
City of Camas
City of Centralia
City of Chehalis
City of Clarkston
City of Chelan
City of Cheney
Town of Coupeville
Thurston 9-1-1 Communications
City of Cashmere
Three Rivers Regional Wastewater Authority

ENDORSEMENT# 6 (Continued)

This endorsement, effective 12:01 am December 31, 2016 forms a part of
policy number 03-829-45-80
issued to WASHINGTON CITIES INSURANCE AUTHORITY

by National Union Fire Insurance Company of Pittsburgh, Pa.

City of Covington
City of Chewelah
Cowlitz-Wahkiakum Council of Governments
City of Clyde Hill
City of Des Moines
Des Moines Pool Metropolitan Park District
City of Duvall
City of Ellensburg
City of Edmonds
City of Elma
City of Enumclaw
Enumclaw Transportation Benefit District
City of Everson
City of Edgewood
City of Ferndale
City of Fife
Fife Transportation Benefit District
City of George
Grays Harbor Communications Center E9-1-1
City of Goldendale
City of Grandview
City of Hoquiam
City of Issaquah
Jefferson County 911
City of Kirkland
City of Kelso
City of Kenmore
City of Kennewick
City of Lacey
City of Long Beach

ENDORSEMENT# 6 (Continued)

This endorsement, effective 12:01 am December 31, 2016 forms a part of
policy number 03-829-45-80
issued to WASHINGTON CITIES INSURANCE AUTHORITY

by National Union Fire Insurance Company of Pittsburgh, Pa.

Town of La Conner
City of Leavenworth
Leavenworth Transportation Benefit District
City of Lake Forest Park
City of Longview
LOTT Clean Water Alliance
City of Lake Stevens
City of Lakewood
City of Marysville
Multi Agency Communications Center
Marysville Fire District
City of Mabton
City of Mill Creek
City of Medina
City of Mercer Island
City of Medical Lake
City of Milton
City of Maple Valley
Metropolitan Park District of Tacoma
City of Monroe
Monroe Transportation Benefit District
City of Moses Lake
City of Mountlake Terrace
City of Mukilteo
City of Mount Vernon
City of Millwood
City of McCleary
City of North Bonneville
City of Newcastle

ENDORSEMENT# 6 (Continued)

This endorsement, effective *12:01 am December 31, 2016* forms a part of
policy number *03-829-45-80*
issued to *WASHINGTON CITIES INSURANCE AUTHORITY*

by *National Union Fire Insurance Company of Pittsburgh, Pa.*

City of Normandy Park
Normandy Park Metropolitan Park District
Northshore Utility District
City of Oak Harbor
City of Olympia
Olympia Metropolitan Park District (added 3/11/2016)
<u>Olympia Transportation Benefit District</u>
City of Ocean Shores
City of Othello
City of Poulsbo
City of Pullman
City of Port Angeles
City of Port Townsend
City of Puyallup
City of Ridgefield
City of Richland
City of Sammamish
<u>South Correctional Entity</u>
<u>Snohomish County Emergency Radio System</u>
City of Shelton
<u>Skagit Council of Governments</u>
Skagit 9-1-1
City of Shoreline
City of Sumner
City of Snohomish
<u>Snohomish County Police Auxiliary Services Center</u>
Southwest Snohomish County Communications Agency

ENDORSEMENT# 6 (Continued)

This endorsement, effective 12:01 am December 31, 2016 forms a part of
policy number 03-829-45-80
issued to WASHINGTON CITIES INSURANCE AUTHORITY

by National Union Fire Insurance Company of Pittsburgh, Pa.

City of Soap Lake
City of Snoqualmie
Silver Lake Water & Sewer District
South Sound 911
Seattle Southside Regional Tourism Authority
Town of Steilacoom
City of Sunnyside
City of Spokane Valley
City of Stanwood
Tukwila Pool Metropolitan Park District
City of Tumwater
City of Toppenish
Thurston Public Utilities District
Thurston Regional Planning Council
City of Union Gap
City of University Place
Valley Communications Center
Valley Regional Fire Authority
City of Walla Walla
Walla Walla Valley Metropolitan Planning Organization
Walla Walla Transportation Benefit District
City of Woodinville
City of Westport
WHITCOM 911
City of Bainbridge Island

ENDORSEMENT# 6 (Continued)

This endorsement, effective *12:01 am December 31, 2016* forms a part of
policy number *03-829-45-80*
issued to *WASHINGTON CITIES INSURANCE AUTHORITY*

by *National Union Fire Insurance Company of Pittsburgh, Pa.*

<u>City of Warden</u>
<u>Town of Woodway</u>
<u>City of West Richland</u>
<u>City of Washougal</u>
<u>Washington Multi-City License & Tax Portal Agency</u>
<u>Washington Cities Insurance Authority</u>
<u>Yakima Valley Conference of Governments</u>
<u>City of Zillah</u>
<u>Kitsap 911 Public Authority</u>
<u>Othello Transportation Benefit District</u>

No Limit of Insurance during any period will be cumulative with any other amount applicable to the same coverage during any other period.

ALL OTHER TERMS, CONDITIONS AND EXCLUSIONS REMAIN UNCHANGED.



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END 6

MNSCPT

ENDORSEMENT# 7

This endorsement, effective at 12:01 am December 31, 2016 forms a part of
Policy number 03-829-45-80
Issued to: WASHINGTON CITIES INSURANCE AUTHORITY

By: *National Union Fire Insurance Company of Pittsburgh, Pa.*

ECONOMIC SANCTIONS ENDORSEMENT

This endorsement modifies insurance provided under the following:

Coverage shall only be provided and payment of loss under this policy shall only be made in full compliance with enforceable United Nations economic and trade sanctions and the trade and economic sanction laws or regulations of the European Union and the United States of America, including, but not limited to, sanctions, laws and regulations administered and enforced by the U.S. Treasury Department's Office of Foreign Assets Control ("OFAC").

ALL OTHER TERMS, CONDITIONS AND EXCLUSIONS REMAIN UNCHANGED.



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END 007

ENDORSEMENT# 8

This endorsement, effective at *12:01 am December 31, 2016* forms a part of
Policy number *03-829-45-80*
Issued to: *WASHINGTON CITIES INSURANCE AUTHORITY*

By: *National Union Fire Insurance Company of Pittsburgh, Pa.*

INDIRECT OR CONSEQUENTIAL LOSS EXCLUSION

This endorsement modifies insurance provided under the following:

ISO COMMERCIAL CRIME POLICY
ISO GOVERNMENT CRIME POLICY

It is agreed that:

1. Clause D.1.f. Indirect Loss Exclusion is deleted in its entirety and replaced with the following:

f. Indirect or Consequential Loss

Loss that is an indirect or consequential result of an "occurrence", including but not limited to loss resulting from:

- (1) Your inability to realize income that you would have realized had there been no loss of or damage to "money", "securities" or "other property".
- (2) Payment of damages of any type for which you are legally liable.
- (3) Payment of costs, fees or other expenses you incur in establishing either the existence or the amount of loss under this policy.

ALL OTHER TERMS, CONDITIONS AND EXCLUSIONS REMAIN UNCHANGED.



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END 008

ENDORSEMENT# 9

This endorsement, effective *12:01 am December 31, 2016* forms a part of
policy number *03-829-45-80*
issued to *WASHINGTON CITIES INSURANCE AUTHORITY*

by *National Union Fire Insurance Company of Pittsburgh, Pa.*

BONDED EMPLOYEES EXCLUSION DELETED

This endorsement modifies insurance provided under the following:

GOVERNMENT CRIME POLICY

In Section **D. Exclusions**, subparagraph 2., the exclusion entitled **Bonded Employees** is deleted in its entirety.

ALL OTHER TERMS, CONDITIONS AND EXCLUSIONS REMAIN UNCHANGED.



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END 009

ENDORSEMENT# 10

This endorsement, effective *12:01 am December 31, 2016* forms a part of
policy number *03-829-45-80*
issued to *WASHINGTON CITIES INSURANCE AUTHORITY*

by *National Union Fire Insurance Company of Pittsburgh, Pa.*

CRIME ADVANTAGE

This endorsement modifies insurance provided under the following:

GOVERNMENT CRIME POLICY (DISCOVERY FORM)

1. **E. Conditions, Conditions Applicable To Insuring Agreements A.1. And A.2., Termination As To Any Employee,** section (2) is deleted in its entirety and replaced with the following:

(2) On the date specified in a notice mailed to the first Named Insured. That date will be at least 60 days after the date of mailing.

We will mail or deliver notice to the first Named Insured's last mailing address known to us. If notice is mailed, proof of mailing will be sufficient proof of notice.

2. **E. Conditions, Conditions Applicable To All Insuring Agreements, Cancellation Of Policy,** section (2) is deleted in its entirety and replaced with the following:

(2) We may cancel this policy by mailing or delivering to the first Named Insured written notice of cancellation at least:

(a) 10 days before the effective date of cancellation if we cancel for non-payment of premium; or

(b) 60 days before the effective date of cancellation if we cancel for any other reason.

3. **F. Definitions, "Employee," a. (1)(a)** is deleted in its entirety and replaced with the following:

(a) While in your service and for the first 60 days immediately after termination of service, unless such termination is due to "theft" or any other dishonest act committed by the "employee";

4. **F. Definitions, "Employee," a.** is amended by adding the following at the end thereof:

"Employee" is also deemed to include:

(a) Any of your directors, trustees or non-compensated officers while performing acts within the scope of the usual duties of an "employee"

(b) Any of your directors or trustees who are members of any of your elected or appointed committees to perform on your behalf specific, as distinguished from general, directorial acts

(c) Students gaining work experience

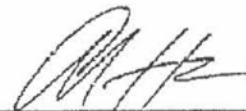
ENDORSEMENT# 10 (Continued)

This endorsement, effective *12:01 am December 31, 2016* forms a part of
policy number *03-829-45-80*
issued to *WASHINGTON CITIES INSURANCE AUTHORITY*

by *National Union Fire Insurance Company of Pittsburgh, Pa.*

- (d) Any non-compensated natural person other than one who is a fund solicitor, while performing service for you that are usual to the duties of an "employee"
- (e) Any of your part-time "employees"
- (f) Any natural person, whether or not compensated, while performing services for you as the chairman, or a member of any committee

ALL OTHER TERMS, CONDITIONS AND EXCLUSIONS REMAIN UNCHANGED.



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END 10

ENDORSEMENT# 11

CRIME AND FIDELITY
CR 25 12 08 07
forms a part of

This endorsement, effective *12:01 am December 31, 2016*
policy number *03-829-45-80*
issued to *WASHINGTON CITIES INSURANCE AUTHORITY*

by *National Union Fire Insurance Company of Pittsburgh, Pa.*

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

**INCLUDE TREASURERS OR TAX COLLECTORS
AS EMPLOYEES**

This endorsement modifies insurance provided under the following:

GOVERNMENT CRIME COVERAGE FORM
GOVERNMENT CRIME POLICY

SCHEDULE

Treasurers Or Tax Collectors
<i>ANY TREASURERS OR TAX COLLECTORS OF ANY OF THOSE NAMED AS INSURED</i>
Information required to complete this Schedule, if not shown above, will be shown in the Declarations.

1. The definition of "employee" is amended to include your treasurers or tax collectors shown in the Schedule.
2. Exclusion **D.2.d. Treasurers Or Tax Collectors** is deleted.

ALL OTHER TERMS, CONDITIONS AND EXCLUSIONS REMAIN UNCHANGED.



AUTHORIZED REPRESENTATIVE

END 011

ENDORSEMENT# 12**CRIME AND FIDELITY
CR 25 40 08 07**

This endorsement, effective *12:01 am December 31, 2016*
policy number *03-829-45-80*
issued to *WASHINGTON CITIES INSURANCE AUTHORITY*

forms a part of

by *National Union Fire Insurance Company of Pittsburgh, Pa.***THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.****INCLUDE EXPENSES INCURRED
TO ESTABLISH AMOUNT OF COVERED LOSS**

This endorsement modifies insurance provided under the following:

COMMERCIAL CRIME COVERAGE FORM
COMMERCIAL CRIME POLICY
EMPLOYEE THEFT AND FORGERY POLICY
GOVERNMENT CRIME COVERAGE FORM
GOVERNMENT CRIME POLICY

and applies to the Insuring Agreement(s) designated below:

SCHEDULE

☒ Employee Theft Insuring Agreement	
Costs, Fees Or Other Expenses	
Limit Of Insurance	Covered Loss
<i>\$50,000</i>	<i>100 %</i>
☒ Computer Fraud Insuring Agreement	
Costs, Fees Or Other Expenses	
Limit Of Insurance	Covered Loss
<i>\$50,000</i>	<i>100 %</i>
Information required to complete this Schedule, if not shown above, will be shown in the Declarations.	

END 012

ENDORSEMENT# 12 (continued)

The following condition is added to Paragraph E. **Conditions:**

1. We will pay for reasonable costs, fees or other expenses that you incur and pay to an independent accounting, auditing or other service used to determine the amount of loss covered under this insurance.
2. The most that we will pay for reasonable costs, fees or other expenses is limited to the lesser of the:
 - a. Limit of Insurance; or
 - b. Percentage of the Covered Loss; shown in the Schedule.
3. We will pay for reasonable costs, fees or other expenses after settlement of covered loss.
4. We will have no liability to pay any such costs, fees or other expenses if the amount of the covered loss does not exceed the Deductible Amount of the applicable Insuring Agreement.
5. The amount that we will pay is part of, not in addition to, the Limit of Insurance for the applicable Insuring Agreement.
6. Paragraph (3) of the **Indirect Loss** Exclusion is replaced by the following:
Payment of costs, fees or other expenses you incur in establishing the existence of loss under this insurance.

ALL OTHER TERMS, CONDITIONS AND EXCLUSIONS REMAIN UNCHANGED.



AUTHORIZED REPRESENTATIVE

END 012

ENDORSEMENT# 13

This endorsement, effective *12:01 am December 31, 2016* forms a part of
policy number *03-829-45-80*
issued to *WASHINGTON CITIES INSURANCE AUTHORITY*

by *National Union Fire Insurance Company of Pittsburgh, Pa.*

PRIOR THEFT OR DISHONESTY

This endorsement modifies insurance provided under the following:

**COMMERCIAL CRIME POLICY
GOVERNMENT CRIME POLICY**

A. Schedule*

Prior Theft or Dishonesty Amount:	<i>\$1,000</i>
*Information required to complete this Schedule, if not shown on this endorsement, will be shown in the Declarations.	

B. E. Conditions is modified as follows:

The paragraph entitled **Termination As To Any Employee** is deleted in its entirety from:

- **Conditions Applicable to Insuring Agreement A.1.**
(with respect to the Commercial Crime Policy)
- **Conditions Applicable to Insuring Agreement A.1. And A.2.**
(with respect to the Government Crime Policy)

and replaced with the following:

Termination As To Any Employee

- (1) This Insuring Agreement is cancelled as to any "employee" immediately upon discovery by:
 - (a) You; or
 - (b) (with respect to the Commercial Crime Policy) Any of your partners, "members", "managers", officers, directors, or trustees not in collusion with the "employee";
(with respect to the Government Crime Policy) Any of your officials or employees authorized to manage, govern or control your "employees" not in collusion with the "employee"of "theft" or any other dishonest act committed by the "employee"
 - after becoming employed by you; or
 - prior to becoming employed by you, provided that such conduct involved Loss of Money, Securities or other property valued at the amount specified in the schedule above or more.
- (2) The Insuring Agreement terminates as to any "employee" on the date specified in a notice mailed to the first Named Insured. The date will be at least 30 days after the date of mailing. We will mail or deliver our notice to the first named

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END 013

ENDORSEMENT# 13 (continued)

Insured's last mailing address known to us. If notice is mailed proof of mailing will be sufficient proof of notice.

ALL OTHER TERMS, CONDITIONS AND EXCLUSIONS REMAIN UNCHANGED.



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END 013

ENDORSEMENT# 14

This endorsement, effective *12:01 am December 31, 2016* forms a part of
policy number *03-829-45-80*
issued to *WASHINGTON CITIES INSURANCE AUTHORITY*

by *National Union Fire Insurance Company of Pittsburgh, Pa.*

**INCLUDE DESIGNATED PERSON REQUIRED TO HAVE KNOWLEDGE OF LOSS
(DISCOVERY FORM)**

This endorsement modifies insurance provided under the Discovery Form version of the following:

COMMERCIAL CRIME COVERAGE FORM
COMMERCIAL CRIME POLICY
EMPLOYEE THEFT AND FORGERY POLICY
GOVERNMENT CRIME COVERAGE FORM
GOVERNMENT CRIME POLICY

SCHEDULE

Position Of Designated Person(s): Any elected or appointed Chief Executive Officer of the Insured
--

Information required to complete this Schedule, if not shown above, will be shown in the Declarations.
--

1. The Introductory Paragraph to Section **A. Insuring Agreements** is replaced by the following:

Coverage is provided under the following Insuring Agreements for which a Limit of Insurance is shown in the Declarations and applies to loss that you sustain resulting directly from an "occurrence" taking place at any time which is "discovered" by a "designated person" during the Policy Period shown in the Declarations or during the period of time provided in the Extended Period To Discover Loss Condition.

2. The introductory paragraph of the **Duties In The Event Of Loss** Condition is replaced by the following:

After a "designated person" "discovers" a loss or a situation that may result in loss of or damage to "money", "securities" or "other property" you must:

ENDORSEMENT# 14 (Continued)

This endorsement, effective *12:01 am December 31, 2016* forms a part of
policy number *03-829-45-80*
issued to *WASHINGTON CITIES INSURANCE AUTHORITY*

by *National Union Fire Insurance Company of Pittsburgh, Pa.*

3. Under the Commercial Crime Coverage Form, Commercial Crime Policy and the Employee Theft And Forgery Policy, the **Extended Period To Discover Loss** Condition is replaced by the following:

We will pay for loss that you sustained prior to the effective date of cancellation of this coverage form/policy which is "discovered" by a "designated person":

- a. No later than 60 days from the date of that cancellation. However, this extended period to "discover" loss terminates immediately upon the effective date of any other insurance obtained by you, whether from us or another insurer, replacing in whole or in part the coverage afforded under this coverage form/policy, whether or not such other insurance provides coverage for loss sustained prior to its effective date.
 - b. No later than 1 year from the date of that cancellation with regard to any "employee benefit plans".
4. Under the Government Crime Coverage Form and Government Crime Policy, the **Extended Period To Discover Loss** Condition is replaced by the following:

We will pay for loss that you sustained prior to the effective date of cancellation of this coverage form/policy, which is "discovered" by a "designated person" no later than 60 days from the date of that cancellation.

However, this extended period to "discover" loss terminates immediately upon the effective date of any other insurance obtained by you, whether from us or another insurer, replacing in whole or in part the coverage afforded under this coverage form/policy, whether or not such other insurance provides coverage for loss sustained prior to its effective date.

5. Paragraph (2) of the **Joint Insured** Condition is replaced by the following:

- (2) Knowledge possessed or "discovery" made by a "designated person" of any Insured shall constitute knowledge or "discovery" by all Insureds for all purposes of this coverage form/policy.

ENDORSEMENT# 14 (Continued)

This endorsement, effective *12:01 am December 31, 2016* forms a part of
policy number *03-829-45-80*
issued to *WASHINGTON CITIES INSURANCE AUTHORITY*

by *National Union Fire Insurance Company of Pittsburgh, Pa.*

6. Under the Commercial Crime Coverage Form, Commercial Crime Policy and the Employee Theft And Forgery Policy, Paragraph (4) of the **Joint Insured** Condition is replaced by the following:

- (4) If this coverage form/policy or any of its coverages is cancelled as to any Insured, loss sustained by that Insured is covered only if it is "discovered" by a "designated person":
 - (a) No later than 60 days from the date of that cancellation. However, this extended period to "discover" loss terminates immediately upon the effective date of any other insurance obtained by that Insured, whether from us or another insurer, replacing in whole or in part the coverage afforded under this coverage form/policy, whether or not such other insurance provides coverage for loss sustained prior to its effective date.
 - (b) No later than 1 year from the date of that cancellation with regard to any "employee benefit plans".

7. Under the Government Crime Coverage Form and Government Crime Policy, Paragraph (4) of the **Joint Insured** Condition is replaced by the following:

- (4) If this coverage form/policy or any of its coverages is cancelled as to any Insured, loss sustained by that Insured is covered only if it is "discovered" by a "designated person" no later than 60 days from the date of that cancellation.

However, this extended period to "discover" loss terminates immediately upon the effective date of any other insurance obtained by that Insured, whether from us or another insurer, replacing in whole or in part the coverage afforded under this coverage form/policy, whether or not such other insurance provides coverage for loss sustained prior to its effective date.

8. Paragraph (1) of the **Termination As To Any Employee** Condition is replaced by the following:

- (1) As soon as a "designated person" not in collusion with such "employee" learns of "theft" or any other dishonest act committed by the "employee" whether before or after becoming employed by you.

ENDORSEMENT# 14 (Continued)

This endorsement, effective *12:01 am December 31, 2016* forms a part of
policy number *03-829-45-80*
issued to *WASHINGTON CITIES INSURANCE AUTHORITY*

by *National Union Fire Insurance Company of Pittsburgh, Pa.*

9. In Section F. Definitions:

- a. The definition of "discover" or "discovered" is replaced by the following:

"Discovery", "discover" or "discovered" means the time when a "designated person" first becomes aware of facts which would cause a reasonable person to assume that a loss of a type covered by this coverage form/policy has been or will be incurred, regardless of when the act or acts causing or contributing to such loss occurred, even though the exact amount or details of loss may not then be known.

"Discovery", "discover" or "discovered" also means the time when a "designated person" first receives notice of an actual or potential claim in which it is alleged that you are liable to a third party under circumstances, which, if true, would constitute a loss under this coverage form/policy.

- b. The following definition is added:

"Designated person" means any individual set forth in Schedule above.

ALL OTHER TERMS, CONDITIONS AND EXCLUSIONS REMAIN UNCHANGED



AUTHORIZED REPRESENTATIVE

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END 14

ENDORSEMENT# 15

CRIME AND FIDELITY
CR 20 09 08 07
forms a part of

This endorsement, effective *12:01 am December 31, 2016*
policy number *03-829-45-80*
issued to *WASHINGTON CITIES INSURANCE AUTHORITY*

by *National Union Fire Insurance Company of Pittsburgh, Pa.*

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.
AMEND TERRITORIAL LIMITS

This endorsement modifies insurance provided under the following:

COMMERCIAL CRIME COVERAGE FORM
COMMERCIAL CRIME POLICY
EMPLOYEE THEFT AND FORGERY POLICY
GOVERNMENT CRIME COVERAGE FORM
GOVERNMENT CRIME POLICY

SCHEDULE

Territory	
Add	Delete
<i>Worldwide</i>	
Information required to complete this Schedule, if not shown above, will be shown in the Declarations.	

The Territory Condition is amended by adding or deleting the territory shown in the Schedule.

ALL OTHER TERMS, CONDITIONS AND EXCLUSIONS REMAIN UNCHANGED.



AUTHORIZED REPRESENTATIVE

END 015

ENDORSEMENT# 17

This endorsement, effective *12:01 am December 31, 2016* forms a part of
policy number *03-829-45-80*
issued to *WASHINGTON CITIES INSURANCE AUTHORITY*

by *National Union Fire Insurance Company of Pittsburgh, Pa.*

IMPERSONATION FRAUD COVERAGE

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

This endorsement modifies insurance provided under the following:

**COMMERCIAL CRIME POLICY (DISCOVERY FORM)
COMMERCIAL CRIME POLICY (LOSS SUSTAINED FORM)
GOVERNMENT CRIME POLICY (DISCOVERY FORM)
GOVERNMENT CRIME POLICY (LOSS SUSTAINED FORM)**

It is agreed that in consideration of the additional premium of \$0, the policy is hereby amended as follows:

1. Insuring Agreement "Funds Transfer Fraud" is amended by adding the following to the end thereof:

Impersonation Fraud Coverage

We will also pay for loss of "funds" resulting directly from a "fraudulent instruction" directing a financial institution to transfer, pay or deliver "funds" from your "transfer account."

Notwithstanding the above requirement that the loss of "funds" result directly from a "fraudulent instruction," we will also pay for the loss of "funds" resulting from your receipt of a fraudulent phone call or email from a purported vendor, which advises you that the vendor's bank account information has been changed and you suffer a loss of "funds," because you issued a payment or payments to this fraudulent bank account, based upon your confirmation controls, you believed the fraudulent instruction to change the vendor's bank account information to be valid.

2. Solely with respect to Impersonation Fraud Coverage provided by this endorsement, in Section F. Definitions, the definition of "Fraudulent Instruction" is deleted in its entirety and replaced with the following:
"Fraudulent instruction" means an electronic, telegraphic, cable, teletype, telefacsimile, telephone or written instruction communicated by you or your "employee" based upon an instruction received and relied upon by you or your "employee" which was transmitted:
 - a. by a purported director, officer, partner, member or sole proprietor of yours or by another "employee" - or by an individual acting in collusion with such purported director, officer, partner, member, sole proprietor or other "employee" - but which was in fact fraudulently transmitted by someone else without your or your "employee's" knowledge; or

ENDORSEMENT# 17 (Continued)

This endorsement, effective *12:01 am December 31, 2016* forms a part of
policy number *03-829-45-80*
issued to *WASHINGTON CITIES INSURANCE AUTHORITY*

by *National Union Fire Insurance Company of Pittsburgh, Pa.*

- b. by a purported director, officer, partner, member, sole proprietor or employee of your "vendor" or "client" - or by an individual acting in collusion with such purported director, officer or employee - but which was in fact fraudulently transmitted by someone else without your or your "employee's" knowledge; provided, however, "fraudulent instruction" shall not include any such instruction transmitted by an actual director, officer, partner, member, sole proprietor or employee of your "vendor" or "client" who was acting in collusion with any third party in submitting such instruction.
3. Solely for purposes of this endorsement, the following definitions are added:

Vendor means any entity, firm, company, organization, association or individual which has a legitimate pre-existing arrangement or written agreement to provide goods or services to you.

Client means an entity, firm, company, organization, association or individual to whom we provide goods or services for a fee pursuant to a written contract.
4. Our total liability for coverage provided by this endorsement is \$250,000 ("Impersonation Fraud Limit"). All amounts paid by us pursuant to this endorsement will be part of, and not in addition to, the applicable Limit of Insurance shown in the Declarations.
5. Solely with respect to coverage provided by this endorsement, the applicable per occurrence Deductible Amount is \$50,000.
6. Solely for purposes of this endorsement, the following exclusion shall apply:

The coverage afforded by this endorsement does not apply to any loss occurring prior to 12/31/2016.
7. The most we will pay for all loss resulting directly from an "occurrence" under this endorsement is the Impersonation Fraud Limit shown in Section 4 above.

ALL OTHER TERMS, CONDITIONS AND EXCLUSIONS REMAIN UNCHANGED.



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END 17

ENDORSEMENT# 18

CRIME AND FIDELITY
CR 25 41 08 07
forms a part of

This endorsement, effective *12:01 am December 31, 2016*
policy number *03-829-45-80*
issued to *WASHINGTON CITIES INSURANCE AUTHORITY*

by *National Union Fire Insurance Company of Pittsburgh, Pa.*

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.
INCLUDE DESIGNATED PERSONS OR CLASSES
OF PERSONS AS EMPLOYEES

This endorsement modifies insurance provided under the following:

COMMERCIAL CRIME COVERAGE FORM
COMMERCIAL CRIME POLICY
EMPLOYEE THEFT AND FORGERY POLICY
GOVERNMENT CRIME COVERAGE FORM
GOVERNMENT CRIME POLICY

and applies to the Employee Theft Insuring Agreement:

SCHEDULE

Persons Or Classes Of Persons
<i>Interim Police Cheif- James Schaffer for the City of Snoqualmie</i>
Information required to complete this Schedule, if not shown above, will be shown in the Declarations.

The definition of "employee" is amended to include any natural person or group of persons named or described in the Schedule.

ALL OTHER TERMS, CONDITIONS AND EXCLUSIONS REMAIN UNCHANGED.



AUTHORIZED REPRESENTATIVE

END 018

ENDORSEMENT# 19

This endorsement, effective *12:01 am December 31, 2016* forms a part of
policy number *03-829-45-80*
issued to *WASHINGTON CITIES INSURANCE AUTHORITY*

by *National Union Fire Insurance Company of Pittsburgh, Pa.*

FORMS INDEX ENDORSEMENT

The contents of the Policy is comprised of the following forms:

FORM NUMBER	EDITION DATE	FORM TITLE
CRDS04	08/07	GOVERNMENT CRIME POLICY DECLARATIONS
CR0026	05/06	GOVERNMENT CRIME POLICY (DISCOVERY FORM)
CR 02 10	08/10	WASHINGTON CHANGES
99758	08/08	NOTICE OF CLAIM (REPORTING BY E-MAIL)
CR2519	05/06	ADD FAITHFUL PERFORMANCE OF DUTY COVERAGE FOR GOVERNMENT EMPLOYEES
113013	10/12	PROTECTED INFORMATION EXCLUSION
CR2520	08/07	ADD CREDIT, DEBIT OR CHARGE CARD FORGERY
MNSCPT		ADDITIONAL NAMED INSURED
119679	09/15	ECONOMIC SANCTIONS ENDORSEMENT
113024	10/12	INDIRECT OR CONSEQUENTIAL LOSS EXCLUSION
95419	08/07	BONDED EMPLOYEES EXCLUSION DELETED
MNSCPT		CRIME ADVANTAGE
CR2512	08/07	INCLUDE TREASURER OR TAX COLLECTORS AS EMPLOYEES
CR2540	08/07	INCLUDE EXPENSES INCURRED TO ESTABLISH AMOUNT OF COVERED LOSS
95442	08/07	PRIOR THEFT OR DISHONESTY
MNSCPT		INCLUDE DESIGNATED PERSON REQUIRED TO HAVE KNOWLEDGE OF LOSS
CR2009	08/07	AMEND TERRITORIAL LIMITS
MNSCPT		DEFINITION OF MESSENGER AMENDED
M116956		IMPERSONATION FRAUD COVERAGE
CR2541	08/07	INCLUDE DESIGNATED PERSONS OR CLASSES OF PERSONS AS EMPLOYEES
78859	10/01	FORMS INDEX ENDORSEMENT

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END 019

ENDORSEMENT# 19

This endorsement, effective *12:01 am December 31, 2016* forms a part of
policy number *03-829-45-80*
issued to *WASHINGTON CITIES INSURANCE AUTHORITY*

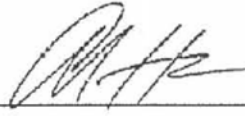
by *National Union Fire Insurance Company of Pittsburgh, Pa.*

FORMS INDEX ENDORSEMENT

The contents of the Policy is comprised of the following forms:

FORM NUMBER	EDITION DATE	FORM TITLE
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ALL OTHER TERMS, CONDITIONS AND EXCLUSIONS REMAIN UNCHANGED.



AUTHORIZED REPRESENTATIVE

ENDORSEMENT# 20**CRIME AND FIDELITY
CR 20 01 08 07**
forms a part of

This endorsement, effective *12:01 am May 4, 2017*
policy number *03-829-45-80*
issued to *WASHINGTON CITIES INSURANCE AUTHORITY*

by *National Union Fire Insurance Company of Pittsburgh, Pa.*

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

**POLICY CHANGE
(DISCOVERY FORM)**

This endorsement modifies insurance provided under the Discovery Form version of the following:

COMMERCIAL CRIME COVERAGE FORM
COMMERCIAL CRIME POLICY
EMPLOYEE THEFT AND FORGERY POLICY
GOVERNMENT CRIME COVERAGE FORM
GOVERNMENT CRIME POLICY

SCHEDULE

Change Number	Date Of Issue	Effective Date Of Change
<i>1</i>	<i>May 30, 2017</i>	<i>12:01 A.M. on: May 4, 2017</i>
The Named Insured is changed to:		
The following Insured(s) is added as a Named Insured: <i>City of Anacortes</i>		
The following Insured(s) is deleted as a Named Insured:		
The Mailing Address is changed to:		
The Policy Period is: Extended to: Reduced to:		
The following Insuring Agreement(s) is: ☐ Added to the Coverage Form/Policy		
Insuring Agreement(s)	Limit Of Insurance	Deductible Amount

END 020

ENDORSEMENT# 20 (continued)

☐ Deleted from the Coverage Form/Policy		
Insuring Agreement(s)	Limit Of Insurance	Deductible Amount
☐ Changed as respects the Limit(s) of Insurance and/or Deductible Amount(s)		
Insuring Agreement(s)	Limit Of Insurance	Deductible Amount
The following Endorsement(s) is:		
☐ Added to the Coverage Form/Policy		
Endorsement(s)	Limit Of Insurance	
☐ Deleted from the Coverage Form/Policy		
Endorsement(s)	Limit Of Insurance	
☐ Changed as respects the Limit(s) of Insurance		
Endorsement(s)	Limit Of Insurance	
Information required to complete this Schedule, if not shown above, will be shown in the Declarations.		

Application of changes affected by this Endorsement:

1. All Changes Other Than In Paragraph 2.

This change applies to loss or damage that you sustain resulting directly from an "occurrence" taking place at any

time which is "discovered" by you on or after the Effective Date of Change. However, if a retroactive date endorsement is used, the provisions of that endorsement are controlling.

2. Deletion Of Coverage

This change applies to loss or damage

END 020

ENDORSEMENT# 20 (continued)

that you sustain resulting directly from an "occurrence" taking place:

- a. On or after the Effective Date of Change which is "discovered" by you after the Effective Date of

change; and also

- b. Before the Effective Date of Change if "discovered" by you after 60 days from that date.

Accepted
First Named Insured: Name: Title:

ALL OTHER TERMS, CONDITIONS AND EXCLUSIONS REMAIN UNCHANGED.



AUTHORIZED REPRESENTATIVE

END 020

ENDORSEMENT# 21

This endorsement, effective *12:01 am May 4, 2017*
policy number *03-829-45-80*
issued to *WASHINGTON CITIES INSURANCE AUTHORITY*

forms a part of

by *National Union Fire Insurance Company of Pittsburgh, Pa.*

FORMS INDEX (AMENDED)

In consideration of the premium charged, it is hereby understood and agreed that the "Forms Index" Endorsement is amended to include the following:

FORM NUMBER	EDITION DATE	FORM TITLE
CR2001	08/07	POLICY CHANGE (DISCOVERY FORM)
SYSLIB	01/05	FORMS INDEX (AMENDED)

ALL OTHER TERMS, CONDITIONS AND EXCLUSIONS REMAIN UNCHANGED.



AUTHORIZED REPRESENTATIVE

END 021



Anacortes City Council

Proposed Agenda Items for the Next Eight Weeks Beginning June 26, 2017

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, vouchers and consent agenda items is 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.

June 26, 2017

July 3, 2017

Special Meeting: THIS MEETING WILL BE CANCELLED IN LIEU OF COMMUNITY INDEPENDENCE DAY CELEBRATION. DO NOT SCHEDULE ANY BUSINESS THIS NIGHT.

July 10, 2017

- Contract Award: Aquatic Vegetation Management of Heart Lake 17-073-PRK-001
- Community Action of Skagit County 2016 Impact Report

July 17, 2017

July 24, 2017

August 7, 2017

August 14, 2017

August 21, 2017

Upcoming City Council Committee Meetings

The public is welcome to attend City Council Committee Meetings.

- Public Works, Monday, Jun 19, 2017, 5:00 PM, Public Works Director's Office, City Hall
- Planning, Monday, Jun 26, 2017, 5:00 PM, Main Conference Room, City Hall
- Housing Affordability & Community Services, Thursday, Jul 6, 2017, 1:30 PM, City Hall
- Planning, Monday, Jul 10, 2017, 5:00 PM, Main Conference Room, City Hall
