

**** Per Governor's emergency [Proclamation 20-28](#) issued March 24, 2020, agencies are required to meet completely remotely without providing for a physical location. Agencies are prohibited from taking "action," as defined in RCW 42.30.020, unless those matters are necessary and routine matters or are matters necessary to respond to the COVID-19 outbreak and the current public health emergency, until such time as regular public participation under the Open Public Meetings Act is possible.**

**** Per Section 3 of Anacortes [Resolution 2082](#) Ratifying Proclamation of Emergency and Providing Temporary Procedures to Respond to the COVID-19 Epidemic, adopted by the Anacortes City Council on March 16, 2020:**

- All in-person Committee meetings of the City Council are cancelled. Council and committee meetings may be held telephonically regardless of whether the City has the capability of video recording meetings.
- The public comment portion of Council meetings and any scheduled public hearings are temporarily suspended to discourage public in-person attendance of City Council meetings.
- Meetings may be viewed live or viewed after the fact on the [City of Anacortes website](#) or on [Channel 10](#).
- The public may also listen to the meeting by phone: 312-757-3121, Access Code: 373-576-877
- The public is encouraged to comment via [email](#) or written comment addressed to: City Clerk, P.O. Box 547, Anacortes, WA 98221. Public comments received prior to 5:00 p.m. the day of the meeting will become part of the record for the meeting, just as if presented in person.



Anacortes City Council
Municipal Building Council Chambers
904 6th Street

**** This meeting will be held electronically only ****

April 20, 2020
6:00 p.m.

PRELIMINARY AGENDA

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

1. **Call to Order**
2. **Announcements and Committee Reports**
 - a. COVID-19 Update
 - b. IT Committee
 - c. Public Works Committee
3. **Consent Agenda (Action)**
 - a. Minutes of April 13, 2020
 - b. Approval of Claims in the amount of: \$568,548.12
 - c. Contract Award: Skagit Raw Water Pipeline & Clearwell Project - Coating Inspections #20-048-WTR-003
 - d. Contract Award: Skagit Raw Water Pipeline & Clearwell Project - Special Inspections #20-048-WTR-004
 - e. Contract Modification: Block 36 Sewer Improvements Project #19-197-SEW-001
 - f. Contract Award: 2020 Slurry Seal Roadway Preparation #20-002-TRN-001
4. **Public Hearings**
 - a. Public Hearing: Ordinance 3069: An Interim Ordinance Extending the Moratorium on the Acceptance of Certain Land Use Actions in the R4 Use Zone West of the Commercial Use Zone (Action)

Pursuant to Governor Inslee's Proclamation 20-28, certain requirements of the OPMA have been temporarily suspended and all in-person meetings are discouraged during the COVID-19 Emergency. The City Council is therefore requesting public participation in this public hearing by written comment only. A full public hearing will be scheduled once the COVID-19 Emergency has been declared over.

5. **Other Business**
 - a. Access Anacortes Fiber Internet Update (Discussion)
 - b. Cares/CDBG Funding Update (Discussion)
 - c. Monthly Finance Update and COVID-19 Impacts (Discussion)
6. **Adjournment**



Anacortes City Council

Proposed Agenda Items for the Next Eight Weeks Beginning April 27, 2020

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

April 27, 2020

- Modified Public Hearing: City of Anacortes CDBG Consolidated Plan: 2020 Annual Action Plan (Discussion)

May 4, 2020

- Modified Public Hearing: City of Anacortes CDBG Consolidated Plan: 2020 Annual Action Plan (Action)

May 11, 2020

May 18, 2020

May 26, 2020

- Monthly Finance Update and COVID-19 Impacts (Discussion)

June 1, 2020

June 8, 2020

June 15, 2020

Upcoming City Council Committee Meetings

The public is welcome to attend City Council Committee Meetings.

- Public Works, Monday, Apr 20, 2020, 5:00 PM, Teleconference
- Finance, Wednesday, Apr 22, 2020, 5:00 PM, Teleconference
- Personnel, Thursday, Apr 23, 2020, 12:30 PM, Teleconference
- Fiber, Thursday, Apr 23, 2020, 2:30 PM, Teleconference
- Planning, Monday, Apr 27, 2020, 5:00 PM, Teleconference
- Community Center / Pool, Thursday, Apr 30, 2020, 3:30 PM, CANCELLED
- Public Works, Monday, May 4, 2020, 5:00 PM, Teleconference
- Port/City Liaison, Tuesday, May 5, 2020, 8:30 PM, TBD
- Fiber, Thursday, May 7, 2020, 2:30 PM, Teleconference
- Housing Affordability & Community Services, Monday, May 11, 2020, 4:00 PM, Teleconference
- Planning, Monday, May 11, 2020, 5:00 PM, Teleconference

City Council Minutes – April 13, 2020

Mayor Laurie Gere called to order the Anacortes City Council meeting of April 13, 2020 at 6:00 p.m. Councilmembers Jeremy Carter, Anthony Young, Ryan Walters, Christine Cleland-McGrath, Carolyn Moulton, Bruce McDougall and Matt Miller all participated in the meeting in absentia via video conference.

Announcements and Committee Reports

COVID-19 Update: Mayor Gere provided a brief update on steps being taken in response to the COVID-19 epidemic and sources of information for the public. The mayor encouraged the public to submit questions for her weekly Wednesday afternoon Community Briefing on COVID-19.

Public Safety Committee: Mr. Miller reported from the electronic committee meeting the prior week. He said the Fire Department had reported no positive cases of COVID-19 among Fire Department staff, lower call volume and adequate resources. The Police Department reported normal patrol activity.

Fiber Committee: Mr. McDougall reported from the electronic committee meeting the prior Thursday. He shared statistics on customer sign up rates and installation counts in the three pilot zones. Mr. McDougall explained Fiber crew efforts to work with customers to allow installations without entering the customer premise to comply with social distancing requirements.

Finance Committee: Mr. Carter reported from the electronic committee meeting the prior Wednesday. He said the group discussed the new affordable housing sales tax and suspension of utility service shut off for non-payment. Mr. Walters added that Waste Management had requested rate increase to cover a state tax increase and that the Anacortes Cinema had requested rent forgiveness for the property it leases from the City of Anacortes.

Housing Affordability & Community Services Committee: Ms. Moulton reported from the electronic committee meeting earlier in the evening. She discussed the \$68K of additional CDBG funding that would be awarded to Anacortes due to COVID-19 and the committee's initial exploration of the most effective way to use those funds. She also encouraged any local landlords who can afford to do so to consider waiving rent for residential or commercial tenants.

Planning Committee: Mr. Walters reported from the electronic committee meeting earlier in the evening. He said the Planning Department is still receiving and processing permits but most construction is stopped except for specific allowed exceptions. Mr. Walters said the group also discussed ideas for preserving the 9th Street view corridor in conjunction with the Port's north basin project. Ms. Cleland-McGrath added that in light of the COVID-19 restrictions, the committee agreed on the wisdom of postponing action on the Shoreline Master Program and Critical Areas Regulations updates until a viable method for accepting public comment was available.

Public Comment

Per Section 3 of Resolution 2082 Ratifying Proclamation of Emergency and Providing Temporary Procedures to Respond to the COVID-19 Epidemic, adopted by the Anacortes City Council on March 16, 2020, the public comment portion of Council meetings and any scheduled public hearings were temporarily suspended to discourage public in-person attendance of City Council meetings. The public was encouraged to comment via email or written comment addressed to: City Clerk, P.O. Box 547, Anacortes, WA 98221. Public comments received prior to the meeting become part of the record for the meeting, just as if presented in person.

Consent Agenda

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

- a. Minutes of April 6, 2020
- b. Approval of Claims in the amount of: \$620,997.64
- c. Contract Award: Microsoft Office 365 Software Subscription #20-110-ITS-002

The following vouchers/checks were approved for payment:

EFT numbers: 96819 through 96871, total \$568,338.23

Check numbers: 96872 through 96891, total \$47,745.43

Wire transfer numbers: 266733 through 267007, total \$21,358.41

OTHER BUSINESS

Contract Award: Skagit River Raw Water Pipeline and Clearwell Project #20-048-WTR-001

Public Works Director Fred Buckenmeyer requested City Council consent to award a contract in the amount of \$11,511,850.00 to IMCO General Construction to perform the Skagit River Raw Water Pipeline and Clearwell Project. Mr. Buckenmeyer briefly described the scope of work of the two projects covered by the contract and responded to councilmember questions. He recommended approval. Mayor Gere requested that staff elaborate on the funding for the project. Mr. Buckenmeyer and Finance Director Steve Hoglund discussed the plan to issue bonds for the project later in the year and noted that the debt service cost for this anticipated capital project had already been factored into the current rates for all regional water system ratepayers.

Mr. Walters moved, seconded by Mr. McDougall, to authorize the Mayor to sign contract 20-048-WTR-001 as presented. Vote: Ayes – Cleland-McGrath, Young, Miller, Carter, McDougall, Walters and Moulton. Motion carried.

There being no further business, at approximately 6:35 p.m. the Anacortes City Council meeting of April 13, 2020 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 April 20, 2020 City Council meeting:
[Download this file in OpenDocument spreadsheet format.](#)

Invoice Doc #	Transaction Date	Invoice #	Vendor Full Name	Description	Total Amount	Approval Queue
267250	2/14/2020	RefundOrsini	ORSINI, ALEXIS	REFUND YTH TRACK AND FIELD	\$ 20.00	pkrec
267349	3/3/2020	RefundObeso	OBESO, ROSA	YOUTH TRACK AND FIELD REFUND	\$ 60.00	pkrec
267227	3/26/2020	5005516610	FERRELLGAS, LP	MARCH PROPANE INVOICE - AUTOGAS ACCOUNT	\$ 191.26	finance
267363	3/26/2020	T20339	NATIONAL AUTO FLEET GROUP	WTP TRUCK PURCHASE	\$ 36,018.78	pw1
267246	3/27/2020	1003069	USA DEBUSK, LLC	2020 WWTP INCINERATOR SAND REMOVAL/STORAGE	\$ 3,585.60	dwwtp
267330	3/30/2020	188726	REECE, STORMIE	CLEANING OF DEPOT MARCH 2020	\$ 374.00	parks1
267344	3/31/2020	95911730	150-PRAXAIR DISTRIBUTION INC	MAINTENANCE SUPPLIES	\$ 216.33	dwwtp
267240	3/31/2020	8205	BEAVER LAKE QUARRY	FILTER PROJECT: QUARRY SPALLS, CRUSHED ROCK	\$ 590.46	dwwtp
267411	3/31/2020	3490	BOYS & GIRLS CLUBS	MARCH - LUNCH PROGRAM SERVICE PROVISION	\$ 380.00	finance
267371	3/31/2020	15-72416	CUMMINS, INC.	REPAIRS #7904	\$ 475.41	dshop
267152	3/31/2020	169581	INFOSEND, INC.	MARCH 2020 PROCESSING	\$ 3,366.09	finance
267248	3/31/2020	30194	REICHHARDT & EBE ENGINEERING	SHIP HARBOR AND SR20 SPUR PROJECT - CONSTRUCTION ENGINEERING THROUGH 3/17/20	\$ 11,062.40	pw1
267244	3/31/2020	1453	SKAGIT CONSERVATION DISTRICT	NPDES II OUTREACH & EDUCATION - MARCH 2020	\$ 757.61	pw1
267162	3/31/2020	2020 Q1-Ana	SKAGIT COUNTY DEM	1ST QTR SHARED COSTS	\$ 12,890.94	medic
267178	3/31/2020	0173	SKAGIT COUNTY SOLID WASTE FUND	MARCH TONNAGE HAULED	\$ 76,860.18	dshop
267360	3/31/2020	207098	WIDENER & ASSOCIATES	SK RIVER 42" WATER LINE - DESIGN ASSISTANCE & PERMITTING - MARCH 2020	\$ 4,089.60	pw1
267361	3/31/2020	207097	WIDENER & ASSOCIATES	WWTP OUTFALL PERMITTING SERVICES - MARCH 2020	\$ 9,693.20	pw1
267104	4/1/2020	052-0010-00	CITY OF ANACORTES	OPS W/S/G 3/1-3/31/20	\$ 1,330.03	dshop
266704	4/1/2020	817807	JCI JONES CHEMICALS INC	SODIUM HYPOCHLORITE 12.5% SOLUTION	\$ 4,828.30	dwwtp
267026	4/1/2020	0320	NELSON, BONNIE	AGING MASTERY PROGRAM ADMINISTRATION - MARCH 2020	\$ 87.50	parks1
266985	4/1/2020	200012505505	PUGET SOUND ENERGY INC	WTP 3/1-3/31/20	\$ 64,549.24	dwwtp
267061	4/1/2020	200000666863	PUGET SOUND ENERGY INC	LIBRARY 10TH STREET LED 3/1-4/1/20	\$ 6.60	publib
267062	4/1/2020	200000667218	PUGET SOUND ENERGY INC	LIBRARY 10TH & M ST 3/1-4/1/20	\$ 20.62	publib
267241	4/1/2020	3068	SKAGIT COUNTY SHERIFF'S OFFICE	INMATE MEDICAL - PERIOD ENDING 6/25/2020	\$ 14,434.43	apd
267333	4/1/2020	GB00100301	TRANSAMERICA LIFE INS CO	APRIL, LEOFF LONG-TERM CARE INSURANCE	\$ 634.98	hr
267151	4/1/2020	1391746-0043-8	WASTE MANAGEMENT	MARCH 2020 CONTRACTED SERVICES	\$ 112,853.25	finance

Invoice Doc #	Transaction Date	Invoice #	Vendor Full Name	Description	Total Amount	Approval Queue
267094	4/2/2020	2020 2nd Qtr	NORTHWEST PARKING EQUIPMENT	2ND QUARTER MAINTENANCE WA PARK	\$ 461.98	parks1
267362	4/2/2020	2020-0063	PUBLIC SAFETY TESTING, INC	PUBLIC SAFETY TESTING SUBSCRIPTION FEES, POLICE & FIRE	\$ 654.00	hr
267155	4/3/2020	4/3/2020	ANACORTES CHAMBER OF COMMERCE	LTAC CHAMBER VIC 1ST QTR	\$ 15,150.00	plan
267229	4/3/2020	83577544	BOUND TREE MEDICAL, LLC	BVM RESUSCITATORS	\$ 898.41	medic
267357	4/3/2020	INV-8566	MACLEOD RECKORD PLLC	GUEMES CHANNEL TRAIL 30% DESIGN - PHASE II - MARCH 2020	\$ 1,059.68	pw1
267358	4/3/2020	INV-8565	MACLEOD RECKORD PLLC	GUEMES TRAIL DESIGN - PHASE 6 - THROUGH 3/31/20	\$ 500.88	pw1
267348	4/6/2020	1991701534	ARAMARK	LAUNDRY SERVICES	\$ 90.45	dwwtp
267334	4/6/2020	1345	ASPHALT QUALITY SEALERS	YELLOW CENTER-LINE STRIPE REMOVAL	\$ 489.15	pw1
266845	4/6/2020	0868574	FERGUSON ENTERPRISES, INC	METERS FOR INVENTORY	\$ 8,329.43	wdist
267325	4/6/2020	57637559	GOVCONNECTION, INC	NETVANTA SESSION	\$ 1,038.22	infosys
267228	4/6/2020	BMS88350	OVERHEAD DOOR CO	REPAIR MALFUNCTIONING BAY DOOR - 29-3	\$ 1,163.09	medic
267100	4/6/2020	3047	SIGNDOG NW	PICKETT POCKET PARK SIGN	\$ 92.40	parks1
267153	4/7/2020	279689	BAY CITY SUPPLY	COVID-19 FACILITY ITEMS	\$ 1,139.53	pwfac
267158	4/7/2020	279805	BAY CITY SUPPLY	FACILITY SUPPLY ITEM	\$ 67.50	pwfac
267159	4/7/2020	280534	BAY CITY SUPPLY	COVID-19 FACILITY ITEMS	\$ 33.59	pwfac
267161	4/7/2020	280543	BAY CITY SUPPLY	COVID-19 ITEMS	\$ 1,396.99	pwfac
267233	4/7/2020	007K9353	HARRINGTON INDUSTRIAL	CHEM PROLINE MATERIALS	\$ 4,608.48	dwwtp
267165	4/7/2020	991537	LIFE ASSIST, INC	EXAM GLOVES	\$ 119.57	medic
267107	4/7/2020	001-462215	PISTON SERVICE OF ANACORTES	FUSES, STOCK INVENTORY	\$ 12.30	dshop
267060	4/7/2020	220015523313	PUGET SOUND ENERGY INC	CAR CHARGING STATION 3/7-4/6/20	\$ 47.83	dshop
267254	4/7/2020	220013286525	PUGET SOUND ENERGY INC	HEART OF ANACORTES 3/7-4/6/20	\$ 254.24	plan
267353	4/7/2020	220022355618	PUGET SOUND ENERGY INC	TSUNAMI SIREN SKYLINE WAY 3/7-4/6/20	\$ 18.84	dwwtp
267174	4/7/2020	130	SKAGIT DOMESTIC VIOLENCE &	SKAGIT COUNTY DV & SA SERVICES; 1/1/20-3/31/20	\$ 894.63	apd
267184	4/7/2020	20200656	SYSTEMS DESIGN WEST, LLC	AMBULANCE SERVICE BILLING 03/2020	\$ 3,339.60	finance
267156	4/8/2020	1991705395	ARAMARK	STA 3 MAT/MOP SERVICE - 4/8	\$ 21.74	medic
267234	4/8/2020	83583911	BOUND TREE MEDICAL, LLC	PHARMACEUTICALS	\$ 110.75	medic
267238	4/8/2020	92872282	CHEMTRADE CHEMICALS US LLC	ALUMINUM SULFATE	\$ 4,894.86	dwwtp
267092	4/8/2020	RefundGeffe	GEFFE, LAURIE	REFUND FOR YOUTH VBALL	\$ 38.00	pkrec
267102	4/8/2020	119984	LAKESIDE INDUSTRIES, INC.	5/8" & 3/4" ROCK SALES- FIBER	\$ 211.66	wdist
267105	4/8/2020	119964	LAKESIDE INDUSTRIES, INC.	LAKESIDE INDUSTRIES PPP ROCK SUPPLIES	\$ 146.36	parks1
267110	4/8/2020	119965	LAKESIDE INDUSTRIES, INC.	WA PARK ROCK SUPPLIES LAKESIDE	\$ 82.67	parks1
267108	4/8/2020	001-462300	PISTON SERVICE OF ANACORTES	COOLANT HOSE #9911	\$ 15.16	dshop
267255	4/8/2020	220013297076	PUGET SOUND ENERGY INC	1100 STATE ROUTE 20 3/10-4/7/20	\$ 21.88	plan
267326	4/8/2020	220013297498	PUGET SOUND ENERGY INC	CASINO DR UNDER TWIN BRIDGES 3/10-4/7/2020	\$ 64.93	wdist
267356	4/8/2020	220022355619	PUGET SOUND ENERGY INC	TSUNAMI SIREN T AVE 3/10-4/7/20	\$ 17.81	dwwtp

Invoice Doc #	Transaction Date	Invoice #	Vendor Full Name	Description	Total Amount	Approval Queue
267149	4/8/2020	13769	RICK'S REFRIGERATION, INC.	REPLACEMENT DISHWASHER FOR SENIOR CENTER KITCHEN	\$ 14,131.00	pwfac
267256	4/8/2020	1205366	SKAGIT PUBLISHING LLC	PUBLISH AA-2006685 AA-2006688	\$ 331.20	finance
267239	4/8/2020	331 0513171	UNIFIRST CORPORATION	WTP LAUNDRY SERVICE	\$ 87.89	dwtpt
267097	4/8/2020	114-10146452	UNITED SITE SERVICES, INC	ACE OF HEARTS 3/1-3/31/20	\$ 97.34	parks1
267098	4/8/2020	114-10146451	UNITED SITE SERVICES, INC	WA PK LOOP #1 3/1-3/31/20	\$ 100.43	parks1
267157	4/9/2020	1991707254	ARAMARK	STA 2 MAT/MOP SERVICE 4/9	\$ 21.74	medic
267160	4/9/2020	1991707255	ARAMARK	STA 1 MAT/MOP SERVICE 4/9	\$ 21.74	medic
267173	4/9/2020	1991707258	ARAMARK	APD NYLON MATS CLEANED	\$ 16.31	apd
267176	4/9/2020	1991707265	ARAMARK	OPS: MAT CLEANING 04/09/2020	\$ 34.96	dshop
267230	4/9/2020	1991707264	ARAMARK	OPS & PARKS LAUNDRY SVC FOR	\$ 79.23	finance
267163	4/9/2020	279646A	BAY CITY SUPPLY	COVID-19 ITEM	\$ 2,141.78	pwfac
267164	4/9/2020	280534A	BAY CITY SUPPLY	COVID-19 FACILITY SUPPLY ITEMS	\$ 341.99	pwfac
267166	4/9/2020	280681	BAY CITY SUPPLY	COVID-19 ITEM	\$ 164.35	pwfac
267168	4/9/2020	280688	BAY CITY SUPPLY	COVID-19 FACILITY SUPPLIES	\$ 493.28	pwfac
267101	4/9/2020	INV2128470	COPIERS NORTHWEST, INC	CANON/IRC5560I FINANCE/OPS/WWTP 3/8-4/7/20	\$ 413.26	finance
267167	4/9/2020	993017	LIFE ASSIST, INC	EXAM GLOVES	\$ 119.57	medic
267182	4/9/2020	174445	OASYS INC	BASE RATE CHARGE 4/9/20-5/8/20	\$ 88.89	pw1
267225	4/9/2020	001-462378	PISTON SERVICE OF ANACORTES	BATTERIES FOR VEH #613	\$ 391.16	dshop
267242	4/9/2020	3064	SKAGIT COUNTY SHERIFF'S OFFICE	NW MINI CHAIN; 1ST QTR 2020	\$ 2,973.75	apd
267237	4/9/2020	112125	WALTON BEVERAGE COMPANY, INC	WTP BREAKROOM SUPPLIES	\$ 70.00	dwtpt
267226	4/10/2020	8498 30 030 0111230	COMCAST	WTP 14489 RIVER BEND RD. - 4/19-5/18/20	\$ 230.58	finance
267150	4/10/2020	261448	DEPT OF LABOR & INDUSTRIES	DUMBWAITER CERTIFICATION FOR WTP 6/1/20-6/1/2021	\$ 33.20	pwfac
267345	4/10/2020	1200260917	HDR ENGINEERING, INC	PILOT-SCALE AND FULL-SCALE TESTING FOR WTP - WA DOH STUDIES - THROUGH 3/28/20	\$ 12,356.92	pw1
267347	4/10/2020	1200260856	HDR ENGINEERING, INC	PILOT-SCALE & FULL-SCALE TESTING FOR WTP FILTERS RE-RATING - 10/27/19-3/28/20	\$ 477.50	pw1
267350	4/10/2020	1200260967	HDR ENGINEERING, INC	SKAGIT RIVER 42" WATER LINE PROJECT - PHASE 2 - 3/1/20-3/28/20	\$ 5,978.39	pw1
267354	4/10/2020	1200260859	HDR ENGINEERING, INC	SKAGIT RAW WATER PIPELINE/CLEARWELL - CONSTRUCTION MNGMNT - 3/9-3/28/20	\$ 11,810.56	pw1
267355	4/10/2020	1200260857	HDR ENGINEERING, INC	WTP CONTROLS MODIFICATIONS PROJECT - ENGINEERING - 3/1/20-3/28/20	\$ 814.38	pw1
267181	4/10/2020	MV232365	MOTOR TRUCKS, INC	TOOL BOX- #194	\$ 1,113.59	dshop

Invoice Doc #	Transaction Date	Invoice #	Vendor Full Name	Description	Total Amount	Approval Queue
267245	4/10/2020	P1819-2-1	QCC QUALITY CONTROLS CORP.	WTP CONTROLS MODIFICATIONS PROJECT - PHASES 2 & 3 BAS TRAINS CONTROLS UPGRADE	\$ 16,817.50	dwtpt
267247	4/10/2020	P0002-31	QCC QUALITY CONTROLS CORP.	ON CALL PROFESSIONAL SERVICES AT WTP - MARCH 2020 DEARDEN SERVICE	\$ 700.00	dwtpt
267171	4/10/2020	RefundTarvin	TARVIN, BEKKI	REFUND YOUTH VBALL	\$ 38.00	pkrec
267352	4/10/2020	2048476	WASHINGTON TRACTOR, INC	GRASS MULCH KIT #714	\$ 387.31	dshop
267346	4/11/2020	8498 30 017 0464628	COMCAST	WA PARK INTERNET 4/20-5/21/20	\$ 106.15	finance
267327	4/11/2020	MV232412	MOTOR TRUCKS, INC	VENT CAB EXHAUSTER, HINGE #213	\$ 297.19	dshop
267252	4/11/2020	001-462515	PISTON SERVICE OF ANACORTES	WIX LUBE FOR STOCK	\$ 49.15	dshop
267351	4/13/2020	1991710663	ARAMARK	LAUNDRY SERVICES	\$ 76.07	dwwtp
267251	4/13/2020	RefundBowker	BOWKER, MICHELLE	REFUND YOUTH TRACK AND FIELD	\$ 20.00	pkrec
267231	4/13/2020	04/13/2020	FIDALGO CLEANING	APD CLEANING & SUPPLIES	\$ 700.00	apd
267232	4/13/2020	ReimbHansen	HANSEN, MICHAEL	SHOE/BOOT ALLOWANCE; DET HANSEN	\$ 210.56	apd
267253	4/13/2020	001-462574	PISTON SERVICE OF ANACORTES	FILTERS TO STOCK SHOP	\$ 193.75	dshop
267375	4/13/2020	001-462600	PISTON SERVICE OF ANACORTES	THERMAL FLASHER CARD #410	\$ 2.13	dshop
267339	4/14/2020	140-0660-00	ATKINSON, ELTON	UB Refund Cst #042651	\$ 93.26	finance
267343	4/14/2020	110-0740-02	BARRETT, ELI	UB Refund Cst #057755	\$ 116.38	finance
267376	4/14/2020	13327	BUD CLARY CHEVROLET, INC.	2020 TAHOE - POLICE	\$ 47,460.77	dshop
267341	4/14/2020	050-2960-02	ESSLEY, JANIS	UB Refund Cst #057446	\$ 120.00	finance
267342	4/14/2020	080-2080-03	MILLER, PAUL	UB Refund Cst #057640	\$ 107.52	finance
267337	4/14/2020	080-3840-01	PETERSON, CHERI	UB Refund Cst #041004	\$ 241.80	finance
267336	4/14/2020	050-3040-00	PFEFFER, JOSEPH & MARIA	UB Refund Cst #039415	\$ 5.73	finance
267340	4/14/2020	440-0460-00	REYNHOLDS, MARILYN	UB Refund Cst #046116	\$ 120.65	finance
267369	4/14/2020	19-145-WTR-0011	SEAHURST ELECTRIC, INC	RETAINAGE RELEASE	\$ 4,480.00	pw1
267338	4/14/2020	091-1400-00	SPARKS, MARJEANE	UB Refund Cst #041283	\$ 112.54	finance
267366	4/14/2020	16-004-TRN-0041	SRV CONSTRUCTION, INC	RETAINAGE RELEASE	\$ 34,245.14	pw1
267328	4/14/2020	331 0514081	UNIFIRST CORPORATION	WATER CREW LAUNDRY	\$ 48.11	wdist

Total **\$568,548.12**



City Council Contract Agenda Bill

Meeting Date: 4/20/2020 **Agenda Item:** 3c

Subject: Contract Award – Skagit River Raw Water Pipeline and Clearwell Project – Coating Inspections #20-048-WTR-003

Staff Contact: Fred Buckenmeyer

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

Action Type: Contract Award

Summary Statement: City staff seeks City Council consent to award a contract in the amount of \$45,650.30 to Northwest Corrosion Engineering to perform the coating inspections for the Skagit River Raw Water Pipeline and Clearwell project. Northwest Corrosion Engineering is to inspect all cathodic protection, coatings, electrical isolation fittings, and perform on-site testing of said construction items.

Background:

1. **History:** The City of Anacortes will construct two new facilities for the WTP - 1) a second raw water pipeline, parallel to the existing pipeline, to provide for redundancy of raw water supply and greater resiliency of its water supply system, and 2) a second treated water chlorine contacting tank, referred to as a clearwell. The two new facilities will be constructed by IMCO General Construction under a single construction contract.
2. **Key Terms:**
 - Contract is on a time-and-materials basis not-to-exceed \$45,650.30.
 - The period of performance under this Agreement is through December 31, 2021.
3. **Competitive Bidding:** This work is considered a personal service and there are no statutory requirements for procurement.

Previous Council/Committee Action: Council approved contract [18-070-WTR-001](#) with Widener & Associates for the raw water line design assistance and permitting at the [5/14/2018](#) meeting. Contract [18-070-WTR-002](#) with HDR for preliminary engineering of the raw water line was approved at the [11/19/2018](#) meeting. Contract [18-070-WTR-003](#) for final design and bidding documents for the raw water line was approved at the [8/26/2019](#) meeting. Contract [19-137-WTR-001](#) for the design of the second clearwell was approved at the [8/26/2019](#) meeting. Contract 20-048-WTR-002 with HDR for Construction Management was approved at the [2/24/20](#) meeting, and Contract [20-048-WTR-001](#) with IMCO General Construction for the project construction was approved at the [4/13/20](#) meeting.

Competing Viewpoints Considered: N/A

Recommended Motion: I move that City Council authorize the Mayor to sign contract 20-048-WTR-003 with Northwest Corrosion Engineering in the amount of \$45,650.30 to perform the Skagit River Raw Water Pipeline and Clearwell Project - Coating Inspections.

Alternative Actions: Not award the contract

Attachments: Contract 20-048-WTR-003

Contractor	Northwest Corrosion Engineering
Contract Amount	\$45,650.30
Earmarked Funds	\$13,500,000.00
BARS #	401.000.594.34.63
Budget Amendment Required?	No
Start Date	Contract execution
End Date	12/31/2021



AGREEMENT 20-048-WTR-003
Between
THE CITY OF ANACORTES
AND
NORTHWEST CORROSION ENGINEERING

**SKAGIT RIVER RAW WATER PIPELINE AND CLEARWELL PROJECT –
COATING INSPECTIONS**

This Agreement, hereinafter referred to as "Agreement", made and entered into between the City of Anacortes, hereinafter referred to as the "City", and Northwest Corrosion Engineering, hereinafter referred to as the "Consultant"; alleged

WHEREAS, the City requires the professional services of the Consultant;

NOW, THEREFORE, in consideration of mutual benefits accruing, it is agreed by and between the parties hereto as follows:

1. **Scope of Work.** Under this Agreement, the Consultant shall provide coating inspections as described in Exhibit A, which is hereby incorporated by reference and made a part hereof, for the Skagit River Raw Water Pipeline and Clearwell Project. Work shall be performed under the direction of Eric Shjarback, Project Manager, who may be reached at (360) 299-1980 or erics@cityofanacortes.org.

2. **Price and Payment Terms.** The services provided under this Agreement shall be on a time and materials basis not-to-exceed **Forty-Five Thousand Six Hundred Fifty Dollars and Thirty Cents (\$45,650.30)**. The per task estimates are detailed in Exhibit A.

3. **Period of Performance.** The period of performance under this Agreement is from inception through December 31, 2021.

4. **Subcontracts.** The Consultant shall give notice in advance of placing any subcontract and will identify subcontracts before subcontracted work begins. "Subcontract" means any contract entered into by a sub Consultant to furnish supplies or services for performance of the prime Consultant or a sub Consultant. 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 Consultant, (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 Agreement,; or
- (3) To relieve the Consultant of any responsibility for performing this Agreement.

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

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

6. **Invoicing.** All invoices shall include a cover page that states: Company Name, Invoice Date, Due Date (30 days), Invoice Number, Invoice Period, Project Manager Name, AGREEMENT Number, Agreement Price, amount requested per invoice and cumulative invoiced amount. Invoices shall include actual hours worked by Period, by Labor Category. The Consultant must invoice **MONTHLY** for quantities delivered during the invoice period, and no more frequently than monthly, and allow 30 calendar days from receipt of the invoice for payment. 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

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

7. **Withholding Payment.** In the event the City determines that the Consultant 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 Consultant 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 Consultant to terminate or damages, provided that the City promptly gives notice in writing to the Consultant of the nature of the default or failure to perform, and in no case more than 8 days after it determines to withhold amounts otherwise due. A determination of the City Attorney set forth in such notice to the Consultant 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 Consultant acts within the times and in strict accord with the provisions of the Disputes clause of this Contract. The City may act in accordance with any determination of the City Attorney which has become conclusive under this clause, without prejudice to any other remedy under the Contract, to take all or any of the following actions: (1) cure any failure or default, (2) to pay any amount so required to be paid and to charge the same to the account of the Consultant, (3) to set off any amount so paid or incurred from amounts due to become due the Consultant. In the event the Consultant obtains relief upon a claim under the Disputes clause, no penalty or damages shall accrue to Consultant by reason of good faith withholding by the City under this clause.

8. **Final Payment: Waiver Of Claim.** The Consultant's acceptance of final payment shall constitute a waiver of claims, except those previously and properly made and identified by the Consultant as unsettled at the time request for final payment is made.

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

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

11. **Defense and Indemnity Agreement.** Consultant shall defend, indemnify and hold the City, its officers, officials, employees and volunteers harmless from any and all claims, injuries, damages, losses or suits including attorney fees, arising out of or resulting from the acts, errors or omissions of the Consultant 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 Consultant and the City, its officers, officials, employees, and volunteers, the Consultant's liability, including the duty and cost to defend, hereunder shall be only to the extent of the Consultant's negligence. It is further specifically and expressly understood that the indemnification provided herein constitutes the Consultant's waiver of immunity under Industrial Insurance, Title 51 RCW, solely for the purposes of this indemnification. This waiver has been mutually negotiated by the parties. The provisions of this section shall survive the expiration or termination of this Agreement.

12. **General and Professional Liability Insurance.**

A. Insurance Term: The Consultant shall procure and maintain for the duration of the Agreement, insurance against claims for injuries to persons or damage to property which may arise from or in connection with the performance of the work hereunder by the Consultant, its agents, representatives, or employees.

B. No Limitation: Consultant's maintenance of insurance as required by this Agreement shall not be construed to limit the liability of the Consultant to the coverage provided by such insurance, or otherwise limit the City's recourse to any remedy available at law or in equity.

C. Minimum Scope of Insurance: Consultant shall obtain insurance of the types and coverages described below:

1. Automobile Liability insurance covering all owned, non-owned, hired and leased vehicles. Coverage shall be as least as broad as Insurance Services Office (ISO) form CA 00 01.

2. Commercial General Liability insurance shall be at least as broad as ISO occurrences form CG 00 01 and shall cover liability arising from premises, operations, stop-gap independent consultants and personal injury and advertising injury. The City shall be named as an additional insured under the Consultant's Commercial General Liability insurance policy with respect to the work performed for the City using an additional insured endorsement at least as broad as ISO CG 20 26.
3. Worker's Compensation coverage as required by the Industrial Insurance laws of the State of Washington.
4. Professional Liability insurance appropriate to the Consultant's profession.

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

1. Automobile Liability insurance with a minimum combined single limit for bodily injury and property damage of \$1,000,000 per accident.
2. Commercial General Liability insurance shall be written with limits no less than \$1,000,000 each occurrence and \$2,000,000 general aggregate.
3. Professional Liability insurance shall be written with limits no less than \$1,000,000 per claim and \$1,000,000 policy aggregate limit.

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

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

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

H. Notice of Cancellation: The Consultant shall provide the City with written notice of any policy cancellation within two business days of their receipt of such notice.

I. Failure to Maintain Insurance: Failure on the part of the Consultant to maintain the insurance as required shall constitute a material breach of contract, upon which the City may, after giving five business days' notice to the Consultant 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 sums so expended to be repaid to the City on demand, or at the sole discretion of the City, offset against funds due the Consultant from the City.

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

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

14. **Inspection.** The Project Manager shall have power to reject instruments of services which fail to comply with the requirements of this Agreement, but in case of dispute the Consultant may appeal to the City Attorney, whose decision shall be final. The Consultant shall comply with any and all orders and instructions given by the representative of the particular Department administering the Agreement in accordance with the terms of the Agreement. Nothing herein contained shall be taken to relieve the Consultant of his/her obligations or responsibilities under the Agreement. However, the Consultant shall be responsible for its own methods and conduct during the period of performance.

15. **Standard of Care.** The Consultant represents that Consultant has the necessary knowledge, skill, and experience to perform the Services required by this Agreement. Consultant and any persons employed by Consultant shall use their professional skill and efforts to perform the Work in a professional manner consistent with sound engineering practices, in accordance with the usually and customary professional care required for services of the type described in the Scope of Work herein provided at the same time and in the same locale. The City's remedy for a failure to meet the above Standard of Care shall be the re-performance of the Service or an equitable adjustment in the monies paid for the Professional Services, at the City's discretion

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

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

18. **Acceptance.** Consultant 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 Consultant. 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.

19. **No Third Party Beneficiary Rights.** This Agreement is not intended to and shall not be construed to give any Third Party any interest or rights (including, without limitation, any Third Party beneficiary rights) with respect to or in connection with any agreement or provision contained herein or contemplated hereby, except as otherwise expressly provided for in this Agreement.

20. **Right to Terminate Agreement.**

A. Termination for Default: If the Consultant 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 Consultant 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 Consultant shall not be entitled to receive any further payments under the Agreement until all work called for 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 Consultant. The Consultant 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 Consultant 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 Consultant shall be entitled to payment for actual work performed at unit Agreement prices for completed items of work. 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.

21. **Changes/Additional Work.** The City may engage Consultant to perform services in addition to those listed in this Agreement, and Consultant 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 Consultant 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.

22. **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.

23. **Non-assignable.** The services to be provided by the Consultant shall not be assigned or subcontracted without the express written consent of the City.

24. **Covenant Against Contingent Fees.** The Consultant warrants that he has not employed or retained any company or person, other than a bona fide employee working solely for the Consultant, 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 Consultant, 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.

25. **Disputes**

A. General: Differences between the Consultant 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 Consultant 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 Contracting Agent or the City, or (2) the happening of any event or occurrence, unless the Consultant 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 Consultant 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. Consultant 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 Consultant 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 Consultant 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 Consultant arising of this Agreement, or any obligation hereunder the dispute shall first be referred to the representatives designated by the City and the Consultant 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.

26. **Force Majeure.** Neither party shall be liable to the other or deemed in breach or default for any failure or delay in performance under this Agreement during the time and to the extent its performance is prevented by reasons of Force Majeure. For the purposes of this Agreement, Force Majeure means an occurrence that is beyond the reasonable control of and without fault or negligence of the party claiming force majeure and which, by exercise of due diligence of such party, could not have been prevented or overcome. Force Majeure shall include natural disasters, including fire, flood, earthquake, windstorm, avalanche, mudslide, and other similar events; acts of war or civil unrest when an emergency has been declared by appropriate governmental officials; acts of civil or military authority; freight embargoes; epidemics; quarantine restrictions; labor strikes; boycotts; terrorist acts; riots; insurrections; explosions; and nuclear accidents. A party claiming suspension or termination of its obligations due to force majeure shall give the other party prompt written notice, but no more than two (2) working days after the event, of the impediment and its effect on the ability to perform; failure to provide such notice shall preclude recovery under this provision. 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

27. **Compliance with Laws.** The Consultant 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. The Consultant specifically agrees to pay any applicable business and occupation (B&O) taxes, which may be due on account of this Agreement.

28. **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.

29. **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.

30. **Survival of Agreement Termination.** The articles relating to Defense and Indemnity, Taxes, Ownership and Use of Documents, Assistance Regarding Patent and Copyright Infringement, The City's Right to Terminate Agreement, Governing Law, and Disputes, shall survive completion of the services, payment in full of the compensation and termination of this Agreement.

31. **Notices.** Receipt of any notice shall be deemed effective three days after deposit of written notice in the U.S. mail, with proper postage and properly addressed. Notices shall be sent to the following addresses:

CITY:

City of Anacortes
Tiffany Matson
904 6th Street
PO Box 547
Anacortes, WA 98221

CONSULTANT:

Northwest Corrosion Engineering
Jeremy Hailey, P.E.
P.O. Box 905
Burlington, WA 98233

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

CITY OF ANACORTES

NORTHWEST CORROSION ENGINEERING

By _____
Laurie Gere, Mayor

By _____

Date _____

Title _____

Date _____

CONTRACT 20-048-WTR-003 EXHIBIT A

NORTHWEST CORROSION ENGINEERING

PROJECT: City of Anacortes CP and Coating Inspection Proposal

Job No. Proposal
Estimate By: JAH
Date: 25-Mar-20
Revision: 0

SCOPE OF WORK AND BUDGET

Proposed Scope of Work Tasks	JAH HRS
1. Review of cathodic protection design requirements and addressing bidder questions	10
2. Review of design documents: cathodic protection and coating specification	10
3. Contractor submittal reviews for cathodic protection and coatings	4
4. On site coating inspection - interior and exterior surfaces of tank (15 days, 8/hr day with report)	120
5. On site coating inspection - raw water piping (10 days, 8/hr day with report)	80
6. On site inspection during installation of tank cathodic protection system (2 days)	16
7. Field inspection/verification of electrical isolation fittings for piping	8
8. Inspection and operational testing of piping corrosion monitoring/isolation test stations	8
9. On site testing/verification of tank cathodic protection system operation	8
10. Meetings with HDR and City of Anacortes	16
TOTAL HOURS	280

Eng Hrs Insp. Hrs
80 200

FEES	Cost
JAH: Principal Engineer - \$205.37/hr	\$ 16,429.60
JAH: Level 3 Coating Inspector - \$139.80/hr	\$ 27,960.00
Administration - 10 hr @ \$81.22/hr	\$ 812.20

ESTIMATED PROJECT COST	
Fees	\$ 45,201.80
Mileage (30 miles round trip * 26)	\$ 448.50
ESTIMATED PROJECT COST	\$ 45,650.30



City Council Contract Agenda Bill

Meeting Date: 4/20/2020 **Agenda Item:** 3d

Subject: Contract Award – Skagit River Raw Water Pipeline and Clearwell Project – Structural Inspections #20-048-WTR-004

Staff Contact: Fred Buckenmeyer

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

Action Type: Contract Award

Summary Statement: City staff seeks City Council consent to award a contract in the amount of \$52,260.00 to Materials Testing & Consulting, Inc. (MTC) to perform the structural inspections for the Skagit River Raw Water Pipeline and Clearwell project. MTC is to do all of the structural inspections including concrete, asphalt, foundation, slab on grade, steel fabrication, field erection, lab testing, etc.

Background:

1. **History:** The City of Anacortes will construct two new facilities for the WTP - 1) a second raw water pipeline, parallel to the existing pipeline, to provide for redundancy of raw water supply and greater resiliency of its water supply system, and 2) a second treated water chlorine contacting tank, referred to as a clearwell. The two new facilities will be constructed by IMCO General Construction under a single construction contract.
2. **Key Terms:**
 - Contract is on a time-and-materials basis not-to-exceed \$52,260.00.
 - The period of performance under this Agreement is through December 31, 2021.
3. **Competitive Bidding:** This work is considered a personal service and there are no statutory requirements for procurement.

Previous Council/Committee Action: Council approved contract [18-070-WTR-001](#) with Widener & Associates for the raw water line design assistance and permitting at the [5/14/2018](#) meeting. Contract [18-070-WTR-002](#) with HDR for preliminary engineering of the raw water line was approved at the [11/19/2018](#) meeting. Contract [18-070-WTR-003](#) for final design and bidding documents for the raw water line was approved at the [8/26/2019](#) meeting. Contract [19-137-WTR-001](#) for the design of the second clearwell was approved at the [8/26/2019](#) meeting. Contract 20-048-WTR-002 with HDR for Construction Management was approved at the [2/24/20](#) meeting, and Contract [20-048-WTR-001](#) with IMCO General Construction for the project construction was approved at the [4/13/20](#) meeting.

Competing Viewpoints Considered: N/A

Recommended Motion: I move that City Council authorize the Mayor to sign contract 20-048-WTR-004 with Materials Testing & Consulting, Inc. in the amount of \$52,260.00 to perform the Skagit River Raw Water Pipeline and Clearwell Project - Structural Inspections.

Alternative Actions: Not award the contract

Attachments: Contract 20-048-WTR-004

Contractor	Materials Testing & Consulting, Inc. (MTC)
Contract Amount	\$52,260.00
Earmarked Funds	\$13,500,000.00
BARS #	401.000.594.34.63
Budget Amendment Required?	No
Start Date	Contract execution
End Date	12/31/2021



AGREEMENT 20-048-WTR-004
Between
THE CITY OF ANACORTES
AND
MATERIALS TESTING & CONSULTING, INC.

**SKAGIT RIVER RAW WATER PIPELINE AND CLEARWELL PROJECT –
STRUCTURAL INSPECTIONS**

This Agreement, hereinafter referred to as "Agreement", made and entered into between the City of Anacortes, hereinafter referred to as the "City", and Materials Testing & Consulting, Inc. (MTC), hereinafter referred to as the "Consultant"; alleged

WHEREAS, the City requires the professional services of the Consultant;

NOW, THEREFORE, in consideration of mutual benefits accruing, it is agreed by and between the parties hereto as follows:

1. **Scope of Work.** Under this Agreement, the Consultant shall provide structural inspections as described in Exhibit A, which is hereby incorporated by reference and made a part hereof, for the Skagit River Raw Water Pipeline and Clearwell Project. Work shall be performed under the direction of Eric Shjarback, Project Manager, who may be reached at (360) 299-1980 or erics@cityofanacortes.org.

2. **Price and Payment Terms.** The services provided under this Agreement shall be on a time and materials basis not-to-exceed **Fifty-Two Thousand Two Hundred Sixty Dollars (\$52,260.00)**. The per task estimates are detailed in Exhibit A.

3. **Period of Performance.** The period of performance under this Agreement is from inception through December 31, 2021.

4. **Subcontracts.** The Consultant shall give notice in advance of placing any subcontract and will identify subcontracts before subcontracted work begins. "Subcontract" means any contract entered into by a sub Consultant to furnish supplies or services for performance of the prime Consultant or a sub Consultant. 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 Consultant, (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 Agreement,; or
- (3) To relieve the Consultant of any responsibility for performing this Agreement.

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

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

6. **Invoicing.** All invoices shall include a cover page that states: Company Name, Invoice Date, Due Date (30 days), Invoice Number, Invoice Period, Project Manager Name, AGREEMENT Number, Agreement Price, amount requested per invoice and cumulative invoiced amount. Invoices shall include actual hours worked by Period, by Labor Category. The Consultant must invoice **MONTHLY** for quantities delivered during the invoice period, and no more frequently than monthly, and allow 30 calendar days from receipt of the invoice for payment. 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

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

7. **Withholding Payment.** In the event the City determines that the Consultant 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 Consultant 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 Consultant to terminate or damages, provided that the City promptly gives notice in writing to the Consultant of the nature of the default or failure to perform, and in no case more than 8 days after it determines to withhold amounts otherwise due. A determination of the City Attorney set forth in such notice to the Consultant 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 Consultant acts within the times and in strict accord with the provisions of the Disputes clause of this Contract. The City may act in accordance with any determination of the City Attorney which has become conclusive under this clause, without prejudice to any other remedy under the Contract, to take all or any of the following actions: (1) cure any failure or default, (2) to pay any amount so required to be paid and to charge the same to the account of the Consultant, (3) to set off any amount so paid or incurred from amounts due to become due the Consultant. In the event the Consultant obtains relief upon a claim under the Disputes clause, no penalty or damages shall accrue to Consultant by reason of good faith withholding by the City under this clause.

8. **Final Payment: Waiver Of Claim.** The Consultant's acceptance of final payment shall constitute a waiver of claims, except those previously and properly made and identified by the Consultant as unsettled at the time request for final payment is made.

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

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

11. **Defense and Indemnity Agreement.** Consultant shall defend, indemnify and hold the City, its officers, officials, employees and volunteers harmless from any and all claims, injuries, damages, losses or suits including attorney fees, arising out of or resulting from the acts, errors or omissions of the Consultant 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 Consultant and the City, its officers, officials, employees, and volunteers, the Consultant's liability, including the duty and cost to defend, hereunder shall be only to the extent of the Consultant's negligence. It is further specifically and expressly understood that the indemnification provided herein constitutes the Consultant's waiver of immunity under Industrial Insurance, Title 51 RCW, solely for the purposes of this indemnification. This waiver has been mutually negotiated by the parties. The provisions of this section shall survive the expiration or termination of this Agreement.

12. **General and Professional Liability Insurance.**

A. Insurance Term: The Consultant shall procure and maintain for the duration of the Agreement, insurance against claims for injuries to persons or damage to property which may arise from or in connection with the performance of the work hereunder by the Consultant, its agents, representatives, or employees.

B. No Limitation: Consultant's maintenance of insurance as required by this Agreement shall not be construed to limit the liability of the Consultant to the coverage provided by such insurance, or otherwise limit the City's recourse to any remedy available at law or in equity.

C. Minimum Scope of Insurance: Consultant shall obtain insurance of the types and coverages described below:

1. Automobile Liability insurance covering all owned, non-owned, hired and leased vehicles. Coverage shall be as least as broad as Insurance Services Office (ISO) form CA 00 01.

2. Commercial General Liability insurance shall be at least as broad as ISO occurrences form CG 00 01 and shall cover liability arising from premises, operations, stop-gap independent consultants and personal injury and advertising injury. The City shall be named as an additional insured under the Consultant's Commercial General Liability insurance policy with respect to the work performed for the City using an additional insured endorsement at least as broad as ISO CG 20 26.
3. Worker's Compensation coverage as required by the Industrial Insurance laws of the State of Washington.
4. Professional Liability insurance appropriate to the Consultant's profession.

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

1. Automobile Liability insurance with a minimum combined single limit for bodily injury and property damage of \$1,000,000 per accident.
2. Commercial General Liability insurance shall be written with limits no less than \$1,000,000 each occurrence and \$2,000,000 general aggregate.
3. Professional Liability insurance shall be written with limits no less than \$1,000,000 per claim and \$1,000,000 policy aggregate limit.

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

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

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

H. Notice of Cancellation: The Consultant shall provide the City with written notice of any policy cancellation within two business days of their receipt of such notice.

I. Failure to Maintain Insurance: Failure on the part of the Consultant to maintain the insurance as required shall constitute a material breach of contract, upon which the City may, after giving five business days' notice to the Consultant 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 sums so expended to be repaid to the City on demand, or at the sole discretion of the City, offset against funds due the Consultant from the City.

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

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

14. **Inspection.** The Project Manager shall have power to reject instruments of services which fail to comply with the requirements of this Agreement, but in case of dispute the Consultant may appeal to the City Attorney, whose decision shall be final. The Consultant shall comply with any and all orders and instructions given by the representative of the particular Department administering the Agreement in accordance with the terms of the Agreement. Nothing herein contained shall be taken to relieve the Consultant of his/her obligations or responsibilities under the Agreement. However, the Consultant shall be responsible for its own methods and conduct during the period of performance.

15. **Standard of Care.** The Consultant represents that Consultant has the necessary knowledge, skill, and experience to perform the Services required by this Agreement. Consultant and any persons employed by Consultant shall use their professional skill and efforts to perform the Work in a professional manner consistent with sound engineering practices, in accordance with the usually and customary professional care required for services of the type described in the Scope of Work herein provided at the same time and in the same locale. The City's remedy for a failure to meet the above Standard of Care shall be the re-performance of the Service or an equitable adjustment in the monies paid for the Professional Services, at the City's discretion

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

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

18. **Acceptance.** Consultant 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 Consultant. 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.

19. **No Third Party Beneficiary Rights.** This Agreement is not intended to and shall not be construed to give any Third Party any interest or rights (including, without limitation, any Third Party beneficiary rights) with respect to or in connection with any agreement or provision contained herein or contemplated hereby, except as otherwise expressly provided for in this Agreement.

20. **Right to Terminate Agreement.**

A. Termination for Default: If the Consultant 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 Consultant 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 Consultant shall not be entitled to receive any further payments under the Agreement until all work called for 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 Consultant. The Consultant 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 Consultant 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 Consultant shall be entitled to payment for actual work performed at unit Agreement prices for completed items of work. 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.

21. **Changes/Additional Work.** The City may engage Consultant to perform services in addition to those listed in this Agreement, and Consultant 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 Consultant 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.

22. **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.

23. **Non-assignable.** The services to be provided by the Consultant shall not be assigned or subcontracted without the express written consent of the City.

24. **Covenant Against Contingent Fees.** The Consultant warrants that he has not employed or retained any company or person, other than a bona fide employee working solely for the Consultant, 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 Consultant, 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.

25. **Disputes**

A. General: Differences between the Consultant 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 Consultant 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 Contracting Agent or the City, or (2) the happening of any event or occurrence, unless the Consultant 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 Consultant 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. Consultant 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 Consultant 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 Consultant 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 Consultant arising of this Agreement, or any obligation hereunder the dispute shall first be referred to the representatives designated by the City and the Consultant 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.

26. **Force Majeure.** Neither party shall be liable to the other or deemed in breach or default for any failure or delay in performance under this Agreement during the time and to the extent its performance is prevented by reasons of Force Majeure. For the purposes of this Agreement, Force Majeure means an occurrence that is beyond the reasonable control of and without fault or negligence of the party claiming force majeure and which, by exercise of due diligence of such party, could not have been prevented or overcome. Force Majeure shall include natural disasters, including fire, flood, earthquake, windstorm, avalanche, mudslide, and other similar events; acts of war or civil unrest when an emergency has been declared by appropriate governmental officials; acts of civil or military authority; freight embargoes; epidemics; quarantine restrictions; labor strikes; boycotts; terrorist acts; riots; insurrections; explosions; and nuclear accidents. A party claiming suspension or termination of its obligations due to force majeure shall give the other party prompt written notice, but no more than two (2) working days after the event, of the impediment and its effect on the ability to perform; failure to provide such notice shall preclude recovery under this provision. 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

27. **Compliance with Laws.** The Consultant 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. The Consultant specifically agrees to pay any applicable business and occupation (B&O) taxes, which may be due on account of this Agreement.

28. **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.

29. **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.

30. **Survival of Agreement Termination.** The articles relating to Defense and Indemnity, Taxes, Ownership and Use of Documents, Assistance Regarding Patent and Copyright Infringement, The City's Right to Terminate Agreement, Governing Law, and Disputes, shall survive completion of the services, payment in full of the compensation and termination of this Agreement.

31. **Notices.** Receipt of any notice shall be deemed effective three days after deposit of written notice in the U.S. mail, with proper postage and properly addressed. Notices shall be sent to the following addresses:

CITY:

City of Anacortes
Tiffany Matson
904 6th Street
PO Box 547
Anacortes, WA 98221

CONSULTANT:

Materials Testing & Consulting, Inc. (MTC)
Deane Ramsdell
777 Chrysler Dr
Burlington, WA 98233

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

CITY OF ANACORTES

MATERIALS TESTING & CONSULTING, INC.

By _____
Laurie Gere, Mayor

By _____

Date _____

Title _____

Date _____

CONTRACT 20-048-WTR-004
EXHIBIT A



Engineer: **HDR** Based on Plans Dated: **bid set**
Project Name / Location: **WATER TREATMENT PLANT- RAW WATER PIPELINE AND SECOND CLEARWELL PROJECT**

Materials Testing & Consulting, Inc. (MTC) thanks you for the opportunity, and respectfully submits the following proposal to provide materials testing and special inspection services during construction of the above-referenced project.

Combined with our past experience with projects of similar size and scope, we estimate the total cost of our services for this project to be:

(01) Earthwork & Asphalt Services					
Item		Unit	Quantity	Rate	Total
IPD-A - Asphalt Paving- Shannon and Wilson won't have a lab for this and I have added a few hours for compaction on Roadway if they don't want it, the Proctor won't be needed		Hour	32	\$ 70.00	\$ 2,240.00
SAMPU - Sample Pickup if Required (Allowance)		Hour	4	\$ 70.00	\$ 280.00
Subtotal - Earthwork & Asphalt Services:					\$ 2,520.00
(02) Laboratory Testing for Earthwork & Asphalt / Advanced Geotechnical Laboratory Tests					
Item		Unit	Quantity	Rate	Total
EXT - Asphalt Extraction with Gradation (optional if Lakeside or Miles is supplier)		Each	1	\$ 250.00	\$ 250.00
RICE - Rice Density ("Proctor" for Asphalt) Theoretical Unit Weight for compaction verification		Each	2	\$ 95.00	\$ 190.00
Subtotal - Laboratory for Earthwork & Asphalt:					\$ 440.00
(03) Special & Construction Inspection					
Item- Includes all inspections and (field testing of concrete) if necessary		Unit	Quantity	Rate	Total
RC -Foundations for all structures incl. Clearwell, Block wall		Hour	32	\$ 70.00	\$ 2,240.00
RC - Reinforced Concrete Walls-- water bearing or non-water bearing		Hour	34	\$ 70.00	\$ 2,380.00
RC - All Slabs on Grade, 2 pour Clearwell, and Equipment Pads and Bases		Hour	46	\$ 70.00	\$ 3,220.00
RC -Valve and Meter Vault Concrete Walls and Slab/Sump		Hour	21	\$ 70.00	\$ 1,470.00
RC - Precast Plant Inspections Directional drilling inspections		Hour	36	\$ 70.00	\$ 2,520.00
CG - Structural Grout Sampling		Hour	15	\$ 70.00	\$ 1,050.00
FAB -Steel fabrication - AISC assumed per specification- shop welding of piles TBD		Hour	20	\$ 80.00	\$ 1,600.00
SS - Field Erection, High Strength Bolting & Site Welding both Structural and Pipe- includes Skidmore Device and pretensioning tests prior to bolt installation per F3125 piles per 31 62 16 3.14E 1-6		Hour	172	\$ 80.00	\$ 13,760.00
PROPANC - Epoxy & Expansion Anchors and all seismic anchorages		Hour	24	\$ 70.00	\$ 1,680.00
Subtotal - Special & Construction Inspection:					\$ 29,920.00
(04) Laboratory Testing - Special & Construction Inspection					
Item		Unit	Quantity	Rate	Total
CONC - Concrete Compression Test Cylinders - 4" x 8" - Sets of 6(plus field cure), GC has some scope of testing concrete) recommend spot checks		Each	168	\$ 25.00	\$ 4,200.00
BPG - Column and Precast Panel Grout Compressive Strength Test - 2x2 Cube (4 hour frequency on panel grout)		Each	33	\$ 25.00	\$ 825.00
Subtotal - Special & Construction Inspection:					\$ 5,025.00
(11) Non-Destructive Testing					
Item		Unit	Quantity	Rate	Total
NDT - Structural Steel Non-Destructive Testing - 50/20/20 PT/PT/UT+ piles		Hour	84	\$ 95.00	\$ 7,980.00
Subtotal - Non-Destructive Testing:					\$ 7,980.00
(14) Floor Flatness / Floor Levelness					
Item		Unit	Quantity	Rate	Total
FF - Floor Flatness varies by area 35/25 flat slabs- 45/35 polished slabs		Hour	28	\$ 85.00	\$ 2,380.00
Subtotal - Floor Flatness / Floor Levelness Inspection:					\$ 2,380.00
(30) Project Management & Consulting Services					
Item		Unit	Quantity	Rate	Total
PM - Project Manager		Hour	47	\$ 85.00	\$ 3,995.00
Subtotal - Project Management & Consulting Services:					\$ 3,995.00
Budget Estimate for Services - Total:					\$ 52,260.00

- All services will be provided on a time and materials basis. The total is an estimate the actual construction cost will be based on the project schedule and sequencing. The estimate is not a guaranteed price. A four hour minimum charge applies to all work performed, billing is also based on a portal to portal basis. A premium rate of 1.5 times the regular rate will be charge for overtime and 2 times the regular charge for Sunday's and holidays.
- MTC will utilize the laboratory based closest to the project site. MTC offers additional services upon request which will be billed at our regular fee schedule.
- In closing, our experienced inspection staff will ensure the highest level of quality is brought to your project. We believe that our local staff and vast experience on projects of similar size and scope make MTC the clear team member of choice for this project. We look forward to working with you.

Respectfully Submitted,

A handwritten signature in blue ink, appearing to read "Deane Ramsdell".

Deane Ramsdell
360-508-6336



City Council Contract Agenda Bill

Meeting Date: 4/20/2020 **Agenda Item:** 3e

Subject: Contract Modification – Block 36 Sewer Improvements Project 19-197-SEW-001

Staff Contact: Fred Buckenmeyer

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

Action Type: Contract Modification

Summary Statement: City staff seeks Council consent to issue a contract modification to Tonka Ground Work in the amount of \$100,772.04, increasing the total contract price to \$140,722.04. In early December 2019, the property owner of 708 and 710 Commercial Avenue experienced a sewer failure that shut down multiple businesses in his building. The City desired to know more about the sewer line (depth, type, condition, existing connections, etc.) before requiring additional connections to the line so a contractor, Tonka Construction, was engaged to do some potholing to allow investigation of the line. The Contractor was given [contract 19-197-SEW-001](#) signed by the mayor in the amount of \$40,000 to get started.

Background:

1. **Reason for Contract Change:** During the investigations conducted in the original scope of work, including excavation for access, video inspection and dye testing, it was determined that multiple storm water cross connections into the sanitary sewer system existed from almost every property along this line. As a result of these cross connections, along with the access problems to maintain the sewer line, a plan was developed to construct new separate storm drain and sanitary sewer lines in the alley with proper catch basin and manhole access to the new lines. This plan also allows for fixing existing surface drainage issues in the alley and multiple trip hazards outside the back doors to business along the alley. Additional details are provided in the attached Engineer's Memorandum.
2. **History:** In early December 2019, the property owner of 708 and 710 Commercial Avenue experienced a sewer failure that shut down multiple businesses in his building. The City required that the property owner establish a new connection to the sewer line in the alley adjacent to the subject property as is common in this neighborhood. During discussion of this new connection it became apparent that very little was known by the City about the sewer line in the alley and that access to the line for cleaning, maintenance and inspection was restricted by the unconventional way that it had been initially constructed.
3. **Key Terms:** increase of \$100,772.04, no addition to the term of agreement
4. **Competitive Bidding:** Before work continued farther than the original contract amount of \$40,000, an engineer's estimate was put together totaling \$114,800 for the proposed improvements. The estimated amount was under the multiple trade bidding limits so the City proceeded with the improvements under the existing contract.

Previous Council/Committee Action: N/A

Competing Viewpoints Considered: N/A

Recommended Motion: I move that City Council authorize the Mayor to sign a contract modification with Tonka Ground Work, under Contract 19-197-SEW-001, in the amount of \$100,772.04, increasing the total contract price to \$140,722.04.

Alternative Actions: N/A

Attachments: Engineer's Memorandum, Contract 19-197-SEW-001 Modification 01

Consultant	Tonka Ground Work
Original Agreement Amount	\$40,000.00
Current Agreement Amount	\$40,000.00
Change Per this Modification	\$100,772.04
Total After Modification	\$140,722.04
All Mods % of Total Contract Amount	251%
Earmarked Funds	\$1,000,000.00
BARS #	440.000.594.35.63
Paid on Contract as of 4/15/20	\$40,000.00
Budget Amendment Required?	No
Start Date	Notice to Proceed
End Date	6/1/20



ANACORTES PUBLIC WORKS DEPARTMENT

Tim Hohmann, Engineering Technician
CITY OF ANACORTES, P O BOX 547, ANACORTES WA 98221
timh@cityofanacortes.org
Office: (360) 588-8068
Mobile: (360) 770-9221

M E M O R A N D U M

Date: April 1, 2020
To: Tiffany Matson
Subject: Block 36 Sewer Project
Change Order #1 Justification (PW19-197-SEW-001)

In early December 2019, the property owner of 708 and 710 Commercial Avenue experienced a sewer failure that shut down multiple businesses in his building. The City required that the property owner establish a new connection to the sewer line in the alley adjacent to the subject property as is common in this neighborhood. During discussion of this new connection it became apparent that very little was known by the City about the sewer line in the alley and that access to the line for cleaning, maintenance and inspection was restricted by the unconventional way that it had been initially constructed.

The City desired to know more about the sewer line (depth, type, condition, existing connections, etc.) before requiring additional connections to the line so a contractor, Tonka Construction, was engaged to do some potholing to allow investigation of the line. The Contractor was given a contract signed by the mayor in the amount of \$40,000 to get started.

During these investigations, including excavation for access, video inspection and dye testing, it was determined that multiple storm water cross connections into the sanitary sewer system existed from almost every property along this line. As a result of these cross connections, along with the access problems to maintain the sewer line, a plan was developed to construct new separate storm drain and sanitary sewer lines in the alley with proper catch basin and manhole access to the new lines. This plan also allowed for fixing existing surface drainage issues in the alley and multiple trip hazards outside the back doors to business along the alley.

At that time an engineer's estimate was put together totaling \$114,800 for the proposed improvements. The estimated amount was under the multiple trade bidding limits so the City proceeded with the improvements under the existing contract. There was a sense of urgency to complete the project due to the shutdown business and the impending holidays. A change order was not prepared at that time with the expectation that the true costs for the project would be known in a short time.

The majority of the improvements were completed by Dec. 20 before the contractor took time off for the holidays. The trench in the alley was filled with gravel and left to be restored with pavement when the weather improved. Following completion of the City's

underground improvements in the alley, the property owners were able to connect the private side sewer connection of the buildings to the new sewer main in the alley at their own expense.

The contractor was paid \$40,000 in a progress payment per his request on Jan. 8, 2020 with the understanding that final payment would require submittal of time and material costs for the project and a change order to exceed the original contract amount.

The contractor was unable to schedule a subcontractor to complete the concrete work and paving work until the week of March 16. The project was complete as of Monday, March 23.

The final costs of the project as calculated per the provisions of WSDOT Standard Specification Section 1-0.9.6 Force Account are as follows:

\$129,459.10 - Time and Materials

\$ 11,262.94 – Sales Tax

\$140,722.04 – Total project costs

\$ 40,000.00 – Previous payment to contractor on 1-08-2020

\$100,722.04 – Remaining Costs

Therefore a change order adding \$100,722.04 to the amount of the contract price is required in order to compensate the contractor for the work completed. This will bring the total contract price to \$140,722.04.

In accordance with the provisions of WSDOT Standard Specification Section 1-0.9.6 Force Account the contractor has submitted invoices and other records detailing the actual time and materials costs for the work.

The contractor has indicated that no further expenses are anticipated as a result of this contract.



Tim Hohmann
Project Manager

cc: Eric Shjarback, Fred Buckenmeyer



Date April 20, 2020
Page 1 of 1 Pages

Project Title Block 36 Sewer Improvements Project
Prime Contractor Tonka Ground Work

BACKGROUND

In accordance with General Provisions Article 21. Changes/Additional Work, this modification provides an equitable price adjustment in consideration of changes in Work as described below under Article I. During the investigations conducted in the original scope of work, including excavation for access, video inspection and dye testing, it was determined that multiple storm water cross connections into the sanitary sewer system existed from almost every property along this line. As a result of these cross connections, along with the access problems to maintain the sewer line, a plan was developed to construct new separate storm drain and sanitary sewer lines in the alley with proper catch basin and manhole access to the new lines. This plan also allows for fixing existing surface drainage issues in the alley and multiple trip hazards outside the back doors to business along the alley. Accordingly, the contract price is increased from \$40,000.00 by \$100,772.04 to \$140,772.04. Accordingly, the following changes are incorporated under this contract:

ARTICLE 1. SCOPE OF WORK

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

“The work as described above is hereby amended per Modification 01. The Contractor will construct new separate storm drain and sanitary sewer lines in the alley with proper catch basin and manhole access to the new lines, as well as fix existing surface drainage issues in the alley and multiple trip hazards outside the back doors to business along the alley.”

ARTICLE 2. CONTRACT PRICE

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

“The Contractor will perform the scope of work above for a firm fixed price of **One Hundred Forty Thousand Seven Hundred Twenty-Two Dollars and Four Cents (\$140,722.04)**, which includes \$11,262.94 in 8.7% sales tax”

All other terms of the contract remain unchanged.

CITY OF ANACORTES

By _____
Laurie Gere, Mayor

Date _____

TONKA GROUND WORK

By _____

Date _____

Original Agreement Amount	<u>\$40,000.00</u>	Original Contract Completion Date	<u>6/1/20</u>
Current Agreement Amount	<u>\$40,000.00</u>	Current Contract Completion Date	<u>6/1/20</u>
Change Per this Modification	<u>\$100,772.04</u>	Net Change	<u>0</u>
Total After Modification	<u>\$140,722.04</u>	Contract Completion Date After Change	<u>6/1/20</u>



City Council Contract Agenda Bill

Meeting Date: 4/20/2020 **Agenda Item:** 3f

Subject: Contract Award – 2020 Slurry Seal Roadway Preparation 20-002-TRN-001

Staff Contact: Fred Buckenmeyer

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

Action Type: Contract Award

Summary Statement: City staff seeks City Council consent to award a contract in the amount of \$114,563.40 to Asphalt Quality Sealers to perform the 2020 Slurry Seal Roadway Preparation. The work provided for this project will include pavement crack sealing, filling and repair of potholes and pavement anomalies that is necessary prior to applying pavement sealants such as slurry seal, which is scheduled this summer. This work will take place in the area bounded by north at 1700 street address block north, south at 4800 street address block south, 2600 street address block west, and the intersection of Fidalgo Bay Road and Weaverling Road (east).

Background:

1. **History:** The project is a continuation of the road pavement condition report and maintenance program which began year 2016.
2. **Key Terms:**
 - Contract is for a fixed price of \$114,563.40.
 - All physical construction activities shall be completed by June 30, 2020.
3. **Competitive Bidding:** In accordance with competitive bid requirements set forth under RCW 35.23.352 the project cost is under the competitive requirements and thus the Project Manager evaluated contractors and chose to contract with Asphalt Quality Sealers.

Previous Council/Committee Action: N/A

Competing Viewpoints Considered: N/A

Recommended Motion: I move that City Council authorize the Mayor to sign contract 20-002-TRN-001 with Asphalt Quality Sealers in the amount of \$114,563.40 to perform the 2020 Slurry Seal Roadway Preparation.

Alternative Actions: Not award the contract

Attachments: Contract 20-002-TRN-001

Contractor	Asphalt Quality Sealers
Contract Amount	\$114,563.40
Earmarked Funds	\$1,800,000.00
BARS #	104.720.542.30.41
Budget Amendment Required?	No
Start Date	Notice to Proceed
End Date	6/30/20



CONTRACT 20-002-TRN-001
AGREEMENT WITH
ASPHALT QUALITY SEALERS

This Contract is between the City of Anacortes, Washington, a Municipal Corporation (herein after referred to as "City") and Asphalt Quality Sealers, a private contractor at 2409 13th St, Anacortes, WA 98221 (herein after referred to as "Contractor").

PROJECT
2020 SLURRY SEAL ROADWAY PREPARATION

1. **Scope of Work:** Contractor shall furnish all materials, equipment and labor to repair residential roads as specified in Exhibit A, which is hereby incorporated by reference and made a part hereof, and as directed by the Project Manager, Gunnar Christiansen. Work is subject to the 2018 City of Anacortes Engineering Standards, which is hereby incorporated by reference and made a part hereof.
2. **Contract Price:** The Contractor will perform the scope of work above for a firm fixed price of **One Hundred Fourteen Thousand Five Hundred Sixty-Three Dollars and Forty Cents (\$114,563.40)**. Washington State Sales Tax Rule 171 applies. Before any payment is made by the City of Anacortes of sums under this contract, the contractor must provide a copy of the statement of *Intent to Pay Prevailing Wage* approved by the Department of Labor and Industries. Pursuant to RCW Chapter 60.28, a sum of five percent (5%) of the monies earned by the contractor will be retained.
3. **Bonds:** Pursuant to RCW 39.08.010, the Contractor shall provide the City a performance bond and payment bond for the full contract amount to be in effect as detailed in the incorporated General Provisions. The City may at its option release the bonds once all the conditions of RCW 39.08.010-1a have been discharged.
4. **Time of Completion:** The Contractor shall complete the work by June 30, 2020.
5. **Job Safety:** Contractor shall comply with all WA Department Labor & Industries safety standards.
6. **Contract Requirements:** Contractor must have a contractor license number, insurance, and City of Anacortes business license. **Prevailing Wage Law Applies.** Forms Needed: 1) Proof of Insurance with Additional Insured Endorsement (see General Provisions); 2) Intent to Pay Prevailing Wage; 3) Affidavit of Wages Paid; 4) Performance Bond; 5) Payment Bond; 6) Certification of Compliance with Wage Payment Statutes.
7. **Contract Documents:** The attached General Provisions, Exhibit A, and 2018 City of Anacortes Engineering Standards are included in this Contract Agreement.

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

Owner:

City of Anacortes

Mayor

Date

Contractor:

Asphalt Quality Sealers

Date

Contractor License #

1. WASHINGTON STATE PREVAILING WAGES

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

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

The State of Washington prevailing wage rates applicable for this public works project, which is located in Skagit County, may be found at the following website address of the Department of Labor and Industries: <https://fortress.wa.gov/lni/wagelookup/prvwagelookup.aspx>. The prevailing wage schedule in effect for the work under the contract will be the one in effect upon the date of execution of the contract. 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.

At least once a month Contractor must file weekly certified payroll reports online with the Washington Department of Labor and Industries as required by RCW 39.12.120.

2. Delivery. Advance coordination of the work shall be made with the Project Manager Gunnar Christiansen (360) 299-1989.

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

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

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

4. 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.

5. Invoicing. All invoices shall include: Company Name, Invoice Date, Due Date (30 days), Invoice Number, Invoice Period, Contract 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.

6. 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.

7. 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.

8. Inspection.

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

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

9. New and Unused. All units, equipment, parts and material shall be new, unused, manufacturer's current model year and in current production. All materials shall have physical and chemical properties to withstand the intended purpose. Equipment design shall have sufficient excess capacity for durability and safety.

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

11. 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.

12. Insurance.

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

B. No Limitation: The Contractor's maintenance of insurance, its scope of coverage and limits as required herein shall not be construed to limit the liability of the Contractor to the coverage provided by such insurance, or otherwise limit the City's recourse to any remedy available at law or in equity.

C. Minimum Scope of Insurance: The Contractor's required insurance shall be of the types and coverage as stated below:

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

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

1. Automobile Liability insurance with a minimum combined single limit for bodily injury and property damage of \$1,000,000 per accident.
2. Commercial General Liability insurance shall be written with limits no less than \$1,000,000 each occurrence, \$2,000,000 general aggregate and \$2,000,000 products-completed operations aggregate limit.

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

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

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

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

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

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

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

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

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

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

16. 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.

17. No Third Party Beneficiary Rights. This Agreement is not intended to and shall not be construed to give any Third Party any interest or rights (including, without limitation, any Third Party beneficiary rights) with respect to or in connection with any agreement or provision contained herein or contemplated hereby, except as otherwise expressly provided for in this Agreement.

18. 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.

19. 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.

20. 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.

21. 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.

22. 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.

23. Force Majeure. Neither party shall be liable to the other or deemed in breach or default for any failure or delay in performance under this Agreement during the time and to the extent its performance is prevented by reasons of Force Majeure. For the purposes of this Agreement, Force Majeure means an occurrence that is beyond the reasonable control of and without fault or negligence of the party claiming force majeure and which, by exercise of due diligence of such party, could not have been prevented or overcome. Force Majeure shall include natural disasters, including fire, flood, earthquake, windstorm, avalanche, mudslide, and other similar events; acts of war or civil unrest when an emergency has been declared by appropriate governmental officials; acts of civil or military authority; freight embargoes; epidemics; quarantine restrictions; labor strikes; boycotts; terrorist acts; riots; insurrections; explosions; and nuclear accidents. A party claiming suspension or termination of its obligations due to force majeure shall give the other party prompt written notice, but no more than two (2) working days after the event, of the impediment and its effect on the ability to perform; failure to provide such notice shall preclude recovery under this provision. 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.

24. 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.

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

26. 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.

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

28. Notices. Receipt of any notice shall be deemed effective three days after deposit of written notice in the U.S. mail, with proper postage and properly addressed. Notices shall be sent to the following addresses:

CITY:

City of Anacortes
Tiffany Matson
904 6th Street
PO Box 547
Anacortes, WA 98221

CONTRACTOR:

Asphalt Quality Sealers
Wesley Fann
2409 13th St
Anacortes, WA 98221

29. 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 \$150,000 and under, the Contractor can, in lieu of providing a performance and payment bond, request to have the City withhold 10% 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. This exception is dependent on pre-approval by the City Attorney, and the City reserves the right to reject requests to waive the bond requirements.

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

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

Note: If the City has approved the Contractor's request to waive the bond requirements, the City will withhold a total of 10% 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.

EXHIBIT A



CITY OF ANACORTES

WASHINGTON

PUBLIC WORKS

Project Title **Anacortes Slurry Seal Roadway Preparation 2020**

20-002-TRN-001

Engineering Estimate

12 MARCH 2020

Project Scope		Residential roads PCI 60 to 80 and by roadway condition survey conducted March 2020. Seal cracks, minor repair of pavement and road surfaces per Plans. This work scheduled to take place between now and 30 June 2020 Project location: An area bounded by north at 1700 street address block north, south at 4800 street address block south, 2600 street address block west, and the intersection of Fidalgo Bay Road and Weaverling Road (east).			
Project Costs					
Description		Qty	Unit	Unit \$	Total \$
1	Mobilization	1	LS	\$ 1,000.00	\$ 1,000.00
2	Unanticipated Sitework	1	LS	\$ 17,000.00	\$ 17,000.00
3	SPCC Plan	1	LS	\$ 250.00	\$ 250.00
4	Project Temporary Traffic Control	1	LS	\$ 2,500.00	\$ 2,500.00
5	Saw-cutting Asphalt	4,000	LF	\$ 5.00	\$ 20,000.00
6	Removing Asphalt Pavement (125 SY)	125	SY	\$ 22.00	\$ 2,750.00
7	Crushed Surfacing Top Course	12.87	TN	\$ 45.00	\$ 579.28
8	HMA CI.3/8" (125 SY @ 2")	14.26	TN	\$ 280.00	\$ 3,994.08
9	Asphalt Crack Seal	57,319	LF	\$ 1.16	\$ 66,490.04
Subtotal					\$ 114,563.40
Washington State Sales Tax Rule 171 tax included in unit prices or elsewhere					\$0.00
Total					\$ 114,563.40



City Council Agenda Bill

Meeting Date: 4/20/2020 **Agenda Item:** 4A

Subject: Ordinance 3069 is an interim ordinance extending the moratorium on accepting applications using the bonus height provisions of AMC 19.42.050.C, small units, in the R4 Use Zone West of the Commercial Use Zone for an additional six months.

Staff Contact: Don Measamer

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

Action Type	
x	Ordinance No. 3069
	Code Revision?
	Resolution No. 2054
	Contract
	Public Hearing
	Staff Report

Summary Statement: This ordinance would immediately extend the moratorium enacted by Ordinance 3054 for a period of six months on the acceptance of applications for land use permits or building permits in the R4 zone west of the Commercial Use Zone that propose to use the bonus height provisions of [AMC 19.42.050.C](#). The moratorium would not apply to AMC 19.42.050.D the affordable units option.

Background:

With the adoption of [Ordinance 3054](#) October 21, 2019 by City Council a moratorium was established on the acceptance of building and land use permits proposing the use of the Bonus Height Provisions of AMC 19.42.050 in the R4 Use Zone west of the Commercial Use Zone for a period of six months. The current moratorium expires April 21, 2020.

Due to the current state of emergency with the COVID 19 pandemic work on reviewing and providing recommendations on regulatory amendments to AMC 19.42.50 through the public process has ceased until further notice.

City staff continues work on possible alternatives, however, deadlines established by the work plan in [Resolution 2068](#) cannot be met due to restrictions on public meetings and hearings.

Proposed Ordinance 3069 extends the moratorium for a period of six months to allow additional time to involve the public and work through possible alternatives.

The proposed Ordinance does not include a moratorium on the acceptance of applications for projects that propose using AMC 19.42.050. D, Affordable Units Option, thereby allowing the Anacortes Family Center project to move forward.

The following information is provided as additional background from the agenda bill from Ordinance 3054:

The R4 zone has a standard height limit of 40 feet, which has been in effect since 2008 (Ordinance 2794). Between 2008 and 1994, the height limit was 35 feet (Ordinance 2316). The City's 2019 development regulation update ([Ordinance 3040](#)), did not increase that standard height limit in the R4 zone, but did provide for a 10-ft increase in height over the standard height limit if (option 1) 25% of the total dwelling units contain 600 sq ft or smaller units; or (option 2) a qualifying number of affordable dwelling units is provided in the development. The bonus height provision now allows effectively for five-story development.

The City's purpose in enacting the bonus height provisions of AMC 19.42.050 was to incentivize the creation of new dwelling units that are either explicitly "affordable" (option 2), requiring monitoring and enforcement of rental prices of no more than 30% of the household income of households whose annual income is 50% or less of the area median income; or that are 600 sq ft or less (option 1), which have no explicit affordability requirements but are quite small and therefore highly likely to be less expensive than normal-size newly constructed dwelling units and will add more to the supply of housing in the city than larger units. When supply increases, prices decline.

The City's purpose in providing for the bonus height incentive in the Commercial, Central Business District, and R4 zones was to allow for the most intense development in the City to occur in areas where services are most available (e.g., access to food, shopping, and transit) and where existing commercial development is most likely to be compatible, especially in the downtown core and areas between Commercial Ave and "R" Avenue. The City did not limit such new development to only one area, because that would reduce the likelihood that new development would occur.

The westerly portion of the Residential High Density District (the "R4 zone") (shown in purple on the attached map) is bounded by "O" Avenue on its eastern edge for the first four and a half northern blocks, then jogs a half block toward Commercial Avenue and continues southward through the middle of the block between "O" and Commercial until it reaches the Medical Overlay zone. We believe that five-story development west of "O" Avenue may be too intense for the R4 neighborhood between "O" and "M" Avenue and adjoining streets, and that the City should pause acceptance of applications so that we can fully consider the impacts of such development in that area and re-engage with the community. But further development in the half-block of R4 between "O" Avenue and

Commercial Avenue is consistent with the City's objectives in incentivizing high-density housing in the Commercial Avenue core where services are present, and where a wide street separates less-dense residential land uses.

This ordinance would enact a moratorium, which state law defines as a temporary measure that a city may use while it considers permanent regulations through the usual legislative process of enacting land use regulations (described in [AMC Chapter 19.16](#)).

The moratorium would apply only to applications that meet all of the following criteria:

- for a land use permit or building permit
- in the R4 zone
- east of "O" Avenue
- proposing to use the bonus height provisions of AMC 19.42.050 (i.e., more than the standard height limit of 40 ft)

The moratorium would be effective only for six months unless the City Council takes action to extend it for another six-month period prior to its expiration or unless the City Council adopts permanent regulations.

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: The Housing Affordability and Community Services committee recommends extending the moratorium.

Competing Viewpoints Considered:

Recommended Motion: I move to approve Ordinance 3069 extending the moratorium on accepting certain land use applications in the R4 Use Zone West of the Commercial Use Zone.

Alternative Actions: Deny Ordinance 3069 allowing acceptance of certain land use applications related to bonus height in the R4 Use Zone west of the Commercial Use Zone.

Attachments (listed in order presented): Proposed Ordinance 3069

Ordinance No. 3069

An Interim Ordinance Extending Ordinance 3054 a Moratorium on the Acceptance of Certain Land Use Applications in the R4 Zone

Whereas the City of Anacortes recently adopted new development regulations (Ordinance 3040) that, among other things, created new regulations governing the height limit in the R4 zone;

Whereas the bonus height provisions of AMC 19.42.050., which allow for an additional 10 feet of height over the standard height limit of 40 feet, have been the subject of community concerns and comments;

Whereas the City Council desires to review the maximum building height in the R4 zone;

Whereas the City Council adopted Ordinance 3054 on October 21, 2019, declaring a moratorium on the acceptance of land use applications in the R4 Zone that seek to allow the height bonus provided in Section 19.42.050 AMC; and

Whereas the City Council adopted Resolution 2068 on December 2, 2019, which affirmed the moratorium and adopted a work plan for evaluating bonus height provisions in the R4 Zone west of the Commercial Zone; and

Whereas RCW 35A.63.220 and AMC 19.16.110 authorize the City Council to renew moratoriums, interim zoning ordinances, and interim official controls as a recognized technique to preserve the status quo while new plans and regulations are developed; and

Whereas the work plan adopted in Resolution 2068 has been interrupted by the current COVID 19 emergency; and

Whereas the moratorium adopted in Ordinance 3054 is set to expire on April 21, 2020, if it is not extended prior to that date; and

Whereas the City Council now finds that additional time is required to complete the actions in the work plan adopted by Resolution 2068; and

Whereas, as an interim ordinance, pursuant to WAC 197-11-880, the adoption of this ordinance is not subject to review under the State Environmental Policy Act;

Now, therefore, the City Council of the City of Anacortes does ordain as follows and adopts the following as findings of fact:

Section 1. The above recitals are adopted as findings of fact.

- Section 2. The City Council finds that an emergency exists under RCW 35A.12.130 and this ordinance is necessary for the protection of public health, public safety, public property or the public peace, and with adoption by a majority plus one of the entire membership of the City Council (i.e., 5 members) is effective immediately.
- Section 3. The moratorium declared by Ordinance 3054 is hereby renewed for an additional six months on the acceptance of any land use or building permit application within the R4 zone west of "O" Ave that proposes to utilize the bonus height provisions of AMC 19.42.050.C.
- Section 4. Pursuant to RCW 36.70A.390, the City Council held a public hearing on this interim ordinance extension on April 20, 2020 by accepting written comment due to the COVID 19 emergency and will hold full open public hearing following the expiration of the COVID19 emergency.
- Section 5. This moratorium is effective through October 21, 2020, but may be renewed for an additional six-month period if a subsequent public hearing is held and findings of fact are made prior to renewal.
- Section 6. The City Council supports review and consideration of alternatives to the bonus height provisions of AMC 19.42.050 in the R4 Use Zone west of Commercial Use Zone.

PASSED and APPROVED this ____ day of _____, 2020.

APPROVED:

Laurie Gere, Mayor

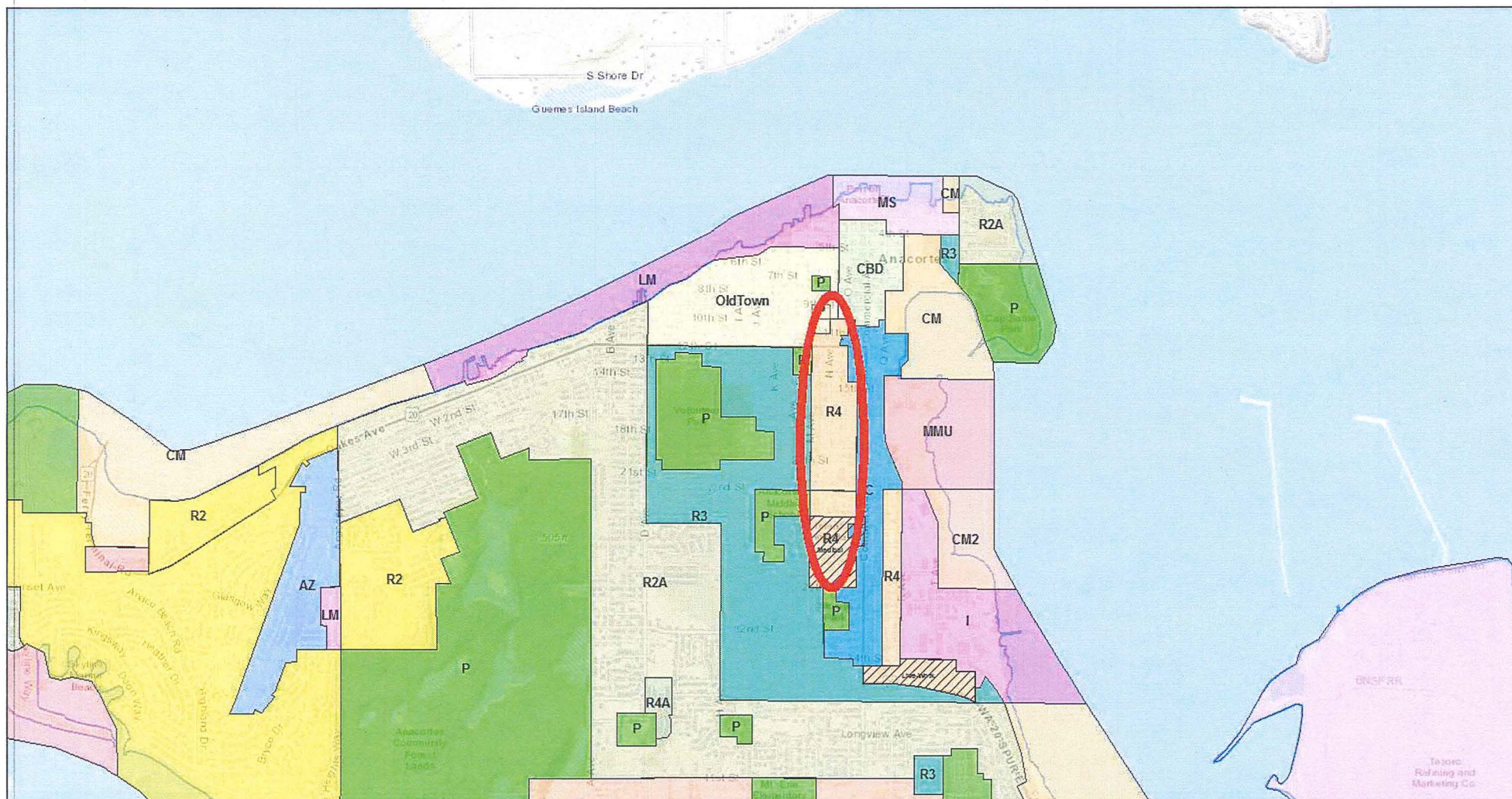
Attest:

Steve Hoglund, City Clerk-Treasurer

Approved as to Form:

Darcy Swetnam, City Attorney

R4 Zone west of Commercial Ave.



2/5/2020, 10:01:19 AM

City of Anacortes



Areas

Override 1

COAGISData.DBO.City_Zoning_Overrides_2019

COAGISData.DBO.City_Zoning_2019

Aeronautical

Central Business District

Commercial

Commercial Marine

Commercial Marine 2

Heavy Manufacturing

Industrial

Light Manufacturing

Manufacturing and Shipping

Marine Mixed Use

Old Town

Public

Residential High Density 4

Residential High Density 4A

Residential Low Density 1

Residential Low Density 2

Residential Low Density 2A

Residential Medium Density 3

Fidalgo Island

This map was created from available public records and existing map sources. Not from field surveys. Map features from all sources have been adjusted to achieve a "best fit" registration. While great care was taken in this process, maps from different sources rarely agree as to the precise location of geographic features. The relative positioning of map features to one another results from combining different map sources without field "ground-truthing".

Web AppBuilder for ArcGIS



City Council Contract Agenda Bill

Meeting Date: 4/15/2020 **Agenda Item:** 5a

Subject: Access- Anacortes Fiber Internet

Staff Contact: Emily Schuh

Approved for Submittal to Council by:

Action Type: Discussion/Possible
Action

Summary Statement: Fiber department to provide a monthly update on the status of the network growth.

Background:

History: Council approved Resolution 2013 on May 29, 2018, directing that a business plan be developed for a fiber optic network to provide high-speed internet service to City residents and businesses. Council then approved slightly over \$3.1 million in the 2019-20 biennial budget for construction and operation of such a fiber optic network in three pilot areas.

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

Competing Viewpoints Considered: N/A

Motion:

Alternative Actions: N/A

Attachments: Presentation

access
ANACORTES FIBER INTERNET



April 2020



GPON CUSTOMER REVENUES

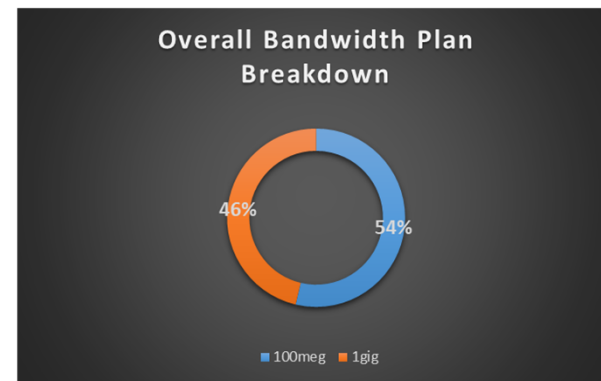
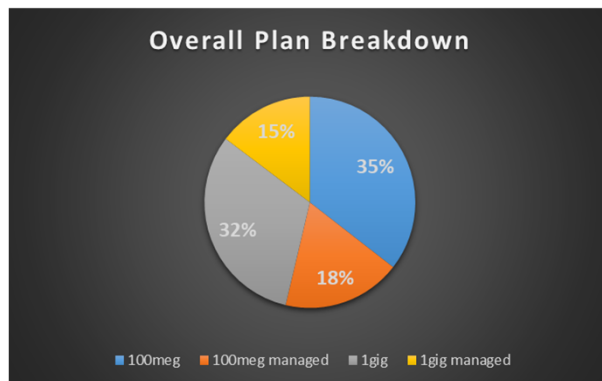
April Compared to February & March

<u>SERVICE</u>	FEBRUARY		MARCH		APRIL	
	<u>Qty</u>	<u>Monthly Revenue</u>	<u>Qty</u>	<u>Monthly Revenue</u>	<u>Qty</u>	<u>Monthly Revenue</u>
Internet service	9	\$1,171	30	\$3,180	51	\$4,299
Static IPv4 address customers	1	\$ 20	3	\$ 49	5	\$ 89
TOTAL MONTHLY REVENUE		<u>\$1,191</u>		<u>\$3,229</u>		<u>\$4,388</u>



CUSTOMER ORDERS STATUS

	CBD	Old Town	M Ave	Aerial Expansion	Remainder of City	Total
Potential Customers	255	530	160	1297	5345	7332
Sign-ups	63	161	35	115	781	1040
Take-Rate	24.7%	30.4%	21.9%	8.9%	14.6%	14.2%
Outside- MST To Premise Only	0	60	0	0	0	60
In-Service	38	9	0	4	0	51
Percentage of Orders in Service	60.3%	5.6%	0.0%	3.5%	0.0%	



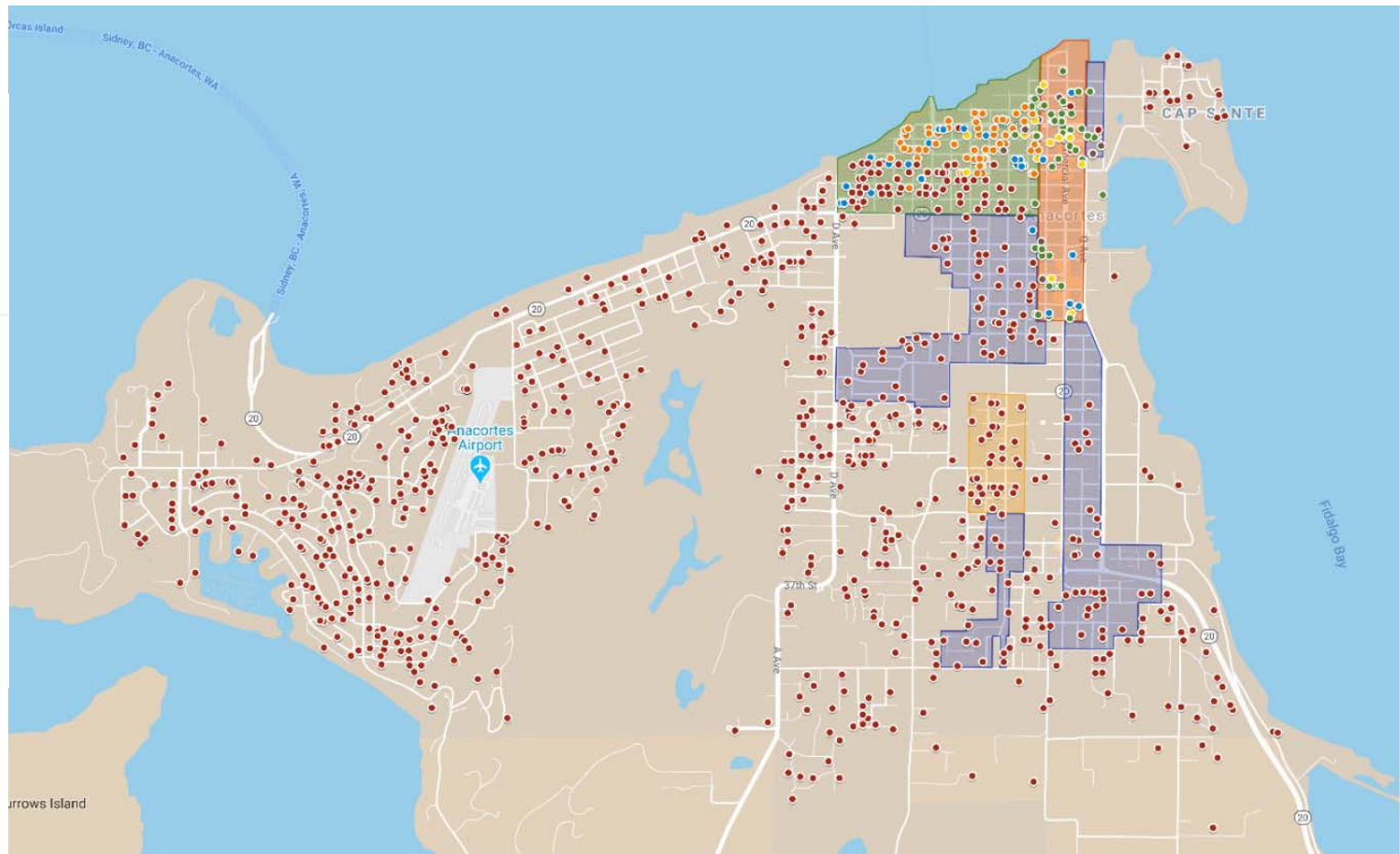
CUSTOMER ORDERS CITY-WIDE

Fiber Installation Zones

- Central Business District
- Old Town
- M Avenue
- Expansion Area

Orders

- Future
- Outside
- In Service
- Underground
- Scheduling
- Obtain Right of Entry
- Inside



BUDGET REDUCTIONS

FY2020

2020 BUDGET

Eliminate Travel & Training	\$ 24,596
Reduce Communication	\$ 15,000
Reduce Office & Operating Supplies	\$ 15,000
Reduce Professional Services	\$ tbd

OTHER STEPS

- Focus on comparatively less expensive aerial customer installations
- Delay underground customer installations until FY2021

CUSTOMER-ASSISTED INSTALLATIONS

KEY DATES

Backbone cables & MSTs deployed	Apr 17
Final splicing complete	Apr 22
Ad hoc full installs	Apr 23
Customer-assisted Installations begin	Apr 24

ASSISTED INSTALLATIONS

64 sites pre-positioned, will grow

Through existing weatherhead

Through customer-drilled hole

Through window

Social distancing & personal
safety protocols

No-Contact Service Installation



Thank you for opting in to our No-Contact Service Installation!
Here is what you can expect next.



Safety

The safety of your family is our biggest priority. That's why our crew will take every precaution in wearing proper PPE, maintaining safe distancing, and cleaning all surfaces and equipment before and after installation.



Prep-Work

To help our installation staff before we arrive, please take pictures of your router and measure the distance from it to the wall where your outside fiber box is located. Having this information in advance helps us to prepare for a more efficient installation process.



Video Walkthrough

Upon arrival, our crew will work with you to determine the best option for your home without going inside. This may involve the use of FaceTime or a similar application to view the inside of your home before any work begins.



Drilling Options

Most Emergency Temporary Installations will likely require drilling into walls or floors. In this case, you will need to have your own drill and be comfortable using it in this capacity. Our staff will provide proper drill bit.



Follow-Up

After we put you into service, we will follow up to see how things are functioning. Once the Stay-At-Home order lifts, we will schedule a time to complete the installation.

access
ANACORTES FIBER INTERNET



Contact

Contact C3, our Business Assistant, at:
(360) 588-8361
broadband@cityofanacortes.org
City Hall 904 6th St. Anacortes, WA 98221



2020 EXPANSION AREAS

AERIAL CUSTOMER SERVICE

Will pass 1,170 potential customers

35% take-rate = 410 new customers

NoaNet design almost complete

Materials will be ordered week of April 20

Will bring contract to Council for RBC deployment of backbone cables & MSTs



CUSTOMER SIGN-UPS

Customers Not on GPON Network

CITY OF ANACORTES - Internet

50 CoA VPN users actively using ACCESS Internet

FireEye device being configured, City buildings switching to ACCESS Internet; applications transitioning soon; all DNS records will be updated over an upcoming weekend

CITY OF ANACORTES – Pt to Pt

2 dark fibers, Water Treatment Plant to Library

10 WTP pump stations & reservoirs to be connected by City fiber in next 3 weeks (\$400 per month savings)

WWTP pump stations using City fiber

NOANET

Customer #1

2 or 5 Gbps Ethernet circuit

NoaNet waiting for customer to sign

Some construction

May / June construction, July service

\$10k - \$18k annual revenue

Customer #2

1, 5 or 10 Gbps

NoaNet submitting proposal to its customer

\$8k - \$36k annual revenue

ISLAND HOSPITAL

Dark fiber

Hospital to Teen Clinic

Hospital to Sleep Center

Hospital to Mount Vernon

Requires some new aerial cables

May / June estimated timeframe

\$16k - \$29k annual revenue

CUSTOMER OUTREACH

RENEWED FACEBOOK PRESENCE

Updated Content

Ad Campaign

Reached >3,463 people between Apr 6 – 20

452 engagements

11 cents per engagement



Access - Anacortes Fiber Internet

Sponsored ·

Anacortes is bringing the future of internet technology to your front door. Say goodbye to data caps with hidden fees and say hello to greater reliability at a lower price. Cut the copper cord and join Washington's first municipally owned internet service today!

- > **Faster Speeds**
- > **Lower Prices**
- > **More Reliable**
- > **Locally Run**

Residential Plans

Month to Month

100 Mbps	\$39/month
1 Gbps	\$69/month
Managed WiFi	\$10/month
Install Fee	\$100

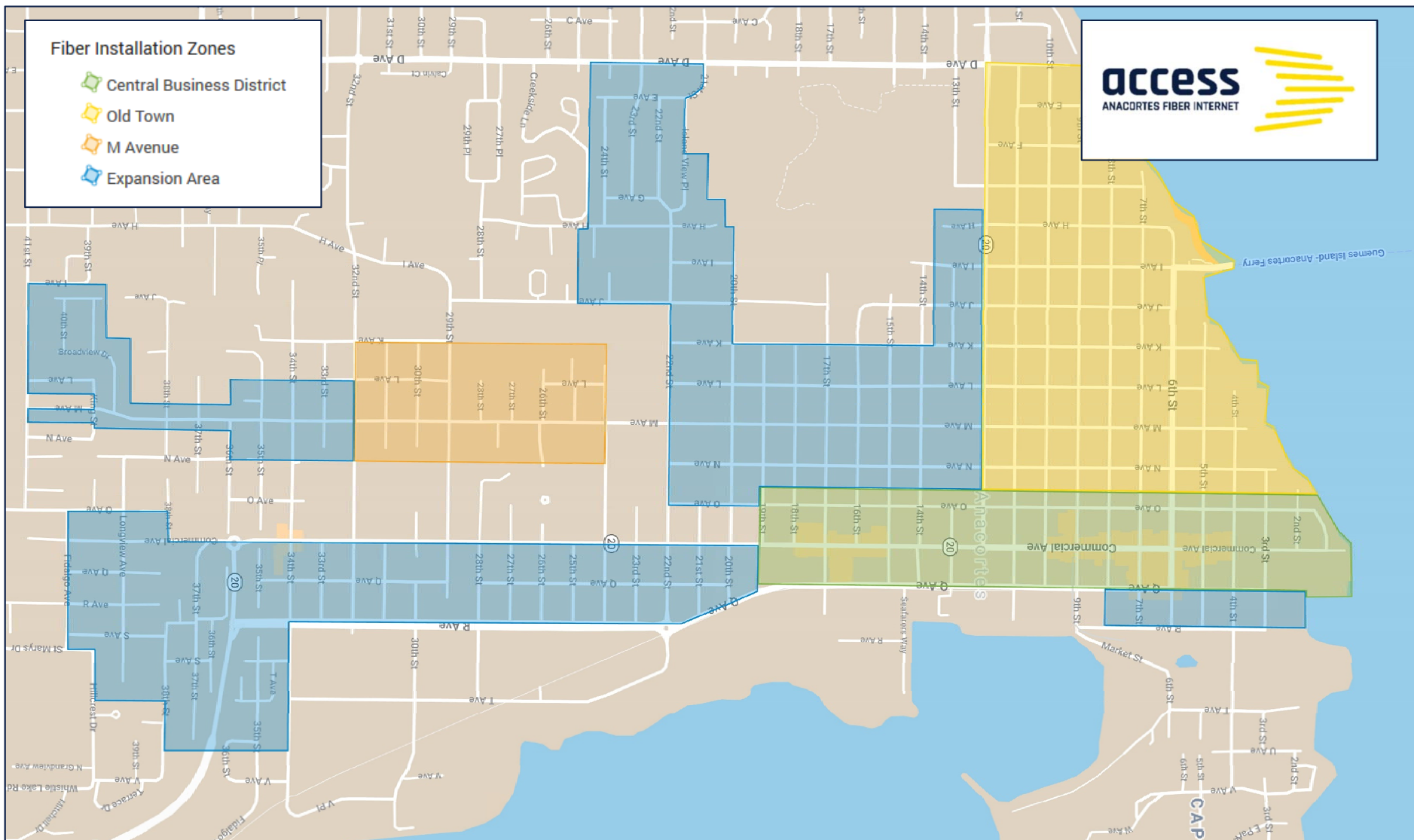
Business Plans

12 Month Contract

100 Mbps	\$89/month
1 Gbps	\$149/month
Managed WiFi	\$10/month
Install Fee	\$100

access
ANACORTES FIBER INTERNET







City Council Agenda Item Summary

Meeting Date: 4/20/2020

Agenda Item Number: 5c

Agenda Item Title: Monthly Finance Update and COVID-19 Impacts

Staff Contact(s): Steve Hoglund, Philip

Approved by:

Action Type: Staff Report

Item Summary: With the lag in revenue receipts from tax sources and user fees (through the online platform the City uses), the finance data available shows normal operations when compared to the prior year. However we know that will change. We have noted in Parks the refund request rate about 13 times higher than in 2019. We've also noted changes in water use compared to prior year. The Utility Billing department has also been processing a large number of requests for commercial sanitation to be suspended. Included in the material are cost saving options that have been discussed at the staff level. Currently, departments are continuing to evaluate and scrutinize all spending.

Budget Impact:

Amount Budgeted: \$

Proposed Expenditure: \$

Budget Amendment Required?

Previous Action: At the [March 30](#) Council Meeting, Council requested monthly, as opposed to quarterly, finance updates during the COVID-19 crisis.

Recommended Motion: N/A

Alternative Actions: N/A

Attachments In order presented:

- Slide presentation
- Charts and graphs
- Cost saving options

Governmental Revenues

Both JP Morgan and Goldman Sachs predict 9-10% GDP drop in 1st Qtr and 25-35% drop in 2nd Qtr (nation wide).

- Its pretty well assumed significant financial impacts will be seen, at least short term.

Additionally:

- WA State DOR gave businesses the option to defer April excise taxes to June 30.
- Skagit County Treasurer gave Property Tax payers the option to defer 1st half taxes to July 30.

Governmental Revenues

Sales Tax is one of the largest tax revenue streams.

It pays for basic, General Fund Activities:

- Legislation, Legal, Fiber, Museum, Administration, and Public Safety departments.
- Property tax can be reallocated from other funds back to General Fund if needed.

Governmental Revenues

Sales Tax:

- If we assume March, April, May retail sales (May, June, July City Receipts):
75% decrease those 3 months, totaling \$918,631.
- June, July, August retail sales (Sept, Oct, Nov City Receipts):
50% decrease those 3 months, totaling \$712,287.
- If Back to normal by December, there'd be a total sales tax loss of \$1.63M or 33% of Sales Tax budget.

Governmental Revenues

Property Tax:

- Total Property tax budget of \$5,220,972.
 - Supports Governmental activities, primarily culture (Parks, Library, Cemetery), transportation, and EMS.
- First half property tax due April 30: \$2,610,4863
 - If 50% of tax payers took advantage of the property tax deferral, \$1.3M would be deferred to July 31 and collected in July and August.
- Property tax allocated to other governmental funds could be re-budgeted back to general fund if necessary.

Governmental Revenues

Charges for Service:

- General fund \$444,044 budgeted; majority in Building and Fiber.
 - 1st Qtr we have collected 7%.
 - 2019 same timeframe 10% collection.
- Park & Rec Charges for Service: \$132,130; 7.3% of budget.
 - Collected YTD: \$16,642, 12%.
 - 2019 same time frame same collection rate 12%.
 - Many programs in 2020 are cancelled.
- Washington Park Charges: \$292,876, 100% of budget.
 - Collected YTD \$53,722, 20% collection vs 21% 2019.
 - However, 2020 refund rate is 68% vs 5% 2019.
- EMS transport revenue are \$1.6M, at 23% collection rate.
 - 2019 same time frame collection rate 24%.

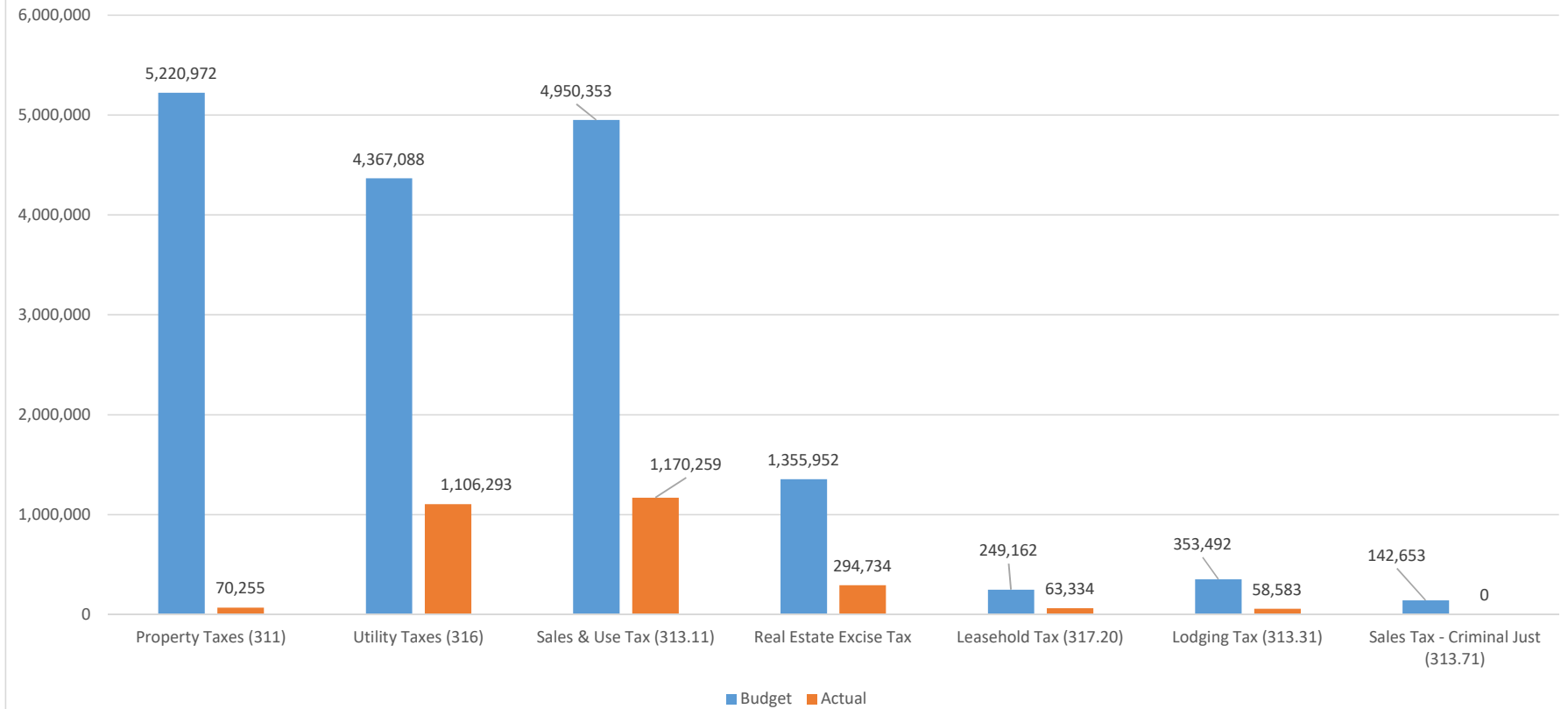
1st Qtr Water Consumption

CUBIC FEET	Total	Change Feb - Mar		Total	Change Feb - Mar
<u>INDUSTRIAL</u>					
Shell Puget Sound Refin	89,104,167	1,161,789		87,710,630	1,624,577
Tesoro Northwest Co	69,453,897	2,214,481		67,797,348	(4,715,984)
TOTAL: INDUSTRIAL	158,558,064	3,376,270		155,507,978	(3,091,407)
<u>WHOLESALE</u>					-6.1%
Town of La Conner	2,722,360	144,248		3,090,920	(95,295)
City of Oak Harbor	20,767,588	1,274,462		19,469,255	(199,617)
Skagit PUD	1,828,808	155,495		1,597,923	(54,502)
Swinomish Utility Author	1,354,796	78,629		1,177,988	(75,612)
TOTAL: WHOLESALE	26,673,552	1,652,834		25,336,086	(425,026)
<u>RETAIL</u>					-4.9%
Commercial	7,289,188	229,384		7,877,449	(763,967)
Multifamily	1,232,726	32,795		1,268,912	(48,078)
Residential	9,399,904	227,960		8,975,806	520,062
TOTAL: RETAIL	17,921,818	490,139		18,122,167	(291,983)
TOTAL: CONSUMPTION I	203,153,434	5,519,243		198,966,231	(3,808,416)

Ideas for Cost Savings

- Suspend ERR and DIS for one quarter (3 monthly JE's)
- Cut all non essential travel (city required expenses)
- Cut all Professional Services not tied to statutory requirements
- No new hires / Essential public safety on case by case basis
- No seasonal hires
- No new equipment / even if funded by replacement reserves
- Compare to 2019 budget totals
- We have to get to 1.8M just to make sales tax drop
- If goes on for more than a quarter, may need to get to 3.8M

2019 Tax Revenue Budget to Actual

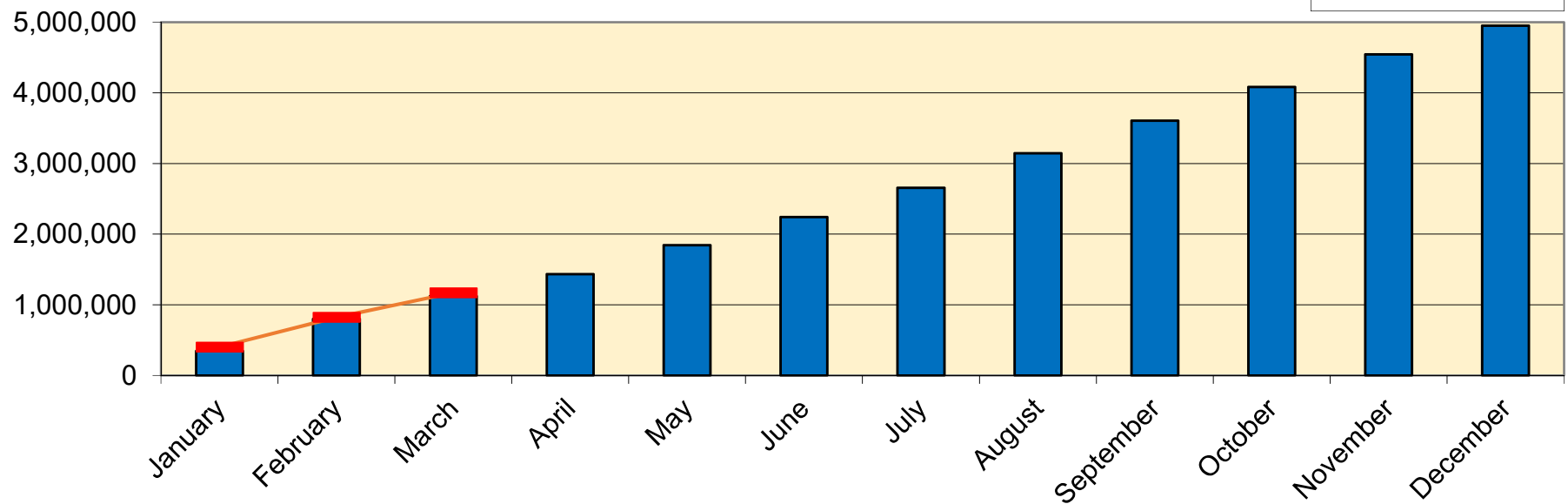


Taxes	Budget	Actual	Jan - Mar 2020
Property Taxes (311)	5,220,972	70,255	1%
Utility Taxes (316)	4,367,088	1,106,293	25%
Sales & Use Tax (313.11)	4,950,353	1,170,259	24%
Real Estate Excise Tax	1,355,952	294,734	22%
Leasehold Tax (317.20)	249,162	63,334	25%
Lodging Tax (313.31)	353,492	58,583	17%
Sales Tax - Criminal Just (313.71)	142,653	0	0%
Totals Taxes:	16,639,672	2,763,459	16.6%

For comparison 2018 and 2019 Property tax collection through March was each 3%.

25%

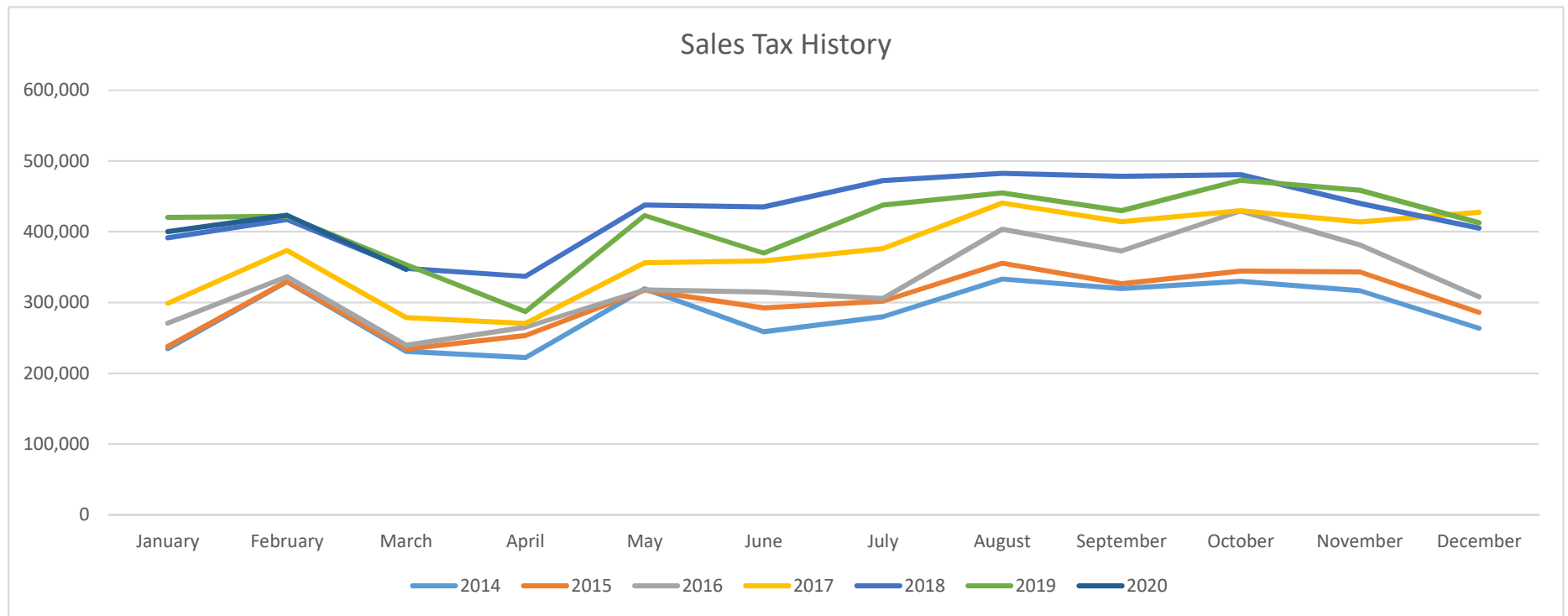
2020 Sales Tax Budget to Actual



	January	February	March	April	May	June	July	August	September	October	November	December
2020 Budget	344,116	799,971	1,121,901	1,432,409	1,844,894	2,241,948	2,657,251	3,143,462	3,605,869	4,081,825	4,543,292	4,950,353
2020 Actuals:	400,099	823,436	1,170,259									
2019 Actuals:	420,175	841,848	1,195,484	1,482,641	1,905,593	2,275,269	2,713,063	3,167,786	3,597,487	4,070,201	4,528,769	4,941,631
Year to prior year:	-4.8%	-2.2%	-2.1%	-100.0%	-100.0%	-100.0%	-100.0%	-100.0%	-100.0%	-100.0%	-100.0%	-100.0%
Year to budget:	16.3%	2.9%	4.3%	-100.0%	-100.0%	-100.0%	-100.0%	-100.0%	-100.0%	-100.0%	-100.0%	-100.0%

Monthly Receipts:

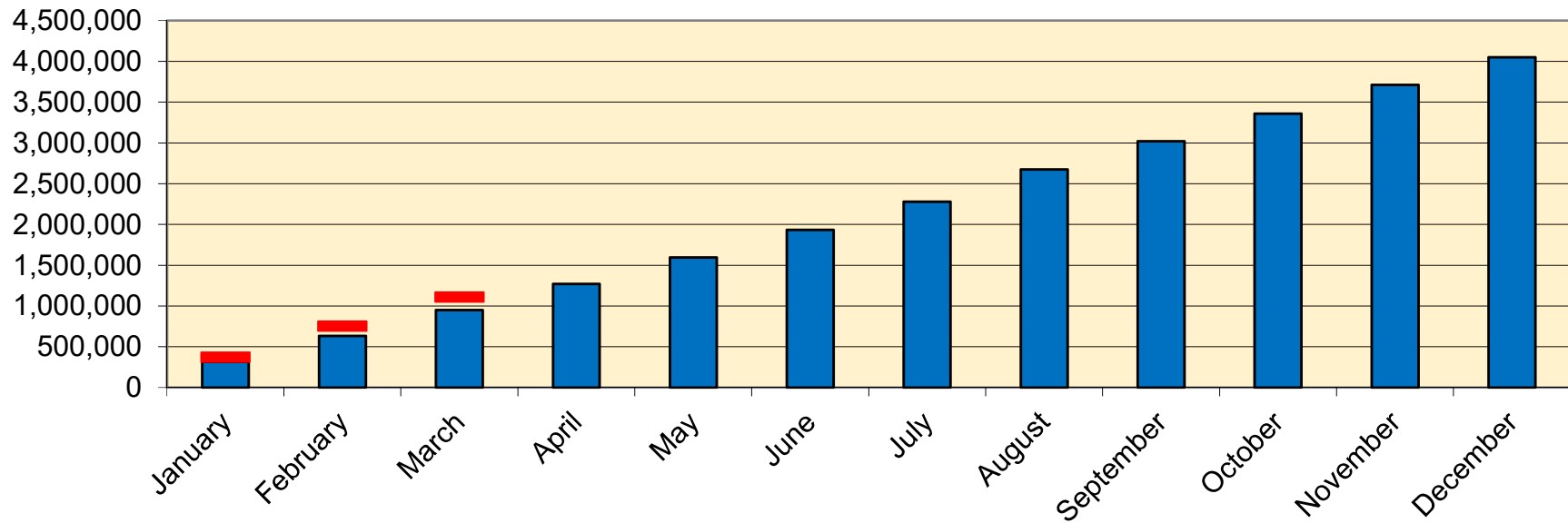
2020 Total:	400,099	423,337	346,823									
Month % change:	-4.8%	0.4%	-1.9%	-100.0%	-100.0%	-100.0%	-100.0%	-100.0%	-100.0%	-100.0%	-100.0%	-100.0%
2019 Total:	420,175	421,673	353,636	287,158	422,952	369,676	437,794	454,723	429,701	472,714	458,568	412,861



	2014	2015	2016	2017	2018	2019	2020			
January	234,638	237,766	270,996	298,921	391,598	420,175	400,099			
February	329,731	330,149	336,361	373,446	417,159	421,673	423,337	392,750	30,587	0.072252
March	231,190	234,269	239,760	278,816	348,395	353,636	346,823			
April	222,174	253,526	265,116	270,333	336,990	287,158				
May	319,244	317,448	317,956	356,187	437,549	422,952				
June	258,597	292,365	314,697	358,896	435,146	369,676				
July	279,769	302,126	305,900	376,437	472,366	437,794				
August	333,220	355,597	403,770	440,609	482,490	454,723				
September	319,637	326,590	372,694	414,095	478,476	429,701				
October	330,125	344,564	429,378	429,664	480,657	472,714				
November	316,660	343,221	381,040	413,760	439,992	458,568				
December	263,700	285,842	308,184	427,580	405,194	412,861				
Total	3,438,685	3,623,463	3,945,850	4,438,743	5,126,010	4,941,631				

2019 Utility Tax

■ 2020 Budget
■ 2020 Actuals:



	January	February	March	April	May	June	July	August	September	October	November	December
2020 Budget	315,091	631,833	949,179	1,271,953	1,596,054	1,934,594	2,279,468	2,672,606	3,020,137	3,359,701	3,710,823	4,050,079
2020 Actuals:	368,352	751,725	1,106,293									
2019 Actuals:	372,774	679,383	1,058,672	1,452,422	1,783,753	2,112,112	2,437,810	2,753,025	3,029,198	3,337,178	3,635,215	4,022,631
Year to prior year:	-1.2%	10.6%	4.5%	-100.0%	-100.0%	-100.0%	-100.0%	-100.0%	-100.0%	-100.0%	-100.0%	-100.0%
Year to budget:	16.9%	19.0%	16.6%	-100.0%	-100.0%	-100.0%	-100.0%	-100.0%	-100.0%	-100.0%	-100.0%	-100.0%

Monthly Receipts:

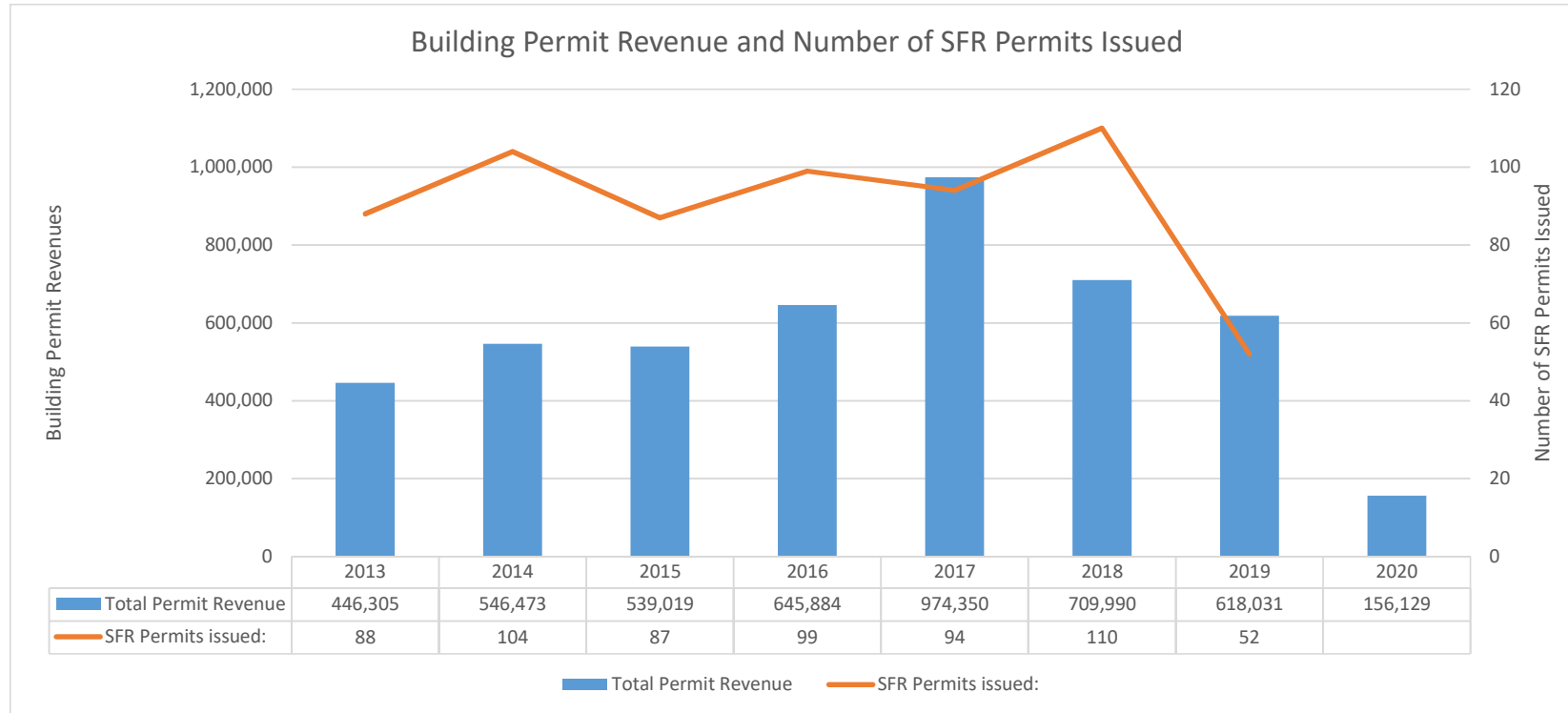
2020 Total:	368,352	383,373	354,568									
Month % change:	-1.2%	25.0%	-6.5%	-100.0%	-100.0%	-100.0%	-100.0%	-100.0%	-100.0%	-100.0%	-100.0%	-100.0%
2019 Total:	372,774	306,609	379,289	393,751	331,330	328,359	325,699	315,215	276,172	307,981	298,037	387,415

BUILDING PERMIT REVENUES

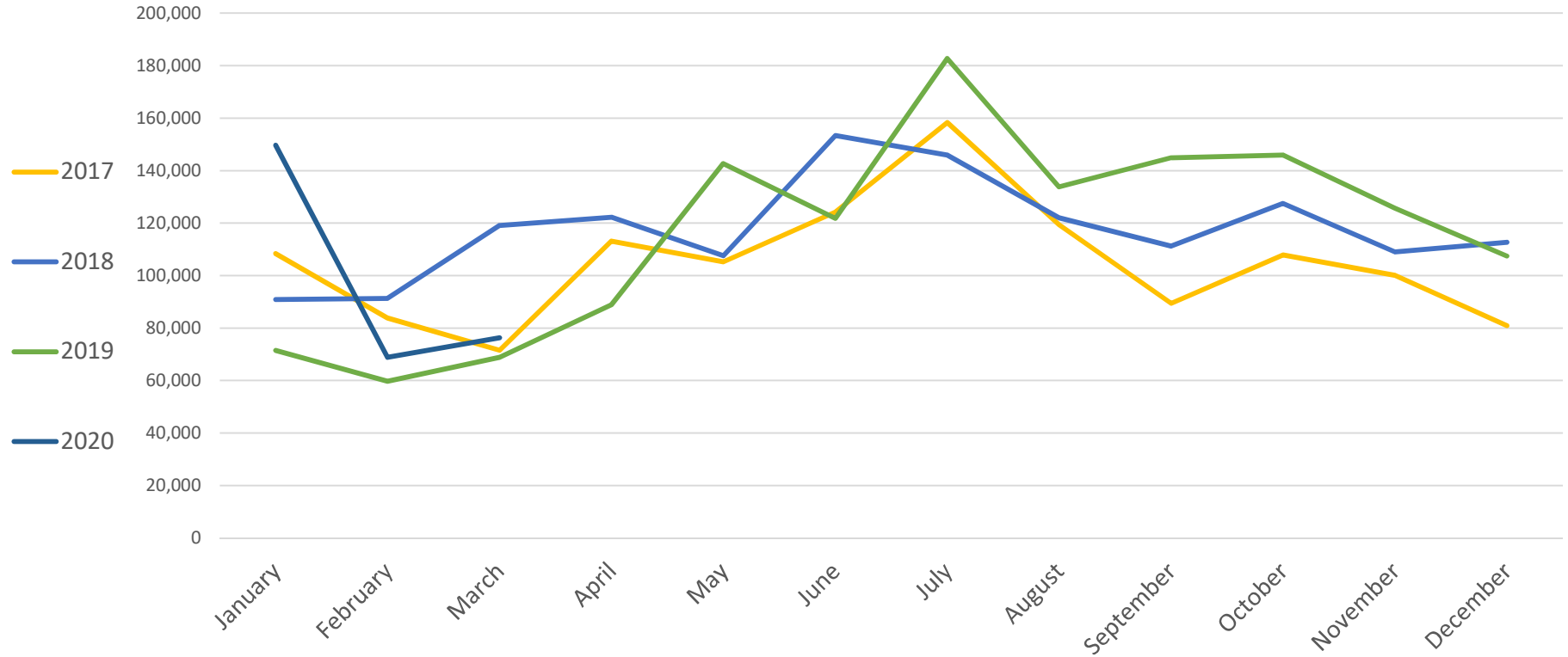
Year	2013	2014	2015	2016	2017	2018	2019	2020
January	28,841	32,823	42,370	40,543	37,646	50,909	49,435	30,146.45
February	27,298	35,500	37,608	59,400	22,296	36,824	23,424	58,146.16
March	43,193	54,017	46,117	62,836	417,281	97,950	17,289	67,836.85
April	29,932	61,243	90,131	66,401	70,171	49,316	102,494	
May	54,417	26,370	39,880	91,587	76,816	51,462	52,645	
June	46,064	51,989	62,135	69,296	68,217	80,324	51,172	
July	31,586	47,646	37,835	49,642	71,066	56,868	57,444	
August	57,429	48,008	55,805	64,252	60,555	99,921	88,115	
September	32,946	58,395	19,478	32,719	19,003	77,574	29,884	
October	39,243	44,476	26,812	38,917	47,880	32,541	52,695	
November	20,680	34,684	49,130	32,710	38,720	37,865	45,641	
December	34,675	51,321	31,718	37,582	44,698	38,436	47,794	
Total Permit Revenue	446,305	546,473	539,019	645,884	974,350	709,990	618,031	156,129
SFR Permits issued:	88	104	87	99	94	110	52	12

plus 4
more in
april by

February Status:	56,140	68,324	79,978	99,943	59,943	87,732	72,859	156,129	
Ave % of Annual:	13%	13%	15%	15%	6%	12%	12%	12%	Ave %



REET Receipts



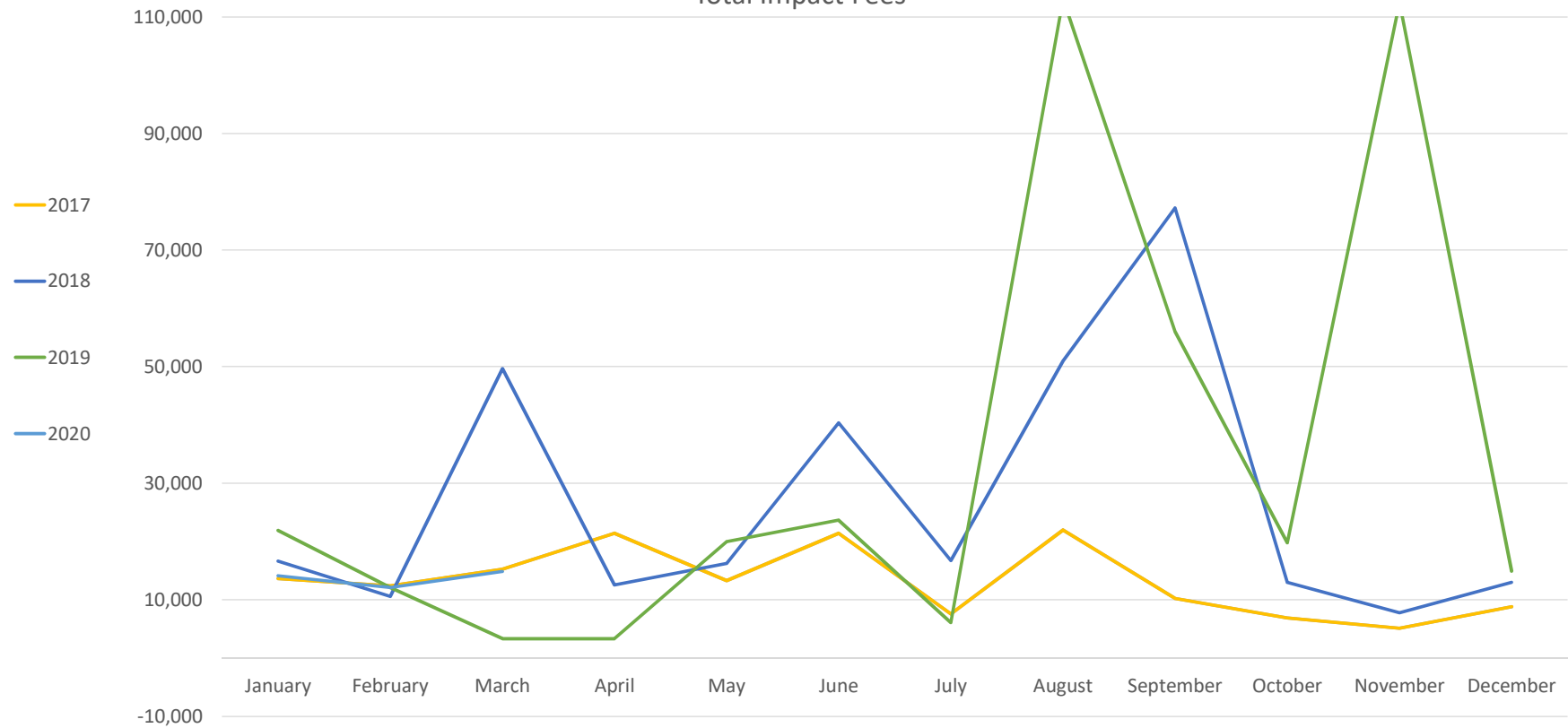
REET Receipts by Month

	2014	2015	2016	2017	2018	2019	2020	Change 2018 to 2019
January	50,379	76,641	90,785	108,345	90,855	71,476	149,648	109%
February	35,392	58,467	41,788	83,871	91,344	59,737	68,822	15%
March	52,500	83,496	52,085	71,546	119,086	68,816	76,264	11%
April	80,638	84,647	100,310	113,091	122,262	88,848		
May	62,231	99,114	128,959	105,290	107,540	142,701		
June	106,731	107,656	132,996	124,195	153,339	121,806		
July	70,536	125,559	121,693	158,342	145,919	182,759		
August	85,932	131,356	157,115	119,278	121,977	133,793		
September	85,757	75,122	111,482	89,402	111,249	144,927		
October	73,123	107,324	142,738	107,915	127,479	145,979		
November	83,353	89,971	122,623	100,151	109,063	125,671		
December	63,373	82,391	108,345	80,913	112,696	107,435		

Total:	849,945	1,121,744	1,310,919	1,262,338	1,412,809	1,393,949	294,734
Thru Mar collection:	138,271	218,604	184,658	263,762	301,285	200,030	294,734

							Cash Balance	Budgeted use
REET 1 Spent:	250,000	293,350	715,230	209,060	404,250	509,408	2,269,002	611,000
REET 2 Spent:	522,500	136,119	469,887	603,026	1,120,425	579,235	1,261,568	744,951
	772,500	429,469	1,185,117	812,086	1,524,675	1,088,643	3,530,569	1,355,951
Change to cash:	77,445	692,275	125,802	450,252	-111,866	305,306		

Total Impact Fees



Impact Fee Receipts by Month

	2014	2015	2016	2017	2018	2019	2020	Change 2019 to 2020		3/31/2020 Cash Balance	2020 Budgeted
January	10,845	11,805	13,635	13,635	16,665	21,901	14,135	-35%	Streets	800,792	575,085
February	16,689	13,290	12,420	12,420	10,605	12,113	12,116	0%	Parks	329,188	200,000
March	24,726	13,667	15,255	15,255	49,682	3,346	14,873	345%	Fire	136,712	0
April	20,175	34,605	21,450	21,450	12,573	3,346					
May	7,722	28,935	13,290	13,290	16,282	19,985					
June	15,420	14,250	21,450	21,450	40,365	23,680					
July	8,544	9,675	7,575	7,575	16,745	6,132					
August	8,160	29,351	22,000	22,000	50,984	113,104					
September	25,840	3,615	10,232	10,232	77,236	56,007					
October	10,044	3,645	6,885	6,885	13,026	19,790					
November	8,480	9,090	5,130	5,130	7,800	112,480					
December	16,337	5,160	8,805	8,805	13,026	14,921					
Total:	172,982	177,087	158,127	158,127	324,988	406,805	41,123				

CITY OF ANACORTES

ALL FUNDS

Revenues/Expenditures

January - March 2020

		2020 Adj Budget	Year to date Actuals	25%
001	GENERAL FUND			
	Revenue	18,760,489	3,784,704	20%
	Expenditure	18,760,489	4,576,380	24%
	Difference	0	-791,675	
101	PARK & RECREATION			
	Revenue	2,206,194	123,614	6%
	Expenditure	2,206,194	490,174	22%
	Difference	0	-366,560	
102	CEMETERY			
	Revenue	270,951	20,168	7%
	Expenditure	270,951	55,867	21%
	Difference	0	-35,700	
103	LIBRARY			
	Revenue	1,601,100	64,780	4%
	Expenditure	1,601,100	415,478	26%
	Difference	0	-350,699	
104	STREET MAINTENANCE			
	Revenue	3,152,786	209,460	7%
	Expenditure	3,152,786	346,044	11%
	Difference	0	-136,584	
105	STREET CONSTRUCTION			
	Revenue	1,823,020	5,500	0%
	Expenditure	1,823,020	124,642	7%
	Difference	0	-119,141	
106	TBD			
	Revenue	1,164,877	274,081	24%
	Expenditure	1,164,877	-	
	Difference	0	274,081	
107	WASHINGTON PARK			
	Revenue	289,450	55,434	19%
	Expenditure	289,450	55,402	19%
	Difference	0	32	
108	PARKS CAPITAL			
	Revenue	750,000	9,452	1%
	Expenditure	750,000	236,832	
	Difference	0	-227,380	
110	AMBULANCE FUND			
	Revenue	3,944,666	879,992	22%
	Expenditure	3,944,666	997,571	25%
	Difference	0	-117,579	
112	DEVELOPMENT IMPACT FEES			
	Revenue	250,000	42,898	
	Expenditure	250,000	-	
	Difference	0	42,898	
113	ACFL MANAGEMENT FUND			
	Revenue	48,259	13,326	28%
	Expenditure	48,259	17,185	36%
	Difference	0	-3,859	

CITY OF ANACORTES

ALL FUNDS

Revenues/Expenditures

January - March 2020

		2020 Adj Budget	Year to date Actuals	25%	
135	LODGING TAX				
	Revenue	344,168	60,103	17%	
	Expenditure	344,168	26,990	8%	
	Difference	0	33,112		
335	REET				
	Revenue	1,355,951	300,182	22%	
	Expenditure	1,355,951	-	0%	
	Difference	0	300,182		
401	WATER				
	Revenue	31,285,252	4,992,539	16%	Chgs budg 11,521,447
	Expenditure	31,285,252	2,705,747	9%	Actuals: 2,503,391
	Difference	0	2,286,792		% collected: 22%
					Cap Budg: 8,502,132
					Actuals: 2,353,844
					% collected: 28%
440	SEWER				
	Revenue	7,756,982	1,644,233	21%	Chgs budg 5,727,300
	Expenditure	7,756,982	1,529,081	20%	Actuals: 1,455,321
	Difference	0	115,152		% collected: 25%
445	STORM DRAIN				
	Revenue	2,196,435	412,485	19%	Chgs budg 1,572,587
	Expenditure	2,196,435	458,331	21%	Actuals: 393,331
	Difference	-	(45,846)		% collected: 25%
450	SANITATION				
	Revenue	3,870,510	1,170,937	30%	
	Expenditure	3,870,510	980,937	25%	
	Difference	0	190,001		
501	EQUIPMENT RENTAL FUND				
	Revenue	2,385,934	799,845	34%	
	Expenditure	2,385,934	510,380	21%	
	Difference	0	289,465		
611	FIREMEN'S PENSION FUND				
	Revenue	25,496	463	2%	
	Expenditure	25,496	7,896	31%	
	Difference	0	-7,433		

ERR Monthly charges

Bars #	Dept	Annual	1 Month	3 Months	Fund Total Fund	
001.220.518.80.40	IT	5,857	488.07	1,464		
001.240.558.50.40	BUILDING INSPECTION	9,855	821.21	2,464		
001.260.532.10.40	FIBER	15,570	1,297.52	3,893		
001.310.521.70.40	POLICE	419,881	34,990.08	104,970		
001.310.554.30.40	ANIMAL CONTROL	2,641	220.06	660		
001.320.522.60.40	FIRE	376,452	31,371.03	94,113		
001.712.543.10.40	ENGINEERING	24,442	2,036.85	6,111		
001.713.518.30.40	FACILITIES	11,237	936.43	2,809	216,484	001
101.410.576.90.40	PARKS- ACFL	18,789	1,565.73	4,697		
101.410.571.00.40	PARKS- REC SAILING	17,695	1,474.58	4,424		
101.410.576.80.40	PARKS- GENERAL	130,351	10,862.59	32,588	41,709	101
102.430.536.00.40	CEMETERY	7,971	664.28	1,993	1,993	102
104.720.542.30.40	STREET	146,842	12,236.82	36,710		
104.720.542.61.40		8,513	709.38	2,128		
104.720.542.64.40		19,153	1,596.11	4,788		
104.720.542.66.40		12,769	1,064.07	3,192		
104.720.542.70.40		25,538	2,128.14	6,384	53,204	104
107.410.576.30.40	WASHINGTON PARK	16,775	1,397.88	4,194	4,194	107
110.320.522.70.40	AMBULANCE	182,464	15,205.33	45,616	45,616	110
					363,198	Governmental Funds
401.711.534.00.40	WATER TREATMENT PLANT	42,532	3,544.33	10,633		
401.730.534.10.40	"	94,378	7,864.84	23,595		
401.730.534.20.40	"	94,378	7,864.84	23,595		
401.730.534.30.40	"	94,378	7,864.84	23,595		
401.740.534.62.40	WATER DISTRIBUTION OF	124,787	10,398.94	31,197		
401.740.534.63.40	"	76,763	6,396.93	19,191		
401.740.534.64.40		11,516	959.64	2,879		
401.740.534.13.40	"	19,185	1,598.71	4,796		
401.740.534.61.40	"	19,185	1,598.71	4,796	144,275	401
440.712.535.00.40	SEWER	5,658	471.50	1,414		
440.750.535.81.40	"	48,093	4,007.74	12,023		
440.750.535.83.40	"	16,974	1,414.50	4,243		
440.760.535.10.40	"	5,658	471.50	1,414		
440.760.535.20.40	"	200,858	16,738.20	50,215		
440.750.535.20.40	"	5,658	471.50	1,414	70,725	440
445.770.531.30.40	STORM DRAIN	50,384	4,198.66	12,596		
445.720.542.67.40	"	85,789	7,149.07	21,447	34,043	445
450.780.537.20.40	SANITATION	564,560	47,046.70	141,140	141,140	450
					390,183	Utility Funds

Dept Info Sys Interfund Costs	Annual	1 month	3 month		
001.110.511.60.40 City Council	11,440	953	2,860		
001.120.513.10.40 Executive	8,675	723	2,169		
001.250.515.30.40 Legal	24,930	2,077	6,232		
001.130.512.50.40 Municipal Court	26,303	2,192	6,576		
001.130.515.93.40 Public Defender	6,579	548	1,645		
001.210.514.20.40 Financial & Accountin	39,015	3,251	9,754		
001.230.518.10.40 Human Resources	9,581	798	2,395		
001.230.532.10.40 Fiber	-	-	-		
001.713.575.50.40 Senior Center	32,103	2,675	8,026		
001.240.558.60.40 Planning	25,924	2,160	6,481		
001.240.558.50.40 Building Inspections &	14,718	1,227	3,680		
001.310.521.10.40 Police Administration	169,058	14,088	42,265		
001.320.522.10.40 Fire Control	32,826	2,736	8,207	<u>FUND TOTAL</u>	Fund #
110.320.522.70.40 Ambulance Services	73,065	6,089	18,266	18,266	110
001.320.525.60.40 Disaster Preparednes	17,960	1,497	4,490		
001.712.543.10.40 Engineering	59,274	4,939	14,818		
001.713.518.30.40 Facilities	9,686	807	2,422		
401.711.553.10.40 Conservation	2,453	204	613		
001.450.575.30.40 Museum	27,552	2,296	6,888	128,906	001
101.410.576.80.40 Parks & Rec	48,634	4,053	12,159	12,159	101
103.440.572.50.40 Library Program	125,922	10,493	31,480	31,480	103
104.711.543.10.40 Street	27,723	2,310	6,931	6,931	104
401.711.534.00.40 Water Utility	106,021	8,835	26,505	27,118	401
440.711.535.00.40 Sewer Utility	70,153	5,846	17,538	17,538	440
450.780.537.10.40 Garbage/Solid Waste	16,233	1,353	4,058	4,058	450
501.790.548.31.40 Transportation Mainte	20,412	1,701	5,103	5,103	501
Total Governmental Funds Savings				197,742	

2020 Remaining travel budget		
General fund	Dept Number	
Leg	110	6,487
Exec	120	4,275
Court	130	5,412
Finance	210	6,144
IT	220	6,989
HR	230	5,619
Planning	240	5,688
Legal	250	4,538
Fiber	260	24,597
PD	310	29,166
Fire	320	14,211
Museum	450	2,772
Total General Fund		115,896
	101	3,180
	103	11,659
	105	1,500
	110	18,444
Total Governmental Funds		150,679
	401	36,261
	440	7,248
	501	10,811

2020 Remaining Professional Services budget

General fund	Dept Number	
Leg	110	32,850.57
Exec	120	20,774.43
Court	130	121,699.07
Finance	210	77,499.93
IT	220	148,196.38
HR	230	80,155.03
Planning	240	471,680.09
Legal	250	95,896.76
Fiber	260	
PD	310	558,322.84
Fire	320	153,040.95
Museum	450	<u>3,605.62</u>
Total General Fund		<u>1,763,722</u>
	101	184,437.74
	103	89,308.04
	107	24,182.03
	110	58,951.80
	113	15,352.07
		2,135,953



Anacortes City Council

Proposed Agenda Items for the Next Eight Weeks Beginning April 27, 2020

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

April 27, 2020

- Modified Public Hearing: City of Anacortes CDBG Consolidated Plan: 2020 Annual Action Plan (Discussion)

May 4, 2020

- Modified Public Hearing: City of Anacortes CDBG Consolidated Plan: 2020 Annual Action Plan (Action)

May 11, 2020

May 18, 2020

May 26, 2020

- Monthly Finance Update and COVID-19 Impacts (Discussion)

June 1, 2020

June 8, 2020

June 15, 2020

Upcoming City Council Committee Meetings

The public is welcome to attend City Council Committee Meetings.

- Public Works, Monday, Apr 20, 2020, 5:00 PM, Teleconference
- Finance, Wednesday, Apr 22, 2020, 5:00 PM, Teleconference
- Personnel, Thursday, Apr 23, 2020, 12:30 PM, Teleconference
- Fiber, Thursday, Apr 23, 2020, 2:30 PM, Teleconference
- Planning, Monday, Apr 27, 2020, 5:00 PM, Teleconference
- Community Center / Pool, Thursday, Apr 30, 2020, 3:30 PM, CANCELLED
- Public Works, Monday, May 4, 2020, 5:00 PM, Teleconference
- Port/City Liaison, Tuesday, May 5, 2020, 8:30 PM, TBD
- Fiber, Thursday, May 7, 2020, 2:30 PM, Teleconference
- Housing Affordability & Community Services, Monday, May 11, 2020, 4:00 PM, Teleconference
- Planning, Monday, May 11, 2020, 5:00 PM, Teleconference
