City of Kenmore - 18120 68th Avenue NE -Kenmore, WA 98028
Phone: 425-398-8900 - E-mail: cityhall@kenmorewa.gov

City of Kenmore
City Council Special and Regular Meeting Agenda
6:15 p.m., Monday, July 15, 2019
Kenmore City Hall, Council Chambers
18120 68th Ave. NE, Kenmore, WA 98028

If you have any questions or to confirm agenda items prior to the meeting, or if you require special accommodations, please call the City Clerk at 425-398-8900. You may also stop by City Hall at 18120 68th Avenue NE, Kenmore. Council agendas are also available on our website at www.kenmorewa.gov.

I. 6:15 p.m. - CALL SPECIAL MEETING TO ORDER

II. EXECUTIVE SESSION
Pursuant to RCW 42.30.110(1)(i), Potential Litigation

III. POSSIBLE ACTION RELATING TO EXECUTIVE SESSION

IV. ADJOURN SPECIAL MEETING

V. 7:00 p.m. - CALL REGULAR MEETING TO ORDER

VI. ROLL CALL

VII. FLAG SALUTE

VIII. AGENDA APPROVAL

IX. PROCLAMATION

A. Inglewood Golf Club - 100 Year Anniversary
Proclamation

X. CITIZEN COMMENTS

A. This is an opportunity to express your views on issues that are important to you and to the community. Please limit your comments to three (3) minutes.

XI. CONSENT AGENDA

A. Total Check #s 42599 through 42706 in the amount of $606,637.07.

Total Payroll/Taxes/Flexible Spending/Retirement & Health Savings Account Electronic Deposits Dated: 6/21/2019 in the amount of $146,843.12.
6/21/2019 Payroll Checks #10133-10138 in the amount of $2,486.87.
Vouchers

B. Authorize the City Manager to Execute Agreement 19-C2060 with Grade, Inc. for Stormwater System Repairs at Three Locations
Agenda Item

C. City Council Meeting Minutes of June 10, 2019 and June 17, 2019
6-10-19 Minutes
6-17-19 Minutes

XII. BUSINESS AGENDA

A. Local Sales Tax Options for Affordable Housing HB 1406 - Debbie Bent, Community Development Director and Joanne Gregory, Finance and Administration Director
Agenda Item

B. Receive and File the March, 2019 Financial Report for the City of Kenmore - Joanne Gregory, Finance and Administration Director
Agenda Item

C. Resolution 19-325 Superseding Resolution 01-043 Establishing New Travel Policies for City Employees and Officials - Ryan Lancaster, Graduate Intern
Agenda Item

D. Ordinance 19-0494 Providing for Additional Parking Restrictions and Exemptions in Bike Lanes, Travel Lanes, and Downtown Kenmore - Ryan Lancaster, Graduate Intern
Agenda Item

XIII. STAFF REPORT

XIV. COUNCILMEMBER REPORTS AND COMMENTS AND INITIATIVES

XV. ADJOURNMENT

Upcoming Meetings:

A. Monday, July 22, 2019 - Regular Council Meeting
Monday, July 29, 2019 - Tentative Special Council Meeting
August, 2019 - Recess - No Council Meetings

City of Kenmore, Washington Proclamation

Whereas, Inglewood Golf Club was founded in 1919 in the pastoral area known as Kenmore, and has served over 6000 members and countless guests in its one hundred years of operation and celebrates the Centennial of its founding this year; and

Whereas, the historic and impressive design of the course and clubhouse is valued for its majestic nature and surroundings; and

Whereas, the Inglewood Golf Club has encountered challenges such as a 1925 fire that destroyed the original clubhouse, along with economic downturns but always found a way to meet them and grow even stronger; and

Whereas, the Inglewood Golf Club continues its long tradition as a major attraction and venue for community members, organizations and visitors who attend special events such as business gatherings, weddings, school proms and recreational events; and

Whereas, the Inglewood Golf Course Clubhouse was constructed in 1926 and honors its history by displaying many historic photos of tournaments and events, trophies and plaques; and

Whereas, in 1949 Esquire Magazine named Inglewood Golf Club in the top ten courses in the US as a true test of golf; and

Whereas, the Inglewood Golf Club has hosted many major professional and amateur national golf events and tournaments, featuring top golfers such as Arnold Palmer, Chi Chi Rodriguez, Lee Trevino and Nancy Scranton; and

Whereas, in 1992 Inglewood members voted to restore the original Clubhouse rather than construct a new one, and renovations and upgrades have been made over the years to the course and structures, including clubhouse improvements in 2018; and

Whereas, the presence of the Club in the City of Kenmore is testament to the nature of the community itself, serves as a source of pride, and is valued as an important asset to the City and region; and

NOW THEREFORE, I, David Baker, Mayor of the City of Kenmore, on behalf of the City Council, am pleased to congratulate Inglewood Golf Club on its 100th Anniversary.

Signed:

_____

David Baker, Mayor

Attest:

_____

Kelly Chelin, City Clerk

Voucher Certification and Approval

City of Kenmore
DATE RANGE:
06/15/2019-06/28/2019

I, the undersigned, do hereby certify under penalty of perjury that the materials have been furnished, the services rendered or the labor performed as described herein, that any advance payment is due and payable pursuant to a contract or is available as an option for full or partial fulfillment of a contractual obligation, and the the claim is a just, due and unpaid obligation against the City of Kenmore and that I am authorized to authenticate and certify to said claim. The following checks and electronic payments are approved for payment:

Total Check #s 42599 through 42706: $606,637.07

Total Payroll/Taxes/Flexible Spending/Retirement & Health Savings Acct. Electronic Deposits Dated: 06/21/2019: $146,843.12

06/21/2019 Payroll Checks # 10133-10138: $ 2,486.87

RZ Kos 7-2-19
City Manager / Date

6/28/19
Finance Director / Date

Vendor Name	Check #	Date	Description	Amount
AFLAC	42599	06/21/2019	Employee Medical/Disability Plans	327.10
AMERICAN GENERAL LIFE GPO-400S	42600	06/21/2019	Life Insurance	279.92
AWC EMPLOYEE BENEFITS	42601	06/21/2019	Employee Health Insurance	57,928.61
AWC EMPLOYEE BENEFITS	42602	06/21/2019	Void	-
AWC EMPLOYEE BENEFITS	42603	06/21/2019	Void	-
DEPARTMENT OF LABOR AND INDUSTRIES	42604	06/21/2019	City of Kenmore Worker's Comp	4,048.85
DEPARTMENT OF LABOR AND INDUSTRIES	42605	06/21/2019	Void	-
EMPLOYMENT SECURITY DEPT	42606	06/21/2019	Paid Family & Medical Leave	719.22
ICMA RETIREMENT C/O ALLFIRST BANK-109964	42607	06/21/2019	City of Kenmore 401a Loan	16,034.79
ICMA RETIREMENT TRUST 457 - 304745	42608	06/21/2019	ICMA 457 Deferred Comp	4,951.82
LINCOLN NATIONAL LIFE INSURANCE	42609	06/21/2019	Life Ins/ADD & LTD	1,195.44
NATIONAL LIFE OF VERMONT	42610	06/21/2019	Life Insurance	123.17
STATE OF FLORIDA DISBURSEMENT UNIT	42611	06/21/2019	Employee Deduction	275.00
UNITED WAY OF KING COUNTY	42612	06/21/2019	Employee Charitable Contribution	68.50
BLUEBEAM, INC.	42613	06/28/2019	Bluebeam Revu CAD Software License	493.90
SOFTWAREONE, INC.	42614	06/28/2019	Gov E1 Office 365 Software Licenses	151.77
A+ CONFERENCING	42615	06/28/2019	6/14 Aquatic Weeds Conference Call	9.54
AAA PRINTING	42616	06/28/2019	SWM Signs for Booths	249.26
AAA PRINTING	42617	06/28/2019	SRTS - Guest House Directional Signs	360.14
AAA PRINTING	42618	06/28/2019	Reusable Parking Removal Signs	360.14
AM TEST, INC	42619	06/28/2019	Swamp Creek Water Sample Testing	225.00
AMY LUCK	42620	06/28/2019	July 24th Face Painting @ Summer Movie	200.00
BANNER BANK DB	42621	06/28/2019	Dell - Computer for Parks Project Mgr	1,032.85
BOTHELL KENMORE CHAMBER OF COMMERCE	42622	06/28/2019	April KBA Administrative Support	300.00
BROWN, STEPHANIE	42623	06/28/2019	Reimbursement for 4th of July Supplies	130.02
BULGER SAFE & LOCK, INC.	42624	06/28/2019	Parks Keys for Seasonal Employees	95.74
BUNTTING INC.	42625	06/28/2019	18-C1959 PW Post Office Improvements	745.00
CANON FINANCIAL SERVICES, INC.	42626	06/28/2019	June 2nd Floor Copier Lease	265.84
COMCAST BUSINESS	42627	06/28/2019	6/14-7/13 City Hall Cable/Internet	142.20
COMCAST BUSINESS	42628	06/28/2019	6/10-7/09 Squire's Landing Internet	69.95
COMCAST BUSINESS	42629	06/28/2019	6/19-7/18 Hangar Cable TV/Music	131.59
DAILY JOURNAL OF COMMERCE	42630	06/28/2019	Ad for City Attorney Svcs.	55.20

EMERALD CITY STATEWIDE	42631	06/28/2019	Fence Rental for Shed @ Rhod. Park	727.10
FERGUSON ENTERPRISES INC #3011	42632	06/28/2019	Patch Cement	836.94
FIRE PROTECTION, INC	42633	06/28/2019	Fire Alarm Service @ Hangar	1,194.60
FRUHLING SAND & TOPSOIL	42634	06/28/2019	Materials for Drainage Projects	345.62
GLASS MASTERS LLC	42635	06/28/2019	Window Cleaning Hangar & City Hall	1,370.00
GRADE, INC.	42636	06/28/2019	19-C2015 Arrowhead Drainage Improvement	32,547.00
GRAINGER	42637	06/28/2019	Parts for SW Project	46.84
GRAINGER	42638	06/28/2019	Air Compressor & Accessories	635.99
GRAINGER	42639	06/28/2019	PW - Reflective Vests	131.31
GRAINGER	42640	06/28/2019	PW Supplies - Towels	116.17
GRAINGER	42641	06/28/2019	Bulletin Board for PW Office	46.30
GRAINGER	42642	06/28/2019	Garden Scissors	75.33
GRAINGER	42643	06/28/2019	Trimmer Line for Stock	133.16
GRAINGER	42644	06/28/2019	Submersible Pump & Hose for SW Project	711.57
GREGORY, JOANNE	42645	06/28/2019	Per Diem & Mileage Reimbursement	317.90
HDR ENGINEERING, INC	42646	06/28/2019	16-C1625 4/28-5/25 Juanita Dr. Ped/Bike Svcs	163,850.76
HONEY BUCKET	42647	06/28/2019	Squire's Landing Rental 6/15-7/12/19	416.27
JACOBS ENGINEERING GROUP	42648	06/28/2019	15-C1411 3/30-5/24/19 W. Samm. Bridge Svcs	20,872.20
JAIN, VAIBHAV	42649	06/28/2019	Refund Security Deposit for Room Rental	250.00
JET CITY PRINTING	42650	06/28/2019	4th of July/Movies/Concerts Posters & Flyers	518.65
JET CITY PRINTING	42651	06/28/2019	4,000 City Logo Envelopes	506.00
JET CITY PRINTING	42652	06/28/2019	Summer Concert/Movies Handout	229.63
KBA INC.	42653	06/28/2019	18-C1846 May W Samm. Bridge Constructability Rev.	2,171.02
KENMORE COMMERCIAL LLC	42654	06/28/2019	July Incubator Bldg. Lease Payment	3,367.04
KING COUNTY FINANCE	42655	06/28/2019	Apr/May Public Defense Indigency Screening	502.00
KING COUNTY FINANCE	42656	06/28/2019	May Road Svcs - Signs	660.05
KING COUNTY FINANCE	42657	06/28/2019	May Road Svcs - Signals/Street Maint./Signs	13,537.90
KING COUNTY FINANCE	42658	06/28/2019	May Adult/Juv. Detention Community Work Prog.	7,315.00
KING COUNTY SHERIFF	42659	06/28/2019	May School District Police Overtime Chgs	10,473.81
KING COUNTY SHERIFF	42660	06/28/2019	May Police Overtime/Parking Enforcement	1,918.65
KPFF CONSULTING ENGINEERS	42661	06/28/2019	15-C1484 3/30-4/26/19 Prof. Svcs	12,579.10
MCNAMARA SIGNS	42662	06/28/2019	Event Signs	440.40
MORUP SIGNS, INC.	42663	06/28/2019	NE 153rd Pl. SRTS Sign	456.51
NEOPOST USA INC.	42664	06/28/2019	Ink for Postage Machine	197.99
NORTHSHORE FIRE DEPT	42665	06/28/2019	May Fire Marshal Plan Review	180.00
NORTHSHORE UTILITY DIST	42666	06/28/2019	Cultural Awareness Seminar	480.15
OFFICE DEPOT	42667	06/28/2019	Office Supplies	275.47
OFFICE TEAM	42668	06/28/2019	CD/DS Temporary Admin. Svcs	1,214.40
OFFICE TEAM	42669	06/28/2019	CD/DS Temporary Admin Week Ending 6/7	1,214.40
OLYMPIC ENVIRONMENTAL RESOURCES INC	42670	06/28/2019	Spring Recycling Event Support	14,838.30
O'REILLY/FIRST CALL	42671	06/28/2019	Hitch for Ford F-350	64.85
OSBORN CONSULTING INC.	42672	06/28/2019	12-C1081 May Rhod. Park Phase V	7,977.25
PACE ENGINEERS, INC.	42673	06/28/2019	19-C2021 May Engineering Consulting Svcs	21,814.75
PETERSON, JANET	42674	06/28/2019	Ergonomic Evaluations	750.00
PHSI PURE HEALTH SOLUTIONS INC.	42675	06/28/2019	City Hall Monthly Filtered Water Chgs	101.09
PUGET SOUND ENERGY	42676	06/28/2019	5/14-6/13 Tree Receptacles	2,039.66
QUALITY BUSINESS SYSTEMS-WELLS FARGO	42677	06/28/2019	1st Floor City Hall Photocopier Lease-6/5-7/4/19	675.53
RED BARN ENGINEERING, INC.	42678	06/28/2019	June 10-21 2019 On Call Engineering	2,394.00
REPUBLIC SERVICES	42679	06/28/2019	Hangar Trash Services	558.08
SAFETY-SOURCE LLC	42680	06/28/2019	SWM-Confined Space Gas Monitor	1,265.00
SEATTLE TIMES	42681	06/28/2019	Legal Notice	86.97
SEATTLE TIMES	42682	06/28/2019	Legal Notice	60.21
SEATTLE TIMES	42683	06/28/2019	SEPA Legal Notice	314.43
SEATTLE TIMES	42684	06/28/2019	City Attorney RFP Notice	35.68
SESAC	42685	06/28/2019	2019 Annual Music License	470.85
SHANNON & WILSON, INC.	42686	06/28/2019	SMP/CAR Update	7,140.75
SMS CLEANING, INC.	42687	06/28/2019	June 2019 Janitorial Services	6,077.75
SOUND PUBLISHING, INC.	42688	06/28/2019	Business Directory Advertisement	449.10
SOUND SAFETY PRODUCTS CO.	42689	06/28/2019	Employee Work Boots	114.25

SOUND SAFETY PRODUCTS CO.	42690	06/28/2019	SWM Work Equipment	7.95
SOUND SAFETY PRODUCTS CO.	42691	06/28/2019	Employee Work Boots	140.87
STAPLES ADVANTAGE	42692	06/28/2019	PW Office Maintenance Supplies	49.53
STAPLES ADVANTAGE	42693	06/28/2019	Hangar Maintenance Supplies	34.63
STAPLES ADVANTAGE	42694	06/28/2019	PW Office Maintenance Supplies	256.60
STAPLES ADVANTAGE	42695	06/28/2019	City Hall & Hangar Maintenance Supplies	24.86
STAPLES ADVANTAGE	42696	06/28/2019	Parks Maintenance Supplies	362.69
STAPLES ADVANTAGE	42697	06/28/2019	Parks Maintenance Supplies	185.23
STAPLES ADVANTAGE	42698	06/28/2019	PW Office Maintenance Supplies	58.58
STAPLES ADVANTAGE	42699	06/28/2019	City Hall & Hangar Maintenance Supplies	61.38
STAPLES ADVANTAGE	42700	06/28/2019	City Hall & Hangar Maintenance Supplies	592.32
TOTAL LANDSCAPE CORP	42701	06/28/2019	June 2019 Landscape Maintenance	880.00
TOTAL LANDSCAPE CORP	42701	06/28/2019	June 2019 Landscape Maintenance	4,145.45
TOWN CENTER HARDWARE	42702	06/28/2019	Public Works Supplies	510.11
WA STATE DEPT OF TRANSPORTATION	42703	06/28/2019	May Traffic Signal Maintenance	3,036.24
WASHINGTON CITY/COUNTY MGMT ASSOC	42704	06/28/2019	2019 Membership Dues for Nancy Ousley	315.00
WELWEST CONSTRUCTION INC.	42705	06/28/2019	19-C1991 NE 181st Sidewalk 65th-67th	154,157.84
WILLIAMS, KASTNER & GIBBS PLLC	42706	06/28/2019	17-C1736 5/20-5/30 El-Sharawy Professional Svcs	755.50
DRS 457	DFT0000415	06/21/2019	DRS 457 Deferred Comp	241.11
DRS 457	DFT0000416	06/21/2019	DRS 457 Deferred Comp	625.00
DEPARTMENT OF RETIREMENT SYSTEMS	DFT0000417-422	06/21/2019	Public Employees Retirement	27,925.11
NAVIA	DFT0000423	06/21/2019	Employee Flexible Spending Account	175.00
NAVIA	DFT0000423	06/21/2019	Employee Flexible Spending Account	136.23
NAVIA	DFT0000423	06/21/2019	Employee Flexible Spending Account	56.92
BANK OF AMERICA 941	DFT0000424	06/21/2019	Federal Taxes	17,674.84
DEVIN EMERSON	**10133**	6/21/2019	Payroll Check	**33.71**
AUSTIN FISCHER	**10134**	6/21/2019	Payroll Check	**503.59**
SHIRLEY LAM	**10135**	6/21/2019	Payroll Check	**38.58**
CRYSTAL MOORE	**10136**	6/21/2019	Payroll Check	**108.13**
ROB SAYRE-MCCORD	**10137**	6/21/2019	Payroll Check	**1,475.65**
JORDAN WOLTJER	**10138**	6/21/2019	Payroll Check	**327.21**
PAYROLL		6/21/2019	Direct Deposit	**100,008.91**
			Total	**$ 755,967.06**

City of Kenmore

Vendor Purchasing Report

For Date Range 01/01/2019 - 06/28/2019

Vendor Set: Vendor Set 01

Vendor	Name	Volume
0002	ACTION ENTERTAINMENT	550.00
0014	AMERICAN PLANNING ASSOCIATION	1,280.00
0022	ASSOCIATION OF WA CITIES	22,400.00
0024	BAKER, DAVID	1,764.80
0037	BASTYR UNIVERSITY	50,000.00
0050	BRUCE C ALLEN & ASSOC INC	9,250.00
0054	BULGER SAFE & LOCK, INC.	7,303.37
0064	CASCADE PEST CONTROL	715.00
0067	CENTER FOR HUMAN SERVICES	5,250.00
0076	CITY OF BELLEVUE	63,280.25
0081	CITY OF KENMORE	600.00
0083	CITY OF LAKE FOREST PARK	120,373.83
0092	CODE PUBLISHING COMPANY	1,503.77
0099	CONSOLIDATED PRESS	4,375.74
0106	CROWN PRODUCTS LLC	985.25
0109	DAILY JOURNAL OF COMMERCE	1,938.90
0121	REPUBLIC SERVICES	8,454.02
0130	EMPLOYMENT SECURITY DEPT	4,577.87
0134	EVERGREEN PRINT SOLUTIONS	215.06
0137	FERGUSON ENTERPRISES INC #3011	3,183.92
0145	FRUHLING SAND & TOPSOIL	380.62
0147	FUN RENTALS	602.25
0151	CALPORTLAND COMPANY	2,700.77
0152	GOVERNMENT FINANCE OFFICERS ASSOC	190.00
0173	HOME DEPOT CREDIT SERVICES	8,730.45
0184	INSLEE, BEST, DOEZIE & RYDER, P.S.	120,753.64
0189	INTERNATIONAL CITY/CNTY MGMT ASSOC	1,400.00
0197	JET CITY PRINTING	2,083.68
0201	KCDA PURCHASING COOP	2,377.06
0205	KENMORE HERITAGE SOCIETY	75.00
0206	KENMORE MIDDLE SCHOOL	5,250.00
0212	KING COUNTY FINANCE W.L.R.D.	7,936.00
0213	KING COUNTY ANIMAL SVCS	1,820.00
0216	KING COUNTY REAL ESTATE SVCS	2,500.00
0218	KING COUNTY FINANCE	3,125.84
0219	KING COUNTY FINANCE	142,353.18
0224	SOUND PUBLISHING, INC.	2,574.10
0229	KING COUNTY OFFICE OF FINANCE	2,820.00
0230	KING COUNTY RADIO COMM SERVICES	600.60
0233	KING COUNTY SHERIFF	1,463,789.25
0235	KING COUNTY TREASURY	31,017.97
0251	LIGHTHOUSE CONSULTING INC	33,349.23
0260	MEEHAN, NANCY	576.83
0261	PENDLETON CONSULTING LLC	4,046.80
0267	MR. T'S TROPHIES	117.32
0280	NEOPOST USA INC.	197.99
0285	NORTHSHORE FIRE DEPT	1,300.00
0286	NORTHSHORE SCHOOL DISTRICT	42,292.00
0287	NORTHSHORE SENIOR CENTER	14,150.00
0288	NORTHSHORE UTILITY DIST	114,415.39
0289	NORTHSHORE YMCA	2,875.00
0290	NORTHSHORE YOUTH & FAMILY SERVICES	8,000.00

XI. A. Total Check #s 42599 through 42706 in the amount of $606,637.07. ...

Vendor Purchasing Report **For Date Range 01/01/2019 - 06/28/2019**

Vendor Set: Vendor Set 01

Vendor	Name	Volume
0292	HONEY BUCKET	1,276.47
0299	PERSONAL BEST	118.27
0300	OFFICE DEPOT	4,860.79
0304	OLYMPIC ENVIRONMENTAL RESOURCES INC	20,162.00
0310	PACIFIC TOPSOILS	4,185.37
0314	PETTY CASH CUSTODIAN	401.94
0327	PUGET SOUND CLEAN AIR AGENCY	18,505.00
0328	PUGET SOUND ENERGY	89,995.78
0329	PUGET SOUND FINANCE OFFICERS ASSOC	50.00
0345	SEATTLE TIMES	7,817.15
0350	SIGN UP, SIGN CO, INC	1,342.00
0355	STAPLES ADVANTAGE	9,493.55
0357	STEWART MACNICHOLS HARMELL, INC.	30,000.00
0359	SOUND CITIES ASSOC	15,017.45
0365	TOTAL LANDSCAPE CORP	48,192.70
0371	UNITED STATES POSTMASTER	3,612.24
0375	US POSTAL SERVICE (HASLER)	3,779.16
0385	WA ASSOC OF BUILDING OFFICIALS	125.00
0386	WA ASSOC OF CODE ENFORCEMENT	40.00
0387	WA CITIES INSURANCE AUTHORITY	290,060.00
0389	WASHINGTON CITY/COUNTY MGMT ASSOC	315.00
0401	WA STATE DEPT OF TRANSPORTATION	7,352.43
0405	WASHINGTON STATE OFFICE CASH MGMT	1,073.50
0412	COLUMBIA RIDGE LANDFILL	8,171.67
0416	WETLANDS & WOODLANDS INC	3,747.70
0419	WONDERLAND DEVELOPMENT	750.00
0424	ICMA RETIREMENT TRUST 457 - 304745	62,942.33
0425	DRS 457	12,095.61
0426	AFLAC	1,962.60
0428	BANK OF AMERICA 941	219,449.12
0429	AWC EMPLOYEE BENEFITS	337,972.76
0431	DEPARTMENT OF RETIREMENT SYSTEMS	355,418.09
0432	DEPARTMENT OF LABOR AND INDUSTRIES	23,875.96
0434	UNITED WAY OF KING COUNTY	980.50
0436	NATIONAL LIFE OF VERMONT	739.02
0448	UPS STORE	63.64
0450	AURORA RENTS	4,296.15
0473	ARTS OF KENMORE	1,132.54
0484	CITY WIDE FENCE COMPANY, INC	28,765.00
0501	MACLEOD RECKORD	4,135.80
0510	AA ASPHALTING, INC	8,343.52
0515	NATIONAL LEAGUE OF CITIES	1,533.67
0586	MAIL FINANCE	709.50
0588	ENVIRONMENTAL SYSTEMS RESEARCH INST	5,720.00
0594	RANDALL, BRIAN	1,209.99
0610	WA STATE DEPT OF TRANSPORTATION	5,591.58
0617	KING COUNTY FINANCE	750.00
0639	KONICA MINOLTA BUSINESS SOLUTIONS	659.38
0685	PACE ENGINEERS, INC.	119,600.18
0689	DIGITAL REPROGRAPHICS SERVICES INC.	109.90
0690	BUILDERS EXCHANGE OF WASHINGTON INC	681.60
0692	HDR ENGINEERING, INC	421,732.52
0696	AMERICAN GENERAL LIFE GPO-400S	2,204.88
0699	BANNER BANK DB	5,730.63
0743	BANNER BANK NO	5,251.64
0764	OUSLEY, NANCY	589.65
0781	QUALITY BUSINESS SYSTEMS INC.	5,258.93
0788	CURTIS, DR. MILTON	193.68

XI. A. Total Check #s 42599 through 42706 in the amount of $606,637.07. ...

Vendor Purchasing Report **For Date Range 01/01/2019 - 06/28/2019**

Vendor Set: Vendor Set 01

Vendor	Name	Volume
0791	NORTHSHORE ROTARY CLUB	498.00
0800	BANNER BANK JG	9,490.27
0817	GRAINGER	10,164.00
0834	BANNER BANK KENMORE	20,476.43
0837	INGLEWOOD GOLF COURSE	5.20
0852	GREGORY, JOANNE	385.18
0858	A+ CONFERENCING	218.43
0864	COLUMBIA FORD	130,979.72
0868	JAYMARC - AV	275.00
0869	BANNER BANK JGORDON	19,563.06
0892	JACOBS ENGINEERING GROUP	146,768.52
0898	ZONAR SYSTEMS	527.73
0899	SHRED-IT USA LLC	458.24
0912	ALCALDE & FAY	25,280.36
0913	KENMORE ELEMENTARY PTA	1,250.00
0937	ZUMAR	10,759.78
0964	J&K ASSOCIATES	6,278.80
0981	COMCAST BUSINESS	17,415.91
0994	GORDON THOMAS HONEYWELL	19,954.65
1003	iWORQ SYSTEMS	2,800.00
1010	TOWN CENTER HARDWARE	1,822.73
1032	SAWYER, RICHARD	217.80
1045	HORIZON DISTRIBUTORS INC	918.50
1047	SARAH ROBERTS	68,976.02
1052	FIRE PROTECTION, INC	5,090.85
1068	WA STATE DEPT OF LABOR & INDUSTRIES	147.20
1114	PHSI PURE HEALTH SOLUTIONS INC.	606.54
1116	FRONTIER	5,696.46
1123	AM TEST, INC	1,350.00
1140	PAWS	1,524.00
1148	QUALITY WATER FINANCIAL LLC	777.74
1168	SCHINDLER ELEVATOR CORPORATION	2,407.09
1177	WELLS FARGO FINANCIAL	1,859.19
1192	HOPKINS, CRAIG	307.98
1197	MILLER STEPHENS, MARY	6,250.00
1212	MCALLISTER, TERESA	19.62
1215	STATE OF FLORIDA DISBURSEMENT UNIT	3,575.00
1216	ADVANCE TESTING & SERVICE INC	1,512.00
1248	KENMORE AIR	3,037.40
1258	SESAC	470.85
1267	AUTOMATED CONTROLS	1,551.00
1299	VERIZON WIRELESS	1,357.91
1304	HAMPSON, BRYAN	70.18
1309	BANNER BANK BAKER	5,876.20
1311	WASHINGTON STATE PATROL	4,104.90
1313	BOTHELL KENMORE CHAMBER OF COMMERCE	3,300.00
1331	KBA INC.	24,716.06
1333	WELWEST CONSTRUCTION INC.	291,865.80
1339	STATE OF WA DEPARTMENT OF LICENSING	30.00
1342	PETERSON, JANET	750.00
1345	SHERWIN-WILLIAMS CO. #8099	112.14
1356	KARLINSEY, ROB	256.44
1357	KENMORE COMMERCIAL LLC	23,569.28
1358	ALPHAGRAPHICS	772.31
1359	EVERGREEN FIRE AND SAFETY, INC.	96.80
1363	INNOVAC	4,182.65
1372	AAA PRINTING	1,398.72
1385	CITYWORKS/ AZTECA SYSTEMS INC.	22,000.00

XI. A. Total Check #s 42599 through 42706 in the amount of $606,637.07. ...

Vendor Purchasing Report **For Date Range 01/01/2019 - 06/28/2019**

Vendor Set: Vendor Set 01

Vendor	Name	Volume
1390	UTILITIES UNDERGROUND LOCATION CTR	957.18
1402	NORTHWEST MARINE TRADE ASSOCIATION	460.00
1403	OSBORN CONSULTING INC.	34,509.33
1412	SKAGIT GARDENS	2,920.28
1420	SAUVE, GAYLEN	400.00
1425	FASTSIGNS	910.80
1431	BRIEN, GAYLYNN	250.00
1437	VOLGISTICS, INC	540.00
1452	CITY OF KENT	500.00
1456	HESTON VISUAL ARTS	506.00
1457	LANGUAGE LINE SERVICES, INC.	9.85
1459	FLEMINGS HOLIDAY LIGHTING LLC	5,739.02
1478	HERBIG, NIGEL	70.18
1485	WA ASSOC OF PUBLIC RECORDS OFFICERS	200.00
1500	MARINE FLOATS CORPORATION	2,422.73
1504	SCORE	202,474.98
1544	METROPOLITAN TRANS. COMMISSION	1,500.00
1550	THE EVP GROUP	30,587.50
1555	LINCOLN NATIONAL LIFE INSURANCE	7,333.94
1577	MUMMA, RYAN	58.58
1581	STARDOM SERVICES, INC.	2,775.00
1584	STUDIO 3 SIGNS	165.15
1590	HERMANSON COMPANY, LLP	401.59
1591	ULINE	2,642.59
1596	NW ENVIRONMENTAL TRAINING CENTER	3,225.00
1605	ALL CITY FENCE CO.	14,412.20
1606	GALLATIN PUBLIC AFFAIRS	17,500.00
1647	MASTEC NETWORK SOLUTIONS	1,523.55
1661	WHITEMAN, TELA	395.67
1673	KPFF CONSULTING ENGINEERS	174,101.28
1678	VICENTE, JOHN	2,434.00
1689	MOTT MACDONALD GROUP, INC.	189,299.46
1690	SITTS & HILL ENGINEERS, INC.	5,730.00
1693	SKYWARD CONSTRUCTION	33,000.00
1698	WRIGHT, MARCI	1,000.00
1704	BANNER BANK RK	6,701.77
1711	SOFTWAREONE, INC.	11,052.93
1718	RESOURCE EXPLORATION, LLC	20,000.00
1738	MUNIMANAGE, LLC	71,775.00
1762	BAKER, BRIDGIT	452.36
1774	OWEN EQUIPMENT COMPANY	1,305.30
1782	SWANK MOTION PICTURES, INC.	2,213.20
1787	M M COMFORT SYSTEMS	36.75
1789	BLUEBEAM, INC.	493.90
1798	OLBRECHTS & ASSOCIATES, PLLC	2,255.50
1811	CAMPBELL SCIENTIFIC	624.00
1814	YSI INCORPORATED, A XYLEM BRAND	1,738.55
1816	NAVIA	10,535.95
1828	QUALITY BUSINESS SYSTEMS - WELLS FARGO	4,311.20
1829	SHI INTERNATIONAL CORP.	882.20
1832	EASTSIDE HOMES, INC.	1,670.10
1835	INC4INC, INC.	11,500.00
1846	AWCPD	100.00
1863	HAULAWAY STORAGE CONTAINERS, INC.	550.00
1879	HOLMBERG COMPANY	3,628.70
1885	NATIONAL BARRICADE CO., LLC	1,650.12
1889	WILLIAMS, KASTNER & GIBBS PLLC	26,221.19
1900	ASPECT CONSULTING LLC	1,447.42

XI. A. Total Check #s 42599 through 42706 in the amount of $606,637.07. ...

Vendor Purchasing Report **For Date Range 01/01/2019 - 06/28/2019**

Vendor Set: Vendor Set 01

Vendor	Name	Volume
1901	NORTH COAST ELECTRIC COMPANY	157.91
1914	MCNAMARA SIGNS	440.40
1930	T-MOBILE USA, INC.	3,667.17
1932	U.S. BANK N.A. - CUSTODY	114.00
1933	VALLEY, CHRIS & BETH	7,500.00
1944	OHNO CONSTRUCTION	5,454.03
1945	GLASS MASTERS LLC	3,415.00
1947	MCMILLAN, RANDY	500.00
1948	MULTICARE CENTERS OF OCCUPATIONAL MEDICINE	1,190.00
1960	WALTER E. NELSON CO.	1,233.87
1962	BANNER BANK SKROGH	2,314.28
1964	EARTHWORKS	28,335.30
1978	GOVDELIVERY, LLC	13,005.91
1979	MSPT XXII, LLC	10,954.00
1980	HRA VEBA TRUST	15,707.55
1985	CONTRACT LAND STAFF LLC	10,191.06
1993	HYAS GROUP, LLC	7,500.00
1994	LAKE CITY PARTNERS ENDING HOMELESSNESS	2,000.00
1995	REY TRANSLATIONS	220.00
1998	JOHNSTON GROUP, LLC	17,490.00
1999	KING COUNTY POLICE CHIEFS ASSOCIATION	50.00
2004	RED BARN ENGINEERING, INC.	34,525.50
2007	HYDROPOINT DATA SYSTEMS, INC.	705.00
2019	EMERALD CITY STATEWIDE	727.10
2021	GEOTERRA, INC.	9,220.00
2024	DFR LAW GROUP, LLC	300.00
2028	PRIDE ELECTRIC INC.	1,287.00
2048	SMS CLEANING, INC.	34,577.75
2063	French Touchup LLC	5,929.00
2064	Bud Clary Dodge/Chevrolet	66,956.52
2065	AMY LUCK	200.00
2073	HOOPSMILES	275.00
2078	WA RECREATION & PARK ASSOC.	85.00
2081	SHANNON & WILSON, INC.	41,205.75
2095	TRANSPO GROUP USA INC.	85.00
2113	WA ASSOC. OF SHERIFFS & POLICE CHIEFS	180.00
2114	NC Machinery	109,120.85
2126	SCHWARZWALTER, MARK	54.68
2128	SUNDANCE ENERGY SERVICES	619.27
2129	CHELIN, KELLY	84.87
2132	FUELCARE	660.00
2138	HORVATH, PETER	185.25
2142	ICMA RETIREMENT C/O ALLFIRST BANK - 109964	205,525.22
2144	MODUS TECHNOLOGY, INC.	2,996.58
2147	SOD SPOT LLC	10,950.00
2148	Town and Country Fence Inc.	2,337.51
2157	SOUND SAFETY PRODUCTS CO.	2,025.74
2159	TRAILER BOSS	8,181.90
2160	ALLWEST UNDERGROUND INC.	1,980.60
2161	BENNETT-GOLD, TOBIN	282.17
2162	ESWO, LLC	15,000.00
2163	CORNERSTONE ARCHITECTUAL GROUP	13,106.00
2164	RANKIN, BRUCE	418.95
2166	BARKER MARTIN, P.S.	9,505.50
2167	APWA-WA CHAPTER	1,500.00
2168	FRED PRYOR SEMINARS	149.00
2169	ETC INSTITUTE	18,750.00
2171	BELRED ENERGY SOLUTIONS	329.28

XI. A. Total Check #s 42599 through 42706 in the amount of $606,637.07. ...

Vendor Purchasing Report **For Date Range 01/01/2019 - 06/28/2019**

Vendor Set: Vendor Set 01

Vendor	Name	Volume
2172	TCF ARCHITECTURE	2,500.00
2173	TRI-COUNTY LAND SURVEYING	3,800.00
2174	TUCKER, NATHAN	300.00
2175	ELECTRONIC BUSINESS MACHINES	965.03
2176	CANON FINANCIAL SERVICES, INC.	1,329.20
2177	ELYSIUM DEVELOPMENT, LLC	7,500.00
2178	STRIPE-A-LOT	2,822.88
2179	NC CAT RENTAL	3,553.00
2180	BUNTTING INC.	131,302.62
2181	CONNER HOMES AT SOLIRE LLC	187,241.00
2182	CUZ CONCRETE PRODUCTS	909.13
2183	SISKUN POWER EQUIPMENT	4,752.88
2184	DIVERSIFICATION INC.	1,866.70
2185	CRIMINAL JUSTICE TRAINING COMMISSION	1,450.00
2187	CORAL SALES CO.	9,553.50
2188	DIJULIO DISPLAYS, INC	5,174.98
2189	OFFICE TEAM	17,909.43
2190	PACIFIC INDUSTRIAL SUPPLY	984.39
2192	STEWART TITLE	103,308.00
2193	FENCING COMPANY, LLC	1,265.00
2194	CONFLUENCE ENVIRONMENTAL COMPANY	10,470.00
2195	CITY SOURCED	3,600.00
2196	Engaged Public	6,500.00
2197	BEST PARKING LOT CLEANING INC.	5,161.20
2198	CITY OF BOTHELL	50,000.00
2199	HALALILO, PAULA	34.56
2200	CHASE WALKER	209.75
2201	WA CHAPTER AMERICAN SOCIETY OF LANDSCAPE ARC	75.00
2202	ROGER WIGGINS	7,500.00
2203	KENMORE CLEANERS	36.30
2204	KING COUNTY	200.00
2205	MUNICIPAL MANAGEMENT SERVICES	5,000.00
2206	CHECK RIDE	3,450.00
2207	APA Washington	100.00
2208	FLUENT LANGUAGE SOLUTIONS	395.59
2209	MORUP SIGNS, INC.	913.02
2210	PACWEST MACHINERY	300.00
2211	PRECISION FUEL SOLUTIONS	1,452.00
2212	WEDENIG, MARK	7,500.00
2213	HELEN C. FORBES FAMILY TRUST	1,623.30
2215	INTERSECTION MEDIA, LLC	1,000.00
2216	SEVERSON, ROBERT	13,732.35
2217	TOURNESOL SITEWORKS, LLC	473.02
2218	NORTH CREEK ROOFING, INC.	215.45
2219	C.R. CONTRACTING	100,510.00
2220	SAFETY-SOURCE LLC	2,765.00
2221	O'REILLY/FIRST CALL	64.85
2222	GRADE, INC.	32,547.00
2223	JAIN, VAIBHAV	250.00
2224	BROWN, STEPHANIE	130.02
	Vendor Set Vendor Set 01 Total:	**7,856,935.55**

XI. A. Total Check #s 42599 through 42706 in the amount of $606,637.07. ...

City Council Consent Agenda Item
City of Kenmore, WA

Subject/Topic: Stormwater system repairs at three locations.	**For Council Meeting Agenda of:** July 15, 2019 **Department:** Public Works **Prepared by:** Richard Sawyer, Env Services Manager
Proposed Council Action/Motion: Authorize City Manager to execute agreement 19-C2060 for $101,000 with Grade Inc.	Initial & Date Approved by Department Head: RS Approved by City Attorney: NA Approved by Finance Director: 7/9/19 Approved by City Manager: DWC Exhibits/Attachments: NA

INFORMATION/BACKGROUND:

Stormwater system repairs are needed at three locations on 61ST PL NE, 61ST AVE NE and NE 159TH ST. The repairs consist of removing existing damaged stormwater infrastructure, installing new catch basins, installing new drainage pipe and restoring damaged asphalt. The repairs are expected to take approximately 6-7 workdays to complete.

FISCAL CONSIDERATION:

The approved 2019-2020 biennium budget allocates $100,000 for surface water small works projects.

COUNCIL GOAL/BUDGET OBJECTIVE BEING ADDRESSED:

Protect and enhance the climate, water, air and forest environment.
Priority Based Budgeting Result: A sustainable, Healthy Environment and the Preservation of Natural Resources.

City of Kenmore
City Council Regular Meeting
Minutes
June 10, 2019

CALL TO ORDER - Mayor David Baker called the meeting to order at 7:00 p.m.

ROLL CALL

Mayor David Baker
Deputy Mayor Nigel Herbig
Councilmember Joe Marshall
Councilmember Milton Curtis
Councilmember Debra Srebnik
Councilmember Stacey Denuski
Councilmember Brent Smith

FLAG SALUTE

AGENDA APPROVAL

PROCLAMATION
Ted Christensen Day - June 14, 2019

PRESENTATION
2018 Officer of the Year Jeff Durrant, MPO - Chief Horvath

Report on the 2019 Legislative Session - Shelly Helder and Briahna Murray of Gordon Thomas Honeywell Governmental Affairs

CITIZEN COMMENTS
Melanie O'Cain
18548 60th Avenue NE
Kenmore, Washington 98028

Ms. O'Cain stated that she was working on the pride picnic event coming up. She thanked the Council for adding the Pride proclamation to the June 17 agenda. She would like to see the City proclaim pride month in June.

Nadia Reigna Silver
18230 70th Lane NE
Kenmore, Washington 98028

Ms. Silver also reported that she is working on the pride picnic event. She stated that she is hoping this because an annual event.

Sara Solum Hayashi
14615 81st Avenue
Kenmore, Washington 98028

Ms. Hayashi thanked the Council for their support of Arts of Kenmore. She also thanked the Council for the assistance with the Legends bench.

Corina Pfeil
Address on file

Ms. Pfeil thanked the Council for the Pride proclamation. She also asked the Council to make the month of June, Pride Month. She urged the Council to fly the Pride flag at City Hall.

Vicki Grayland
20308 73rd Avenue NE
Kenmore, Washington 98028

Ms. Grayland spoke about the PSE Franchise. She has health concerns on PSE's new smart meters.

John Hendrickson
5919 NE 202nd Lane
Kenmore, Washington 98028

Mr. Hendrickson spoke about his concerns with the Critical Area regulations on the agenda this evening.

CONSENT AGENDA

MOTION: Councilmember Denuski made a motion to approve the consent agenda, Mayor Baker seconded the motion.

Councilmember Srebnik requested that Item D, Receive and File the 2018 Kenmore Waterfront Activities Annual Report, be pulled from the consent agenda. This item will be discussed at the end of the meeting.

The motion passed unanimously.

The consent agenda approved included the following:

Authorize the City Manager to Sign an Interlocal Agreement with the City of Marysville for the Rental of Outdoor Video Services for Movies at the Square Events

Authorize the City Manager to Execute Contract 19-C2061 between the Washington State Parks and Recreation Commission and City of Kenmore

Ordinance 19-0487 Amending Section 3.65.040 of the Kenmore Municipal Code for the Multifamily Tax Exemption

PUBLIC HEARING
Ordinances 19-0488, 19-0489 and 19-0490 Amending the City's Critical Area Regulations and Shoreline Master Plan - Debbie Bent, Community Development Director and Lauri Anderson, Principal Planner

Director Bent and Principal Planner Anderson explained that on May 13 and May 20, the City Council considered amendments to the Municipal Code related to the City's critical area regulations and Shoreline Master Program as recommended by the Planning Commission. Changes requested by Council at those meetings have been incorporated into the attached ordinances included in the Council packet.

Because Ordinance 19-0488 (Attachment 1) includes a significant amendment not considered during the Planning Commission's public hearing, a public hearing in front of the City Council is needed. The relevant sections are found in changes to the definitions (18.20.665, definition of degraded wetland buffer or degraded wetland) and in 18.55.300, Increased Wetland Buffer Widths. Although these changes resulted in the need for the public hearing, all of the proposed amendments could be addressed during the hearing.

After the public hearing, staff recommends that the Council consider adoption of Ordinances 19-0488, 19-0489 and 19-0490. Adoption of the critical areas ordinance (19-0488) should occur prior to adoption of the two Shoreline Master Program ordinances.

Staff also has provided a "docket criteria analysis" addressing the criteria for approval of the amendments.

Mayor Baker opened the public hearing at 8:23 p.m.

John Hendrickson
Spoke earlier

Mr. Hendrickson spoke about the Critical Area Regulations and the PAUE.

Maria Jumanca
8030 NE 203rd Street
Kenmore, Washington 98028

Ms. Jumanca spoke about the Critical Area Regulations and wetland concerns.

Principal Planner Anderson read a letter into the record that was received by the Department of Commerce (They were unable to attend the hearing.

Mayor Baker closed the hearing at 8:34 p.m.

BUSINESS AGENDA

Ordinance 19-0488 Amending Chapter 18.55, Critical Areas, of the Kenmore Municipal Code; Repealing Division II of Title 16, Flood Damage Prevention, of the Kenmore Municipal Code; Amending Chapter 18.20, Definitions, of the Kenmore Municipal Code; Amending Sections 18.30.190 and 18.40.030 of the Kenmore Municipal Code; and Providing an Effective Date - Debbie Bent, Community Development Director and Lauri Anderson, Principal Planner

Council discussed the amendments and the concerns raised in the letter received by Department of Commerce.

MOTION: **Councilmember Denuski made a motion to approve Ordinance 19-0488 Amending Chapter 18.55, Critical Areas, of the Kenmore Municipal Code; Repealing Division II of Title 16, Flood Damage Prevention, of the Kenmore Municipal Code; Amending Chapter 18.20, Definitions, of the Kenmore Municipal Code; Amending Sections 18.30.190 and 18.40.030 of the Kenmore Municipal Code, Councilmember Curtis seconded the motion.**

MOTION: **Councilmember Marshall made a motion to table Ordinances 19-0488, 19-0489 and 19-0490 until June 17, 2019** (in order to meet with Department of Commerce and address concerns), **Deputy Mayor Herbig seconded the motion. The motion passed unanimously.**

Ordinance 19-0489 Amending the Shoreline Sub-Element of the Comprehensive Plan; Revising Figure LU-12, the Shoreline Environment Designations Map; and Providing an Effective Date - Debbie Bent, Community Development Director and Lauri Anderson, Principal Planner

See above – tabled to June 17, 2019.

Ordinance 19-0490 Revising Division 1 of Title 16 of the Kenmore Municipal Code Entitled Shoreline Management; Revising the Shoreline Environment Designations Map; and Providing an Effective Date - Debbie Bent, Community Development Director and Lauri Anderson, Principal Planner

See above – tabled to June 17, 2019.

Ordinance 19-0486 Approving a Non-Exclusive Dual Franchise Agreement with Puget Sound Energy, Inc. - Nancy Ousley, Assistant City Manager

Contract 19-C2043 Memorandum of Understanding with Puget Sound Energy, Inc. on Performance and Reliability Reporting - Nancy Ousley, Assistant City Manager

Assistant City Manager Ousley explained that the proposed agreements work in concert to: 1) permit and set the conditions for Puget Sound Energy (PSE) to locate its electrical and natural gas facilities in the public right of way and 2) require actions to report on and identify ways to improve electrical service reliability in Kenmore. The current Franchise Agreement between the City of Kenmore and Puget Sound Energy was approved in 2005. The proposed Agreement is for a five- year term, with the ability to extend an additional five years by mutual agreement. As a privately-owned utility, PSE is regulated by the Washington Utilities and Transportation Commission.

City staff and Puget Sound Energy staff briefed the City Council on May 20, 2019 on the proposed agreements. Following the meeting, City staff and PSE staff discussed a question raised by Councilmember Denuski regarding the term of the Memorandum of Understanding and agreed on revised language that allows for consideration of extending the MOU at the end of the five-year term. This revision is more consistent with the term of the Franchise Agreement, which is five years with an option to extend the Agreement for an additional five years. The proposed revised language is in Section 4 of the Franchise Agreement, and is shown here in underlined format:

"Section 4. Term of Franchise/Acceptance
This Franchise is and shall remain in full force and effect for a period of five (5) years from the effective date of the Ordinance. This Franchise may be renewed, at the sole discretion of the Kenmore City Council for one additional five (5) year period upon the written request of PSE, such request to be submitted not less than one hundred eighty days (180) prior to the

expiration of the initial five (5) year term. If PSE requests the Franchise to be renewed for an additional five (5) years, as authorized in this Section 4, then the Parties shall also review and determine if the Memorandum of Understanding described in Section 32 of this Franchise ("MOU") shall also be renewed for an additional five (5) year period. This Franchise is granted upon the express condition that PSE, within sixty (60) days after the adoption of this Ordinance, shall (i) file with the clerk of the City a written acceptance of the same; and (ii) jointly with the City, execute and deliver the Memorandum of Understanding. Upon completion of each such step, this Franchise shall constitute a contract between the City and PSE for all the purposes herein set forth. If PSE fails to provide its written acceptance or jointly with the City execute and deliver the Memorandum of Understanding as provided above, this Ordinance and Franchise shall be null and void."

The City Council discussed a proposed PSE Franchise and Memorandum of Understanding in January, 2018 and recommended additional attention to service reliability measures. The current proposal contains language updated since 2018 on: specific performance goals for Kenmore circuits. performing in the lowest quartile of the PSE system (MOU Section 6); third parties that have facilities attached to PSE poles (Franchise Agreement Section 10 and Section 17); minor revisions to Vegetation Management (Franchise Agreement Section 18); and Electric Vehicle Charging Station partnership (MOU Section 10). Note also the recent revision to Section 4 on the term of the Franchise Agreement and MOU.

Right of Way provisions in the Franchise Agreement that have been updated and strengthened compared to the 2005 Agreement include: improved mapping of PSE facility locations; reporting on known third party users of PSE facilities; detailed procedures for relocating facilities that interfere with City public works projects; and accelerated vegetation patrols and trimming to reduce contact with electrical wires. Provisions for non, interference of facilities to safe passage of pedestrians and vehicles have been updated to include bicycles, and compliance with the Americans with Disabilities Act is now specifically mentioned. Procedures requiring disabling decommissioned natural gas facilities have also been added.

Declining electrical reliability and increasing incidences of outages caused widespread inconvenience, loss of business productivity and health concerns for Kenmore residents and businesses in recent years. The Administration and Council called for a turnaround in electrical service reliability, and PSE has made a number of investments in 2016 ,2018 to improve electrical service in certain areas of the city. Kenmore residents and businesses have recently noted service improvements.

The proposed Memorandum of Understanding (MOU), which must be approved in order for the Franchise Agreement to take effect, requires annual detailed reports to the City Council and community on the frequency and duration of outages and how those metrics compare to the PSE system as a whole as well as neighboring jurisdictions served by other utilities. The MOU also covers identifying investments to improve reliability, improved ways of communicating with property owners who have utility easements that PSE needs to access

for maintenance and repairs, and detailed procedures for emergency services and City long range planning cooperation.

The City commissioned an Electrical System Reliability Assessment in 2016 from Exponent Failure Analysis Associates, Inc., which confirmed the crisis in reliability in Kenmore in comparison to the overall PSE system and recommended actions that could improve power reliability in Kenmore. The report notes that seven of the ten electrical circuits in Kenmore performed in the lowest quartile of the entire PSE system. Exponent prepared a report on reliability goals in 2018 and concluded that given the reliability projects planned in 2016,2018, six of the circuits in the lowest quartile should see reliability improve. The City has retained Exponent to analyze future reliability metrics as outlined in the proposed MOU.

The WUTC approved a PSE proposal in December 2018 to initiate a pilot program relating to Electric Vehicle (EV) charging stations. The MOU language in Section 10 has been updated and states that Kenmore will be evaluated according the terms of the tariff along with other cities for installation of charging facilities.

State law does not allow a Franchise Fee for electric utilities but does authorize a Utility Tax of up to 6% of gross revenues that municipalities can enact. The current Kenmore Utility Tax rate for electrical and natural gas is 4% of gross revenues and the projected revenue for 2019-- 2020 is $1,656,355.

Julien Loh and Rae Lynn Asah from Puget Sound Energy were present to answer questions for the Council. Council also asked Mr. Loh to address Ms. Grayland's comments earlier made about the smart meters.

MOTION: Councilmember Srebnik made a motion to approve Ordinance 19-0486, Approving a Non-Exclusive Dual Franchise Agreement with Puget Sound Energy, Inc., Councilmember Curtis seconded the motion. The motion passed unanimously.

MOTION: Councilmember Curtis made a motion to approve Contract 19-C2043 Memorandum of Understanding with Puget Sound Energy, Inc. on Performance and Reliability Reporting, Councilmember Denuski seconded the motion. The motion passed unanimously.

Hangar Building Facility Use Policy - Rob Karlinsey, City Manager

City Manager Karlinsey explained that at its June 19 and June 26 regular meetings in 2017, the City Council discussed a draft policy for use of the new Hangar community building. Changes to the policy as directed by the City Council were incorporated and the Hangar Building Facility Use Policy was approved by the Kenmore City Council on July 24, 2017.

The Town Square and accompanying "Hangar" community building have been in operation for almost two years, and a reservation system for spaces in the Hangar has been functioning

since fall of 2017. Both the Town Square and the Hangar serve as a year-round public gathering space in the heart of Kenmore's downtown. The 4,600 square-foot Hangar includes space for a coffee shop retail tenant.

In addition to the tenant retail space, the Hangar includes a larger community gathering space (the "Otter" Room) and a smaller multipurpose room (the "Beaver" Room). These spaces are available for the public to use daily, and they can reserve the Otter Room and Beaver Room during certain designated hours of the week.

Facility use policies for the Hangar have been essential in creating a framework for the public to reserve the spaces in the building or just "hang out." Now that Hangar has been operating for almost two years, we have been able to assess the adopted policy and how it has been working in practice. As a result, staff propose a number of amendments to the Hangar Building Facility Use Policy, with several amendments highlighted as follows:

Eligibility to Reserve Space. Currently, the Hangar spaces are available for anyone to reserve, regardless of residency or other criteria. We are finding that the Hangar is well used and generally in high demand, whether the spaces are reserved. Given the Hangar's popular use and for workload purposes we propose the following eligibility requirements to reserve space in the Hangar:

<u>Otter Room:</u>

The following may reserve the Otter Room:
- Residents of Kenmore
- Any nonprofit organization registered as a 501(c)(3)

The following cannot reserve the Otter Room:
- Non-residents of Kenmore
- For-profit businesses

Beaver Room:

The following may reserve the Beaver Room:
- Residents of Kenmore
- Any nonprofit organization registered as a 501(c)(3)
- For-profit businesses physically located with a mailing address in the City of Kenmore and Kenmore Business Incubator clients

The following cannot reserve the Beaver Room:
- Non-residents of Kenmore
- For-profit businesses not located in Kenmore, with the exception of Kenmore Business Incubator clients

Refundable Deposits. For larger groups (30 or more) we are proposing the applicant be charged a refundable deposit in advance of the event. The lease with our retail tenant requires us to give our tenant several weeks' advance notice for reservations of 30 or more people. This notice allows the retail tenant to have time to staff up and stock up for the event. Some of the larger group reservations have resulted in "no shows," have over-stayed their allotted time, or have left a mess. Charging a deposit for larger groups will allow the City to recoup cleanup costs and provide an incentive against no-shows and staying past the scheduled end time.

Limited Public Forum. The proposed amendments include retaining the policy's language about the Hangar as a limited public forum; however, given the nature of the Hangar as a public space, we propose eliminating the language that prohibits campaign or political activity as the space is open to the Kenmore community on an equal access, nondiscriminatory basis.

Other proposed changes to the Hangar Building Facility Use Policy are shown as revisions in the attached Exhibit.

Council and staff discussed the policy and made edits.

MOTION: Councilmember Denuski made a motion to approve the Hangar Building Facility Use Policy, Councilmember Srebnik seconded the motion. The motion passed 6-1-0 with Councilmember Marshall opposed.

Added to the business agenda:
Receive and File the 2018 Kenmore Waterfront Activities Annual Report

Councilmember Srebnik explained that she pulled this item so that the Council could have further explanation and clarification. City Manager Karlinsey will work with KWAC for further information.

MOTION: Councilmember Srebnik made a motion to receive and file the 2018 Kenmore Waterfront Activities Annual Report, Councilmember Denuski seconded the motion. The motion passed unanimously.

STAFF REPORT
City Communications - Flags - Dawn Reitan, City Attorney

MOTION: Councilmember Marshall made a motion to make Pride Month on month, Deputy Mayor Herbig seconded the motion. The motion passed 6-0-1 with Councilmember Curtis abstaining. (He stated this was due to personal reasons/traditional values.)

Affordable Housing Panel
The consensus of the Council was they are still interested in the panel. This item will come back in September.

COUNCILMEMBER REPORTS & COMMENTS & INITIATIVES

ADJOURNMENT

The meeting adjourned at 10:01 p.m.

_____
David Baker, Mayor

ATTEST:

_____
Kelly M. Chelin, City Clerk

City of Kenmore
City Council Special and Regular Meeting
Minutes
June 17, 2019

CALL TO ORDER - Mayor David Baker called the meeting to order at 6:15 p.m.

RECESS TO EXECUTIVE SESSION
The meeting recessed to executive session to discuss Potential Litigation per RCW 42.30.110 (1) (i) for approximately 30 minutes.

RECONVENE TO REGULAR SESSION
The meeting reconvened to regular session at 6:45 p.m. There was no action.

ROLL CALL
Mayor David Baker
Deputy Mayor Nigel Herbig
Councilmember Joe Marshall
Councilmember Milton Curtis
Councilmember Debra Srebnik
Councilmember Stacey Denuski
Councilmember Brent Smith

FLAG SALUTE

AGENDA APPROVAL

PRESENTATION
Introduce Stephanie Brown, Volunteer and Events Supervisor

PROCLAMATION
Pride Month in the City of Kenmore - June, 2019

CITIZEN COMMENTS
Phyllis Finley
5962 NE Arrowhead Drive
Kenmore, Washington 98028

Ms. Finely spoke about the Critical Area Regulations and PAUE. She also asked that the City's website be updated as it relates to the project updates for St. Edward ballfields.

Carl Michaelman
18023 62nd Avenue NE
Kenmore, Washington 98028

Mr. Michaelman spoke to concerns around a problem Air B&B in the City. There are already ordinances in place to address the concerns.

John Adamski
5906 NE Arrowhead
Kenmore, Washington 98028

Mr. Adamski spoke to concerns with a stormwater/sewer project and flooding.

John Hendrickson
5919 NE 202nd Lane
Kenmore, Washington 98028

Mr. Hendrickson told the Council he didn't like the City Clerk cutting people off when they are speaking. He also stated that PAUE is bad law.

CONSENT AGENDA
MOTION: Deputy Mayor Herbig made a motion to approve the consent agenda, Mayor Baker seconded the motion.

Councilmember Srebnik requested to remove Canceling the June 24, 2019 Regular Council Meeting from the consent agenda in case Council doesn't finish all the business tonight.

The motion passed unanimously.

The consent agenda approved included the following:

Grant NUD a Sewer Utilities Easement at Rhododendron Park and Authorize the City Manager to Sign the Easement Agreement

Total Checks #42425 through #42497 in the amount of $365,098.73.
Total Payroll/Taxes/Flexible Spending/Retirement & Health Savings Account Electronic Deposits Dated: 5/24/19 in the amount of $141,607.81.
Payroll Check #10130 dated 5/24/19 in the amount of $441.47.

Authorize the City Manager to Execute Contract 19-C2071 with Granicus for Website Migration Project

Receive and File the January 2019 Financial Report for the City of Kenmore

Receive and file the February 2019 Financial Report for the City of Kenmore

Authorize the City Manager to Execute a Contract with Low Bidder VSS International to Provide Slurry Sealing

Authorize the City Manager to Execute Contract 19-C2013 with Swofford Excavating for Drainage Facility Vegetation and Noxious Weed Removal

Authorize the City Manager to Execute Contract 17-C1657 Amendment No. 5 with Mott MacDonald for Permit Level Design and Engineering/Building Permit Assistance

City Council Meeting Minutes of May 13, 2019 and City Council Meeting Minutes of May 20, 2019

Authorize the City Manager to Increase the Contract Authority for Contract 19-C1991 with Welwest Construction, Inc. to Complete the Construction of the NE 181st Street Sidewalk Project

BUSINESS AGENDA

Resolution 19-323 Expressing Support for King County Proposition No. 1 Parks, Recreation, Trails and Open Space Levy - Dawn Reitan, City Attorney

City Attorney Reitan explained that the King County Parks, Recreation, Trails and Open Space Levy ballot measure is scheduled for the August 6, 2019 Primary Election. RCW 42.17A.555 states that a legislative body can take action to express a collective decision, or to actually vote upon a motion, proposal, resolution, order, or ordinance, or to support or oppose a ballot proposition so long as (a) any required notice of the meeting includes the title and number of the ballot proposition, and (b) members of the legislative body, members of the board, council, or commission of the special purpose district, or members of the public are afforded an approximately equal opportunity for the expression of an opposing view.

King County Proposition No 1. Parks, Recreation, Trails and Open Space Levy ballot title:

The King County council passed Ordinance 18890 concerning replacement of an expiring parks levy. If approved, this proposition would provide funding for county, town, city and park district parks, and for open space, trails, recreation, public pools, zoo operations and an aquarium capital project. It would authorize an additional six-year property tax beginning in 2020 at $0.1832 for $1,000 of assessed valuation with the 2020 levy amount being the base

for calculating annual increases in 2021-2025 by the King County inflation plus population index or the 84.55 RCW limitation, whichever is greater. Should this proposition be:

o Approved
o Rejected

Additional Opportunity for Public Comment: Pursuant to RCW 42.17.A.555, members of the public and councilmembers will receive an approximately equal opportunity to express an opposing view.

Ms. Phyllis Finley
(Address provided earlier)

Ms. Finley asked some clarifying questions of the Council and what the levy would cover.

MOTION: Councilmember Srebnik made a motion to approve Resolution 19-323 Expressing Support for King County Proposition No. 1 Parks, Recreation, Trails and Open Space Levy, Deputy Mayor Herbig seconded the motion. The motion passed unanimously.

Urban Tree Canopy Assessment Results - Elizabeth Walker, King Conservation District Project Coordinator and Samantha Loyuk, Associate Planner

Planner Loyuk and Elizabeth Walker, KCD Project Coordinator explained that in 2018, at the direction of City Council, Development Services Department prepared an information presentation on Kenmore Municipal Code (KMC) 18.57 ("tree regulations"). The intent of the presentation was to provide an overview of how KMC 18.57 is implemented, specifically as it relates to trees and new development. Following the presentation, City Council directed staff to pursue a City-wide tree canopy assessment with King Conservation District (KCD).

Samantha Loyuk, Development Services planner and arborist acted as the project lead for the City. The assessment was conducted by Elizabeth Walker, KCD Project Coordinator and Jeremy Cantor, Plan-It Geo Director of Geospatial Services. The primary goal of the assessment was to: 1) Provide a baseline and benchmark of the City's tree canopy; 2) interpret the results across a range of geographic boundaries; and 3) evaluate how the City's canopy has changed since 2009. Similar studies have been completed by KCD for other jurisdictions throughout King County; the report includes a comparison of Kenmore's urban forest and other nearby cities.

A nation-wide analysis conducted by the U.S. Forest Service, stated that under ideal conditions, forested states such as Washington, could achieve a canopy cover of 40-60%. With it's current canopy cover of 41%, Kenmore is within that range. (UTC Assessment, 2019). The study finds a two-percent (2%) reduction in urban tree canopy from 2009 to 2017.

Canopy reductions are consistent with increased single-family residential development in the R-4 and R-6 zones.

No action is requested by City Council.

PUBLIC HEARING
2020-2025 Six-Year Transportation Improvement Program - John Vicente - City Engineer

City Engineer Vicente explained that in accordance with RCW 35.77.010, the legislative body of each city in Washington State must prepare and adopt a six-year comprehensive transportation improvement program (TIP) annually. The TIP may also be modified at any time during the year as needed. The purpose of the TIP is to assure that each city "perpetually have available advanced plans looking to the future for not less than six years as a guide in carrying out a coordinated transportation program."
The TIP provides a summary of potential transportation projects and funding for each project. The projects listed in the TIP are consistent with Transportation element of the City's adopted Comprehensive Plan. The revenue sources are categorized into three groups: Local funds; secured Federal and State Funds; and funding not secured. The TIP is a planning document that is not fiscally constrained, meaning all funds identified do not need to be "in hand" to include a project in the TIP.

The recommended TIP continues the City's emphasis on multimodal transportation safety including improvements to SR 522, Juanita Drive and 68th Ave NE sidewalks and bike lanes, sidewalk projects located near Arrowhead elementary and Downtown, and the West Sammamish River Bridge replacement. The Lower Swamp Creek Bridge Replacement project has been added to this year's TIP update. The bridge study/alternative analysis performed in 2015 recommended that the bridge be replaced in 10 years. This TIP reflects that recommendation and identifies a funding need for design in 2023 and 2024. Construction would be estimated in 2025 or 2026. The alternative analysis (retrofit, realign for one-way use only, replace) will be reviewed during the preliminary design phase to confirm what option will be proposed for the bridge.

Funding secured for projects are noted on the TIP. For projects with unsecured funding, additional local funds will be needed and/or Federal or State funding would be required to complete the projects. Staff will continue to actively pursue funding for those projects currently not fully funded. For those projects listed that do not get full funding, they will be pushed out subsequent years with each TIP amendment.

Mayor Baker opened the public hearing at 8:38 p.m.
There were no comments from the audience.
Mayor Baker closed the public hearing at 8:39 p.m.

BUSINESS AGENDA

Resolution 19-322 for the 2020-2025 Six-Year Transportation Improvement Program - John Vicente, City Engineer

MOTION: Councilmember Denuski made a motion to approve Resolution 19-322 for the 2020-2025 Six-Year Transportation Improvement, Councilmember Smith seconded the motion. The motion passed unanimously.

Tabled from June 10, 2019 Council Meeting - Ordinance 19-0488 Amending Chapter 18.55, Critical Areas, of the Kenmore Municipal Code; Repealing Division II of Title 16, Flood Damage Prevention, of the Kenmore Municipal Code; Amending Chapter 18.20, Definitions, of the Kenmore Municipal Code; Amending Sections 18.30.190 and 18.40.030 of the Kenmore Municipal Code; and Providing an Effective Date - Debbie Bent, Community Development Director and Lauri Anderson, Principal Planner

Tabled from June 10, 2019 Council Meeting - Ordinance 19-0489 Amending the Shoreline Sub-Element of the Comprehensive Plan; Revising Figure LU-12, the Shoreline Environment Designations Map; and Providing an Effective Date - Debbie Bent, Community Development Director and Lauri Anderson, Principal Planner

Tabled from June 10, 2019 Council Meeting - Ordinance 19-0490 Revising Division 1 of Title 16 of the Kenmore Municipal Code Entitled Shoreline Management; Revising the Shoreline Environment Designations Map; and Providing an Effective Date - Debbie Bent, Community Development Director and Lauri Anderson, Principal Planner

Original motion tabled from June 10, 2019:

MOTION: Councilmember Denuski made a motion to approve Ordinance 19-0488 Amending Chapter 18.55, Critical Areas, of the Kenmore Municipal Code; Repealing Division II of Title 16, Flood Damage Prevention, of the Kenmore Municipal Code; Amending Chapter 18.20, Definitions, of the Kenmore Municipal Code; Amending Sections 18.30.190 and 18.40.030 of the Kenmore Municipal Code, Councilmember Curtis seconded the motion.

AMENDMENT TO THE MOTION: Councilmember Marshall made an amendment to the motion to retain the 900-foot heron buffer. Motion failed due to lack of second.

AMENDMENT TO THE MOTION: Councilmember Marshall made a motion to approve Ordinance 19-0488 -reverting back to what we currently have without changes (the old language), Deputy Mayor Herbig

seconded the motion. The motion failed 2-5-0 with Councilmember Marshall and Deputy Mayor Herbig voting yes.

ORIGINAL MOTION VOTE (#19-0488): Passed 6-1-0 with Councilmember Marshall voting no.

Ordinance 19-0489 Amending the Shoreline Sub-Element of the Comprehensive Plan; Revising Figure LU-12, the Shoreline Environment Designations Map; and Providing an Effective Date - Debbie Bent, Community Development Director and Lauri Anderson, Principal Planner

MOTION: Councilmember Denuski made a motion to approve Ordinance 19-0489 Amending the Shoreline Sub-Element of the Comprehensive Plan; Revising Figure LU-12, the Shoreline Environment Designations Map; and Providing an Effective Date, Deputy Mayor Herbig seconded the motion. The motion passed unanimously.

Ordinance 19-0490 Revising Division 1 of Title 16 of the Kenmore Municipal Code Entitled Shoreline Management; Revising the Shoreline Environment Designations Map; and Providing an Effective Date - Debbie Bent, Community Development Director and Lauri Anderson, Principal Planner

MOTION: Councilmember Denuski made a motion to approve Ordinance 19-0490 Revising Division 1 of Title 16 of the Kenmore Municipal Code Entitled Shoreline Management; Revising the Shoreline Environment Designations Map; and Providing an Effective Date, Councilmember Smith seconded the motion. The motion passed unanimously.

Ordinance 19-0491 to Revise KMC Chapter 3.55 Relating to the Sale and Disposition of Surplus Personal Property - Ryan Lancaster, Graduate Intern

Intern Lancaster explained that occasionally, the City has the need to sell various equipment or property because it is no longer needed, used or of value to the City, and can no longer be stored. In these cases, the City can pursue various channels set forth in Chapter 3.55 of KMC to sell and dispose of the property. Adopted in 2001, Chapter 3.55 KMC identifies various procedures for the surplus, sale and disposal of such property.

Currently, the City Manager can only declare City property surplus if it is determined to be $250 or less in value. If property has a greater value, Staff must bring the request to surplus the property before Council. The Council will then set a minimum price for the property to be sold at and potentially have the property appraised. At the current $250 level of authority, the City Manager does not have much latitude and most requests to surplus property must go before Council.

Staff believes that if the City Manager were allowed to surplus at a higher value of $10,000 the City could surplus the property in a faster and more efficient way. This change would allow the property to be sold in a more expedited fashion, provide economic benefit to the City, and save Council and Staff time.

Municipal Research and Services Center had the following data on staff surplus authority in other cities:

City	Surplus Limit	Population
Bellevue	$ 10,000	147,599
Fife	$ 10,000	10,191
Langley	$ 1,000	1,136
Ellensburg	$ 10,000	20,977
Shoreline	$ 5,000	56,752
Kirkland	$ 20,000	89,557

MOTION: Councilmember Curtis made a motion to approve Ordinance 19-0491 to Revise KMC Chapter 3.55 Relating to the Sale and Disposition of Surplus Personal Property, Councilmember Smith seconded the motion. The motion passed unanimously.

Ordinance 19-0492 Approving the City of Kenmore Donation and Gift Acceptance Policy - Ryan Lancaster, Graduate Intern

Intern Lancaster explained that currently, for the City to accept any donation, the City Manager must present it to Council and have them approve and accept it by ordinance. For small donations, this can be a time consuming process. Staff recommends Council delegate this responsibility to the City Manager by ordinance for small donations.

The policy adopted by the ordinance covers donations with a value of $10,000 or less and gives the City Manager authority to accept them. The policy gives the responsibility of depositing and handling donations to the finance department, who will track and ensure that any conditions of the donation (like which fund or project it can go towards) are followed. The policy also stipulates that the City's interests must be considered and that the City Manager or designee must follow the code of ethics set forth in administrative policies.

MOTION: Deputy Mayor Herbig made a motion to approve Ordinance 19-0492 Approving the City of Kenmore Donation and Gift Acceptance Policy, Mayor Baker seconded the motion. The motion passed unanimously.

Moved from consent agenda:
Cancel June 24, 2019 Regular Council Meeting

MOTION: Councilmember Srebnik made a motion to cancel the June 24, 2019 Regular Council Meeting, Deputy Mayor Herbig seconded the motion. The motion passed unanimously.

STAFF REPORT

Website Migration Project Update - Becky Range, Communications Specialist

Short-term Rental Policy Paper - Ryan Lancaster, Graduate Intern

Initiative 976 - Rob Karlinsey, City Manager

COUNCILMEMBER REPORTS & COMMENTS & INITIATIVES

ADJOURNMENT

The meeting adjourned at 10:10 p.m.

_____
David Baker, Mayor

ATTEST:

_____
Kelly M. Chelin, City Clerk

City Council Business Agenda Item
City of Kenmore, WA

Subject/Topic: Local Sales Tax Options for Affordable Housing HB 1406 **Proposed Council Action/Motion:** Motion providing direction on sales tax options	**For Council Meeting Agenda of:** 7/15/19 **Department:** Community Development Department & Finance Department **Prepared by:** Debbie Bent, Community Development Director and Joanne Gregory Finance Director Initial & Date Approved by Department Head: DS 7/2/19 Approved by City Attorney: N/A Approved by Finance Director: 7/2/19 Approved by City Manager: Exhibits/Attachments: 1. 6/13/19 ARCH Memo HB1406 Local Sales Tax Option for Affordable Housing

INFORMATION/BACKGROUND: At the 7/15/19 Council meeting, staff is seeking Council direction on whether the City wants to participate and act on the recently adopted sales tax options provided through legislation HB 1406. ARCH (see attachment #1) is recommending that member Cities participate and adopt a qualifying local tax authorizing the maximum capacity of the tax. ARCH also notes that the ARCH interlocal agreement would allow member cities to pool the tax receipts for administration through ARCH's Housing Trust Fund Account. Staff is recommending that Council pass a motion providing direction on whether to participate and direction on whether to pursue legislation adopting a qualifying tax.

Attachment #1 prepared by ARCH provides background on the recently adopted legislation HB 1406. The legislation provides a new funding tool for local jurisdictions to increase investment in affordable housing. HB 1406 allows cities to retain a portion of the state's share of sales tax for investment in affordable or supportive housing to assist persons whose income is at or below 60% of median income. This portion is offset by a reduction in the state's portion and therefore does not result in an increased tax on consumers. Cities have a choice of whether to be a participating or non-participating city, and a choice of whether to adopt a qualifying tax to increase the portion they may retain.

If Kenmore chooses to participate, by January 28, 2020 the City Council should adopt a resolution declaring their intent. 0 .0073% now or if 0.0146% then the City has twelve months to act on legislation (by July 30, 2020). The maximum amount Kenmore may collect is limited by the amount of taxable retail sales in fiscal year 2019 times the appropriate rate. Based on the 2018 taxable retail sales in Kenmore of $270,571,011, for the first 12 months at a rate of .0073%, $19,752 could be available for affordable housing. To access the full 0.0146% after 12 months, the City would need to adopt legislation for a qualifying tax by July 30, 2020 which would require voter approval. Based on the 2018 taxable retail sales in Kenmore at a rate of 0.0146%, $39,503 would be available for affordable housing. The tax expires 20 years after the jurisdiction first imposes the tax.

Based on limited staff resources and also the limited time to prepare to go out to the voters, staff recommends that the Council participates, adopts appropriate legislation but at the 0.0073% share of sales tax only. If Council concurs with the staff recommendation, staff would bring back appropriate legislation in September for Council consideration.

FISCAL CONSIDERATION: The City has a choice whether to participate in the local sales tax option. Participation with 0.0073% of the state share of the sales tax is $19,000 a year available for affordable housing. Participation and adoption of a qualifying local tax by July 30, 2020 with 0.0146% of the state share of the sales tax is $39,000 a year available for affordable housing.

COUNCIL GOAL/BUDGET OBJECTIVE BEING ADDRESSED: Council Goal #3 Increase and preserve the options for affordable housing stock

ATTACHMENT
1

A Regional Coalition for Housing

Together Center Campus
16225 NE 87th Street, Suite A-3 ♦ Redmond, Washington 98052
(425) 861-3677 ♦Fax: (425) 861-4553 ♦ WEBSITE: www.archhousing.org

MEMORANDUM

Date:	June 13, 2019
To:	ARCH Member Cities
From:	Kurt Triplett, ARCH Executive Board Chair Lindsay Masters, ARCH Executive Manager
RE:	HB 1406 – Local Sales Tax Option for Affordable Housing

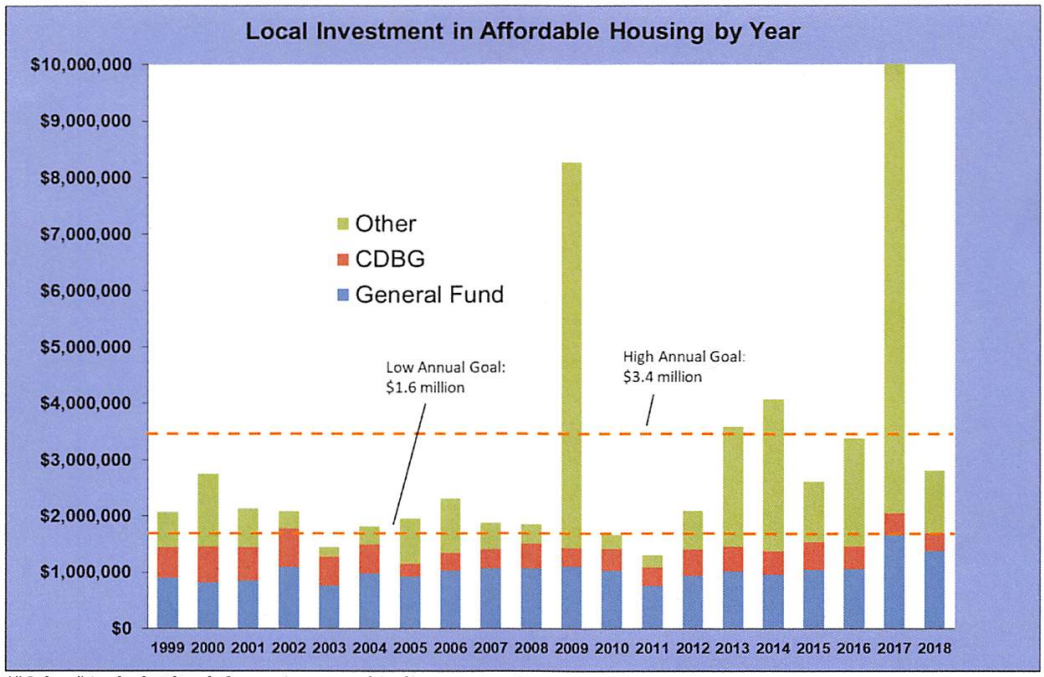
The State legislature adopted a number of housing-related bills during the most recent legislative session. Among these, HB 1406 was the most significant new funding tool created for local jurisdictions to increase investment in affordable housing. This memo provides background information on local funding for affordable housing, a summary of what HB 1406 authorizes and requires, and a sample template of a resolution for member cities electing to implement the tool.

Background: Local Investment in Affordable Housing in East King County

Since 1993, a core purpose in the formation and continued support for ARCH has been the successful cooperation around joint investments in affordable housing. This collaboration has set cities in East King County apart from other cities in the region, and led to a healthy track record of production and preservation of affordable homes since the 1990s, with investment in over 3,600 permanently affordable units/beds in the Housing Trust Fund portfolio as of 2018. Furthermore, ARCH has worked to ensure that these local investments leverage other private and public funding (historically $9 for every $1 of city funding), and created a loan fund that returns revenue to cities for future housing investment.

Since 1998, ARCH cities have used a "parity" formula to establish goals for local contributions to fund affordable housing. During that time, ARCH cities have provided consistent contributions that have resulted in a steady track record of investment in local projects. As shown in Figure 1, the level of investment from general funds has not increased significantly over the years, however, ARCH member cities have increasingly looked to other strategies to contribute resources, namely donation of City property and use of in-lieu payments from developers under incentive and inclusionary programs.

Figure 1. Local Investment in Affordable Housing by ARCH Member Cities



*"Other" includes land, fee waivers, and in-lieu payments
** The low and high annual goals reflect the cumulative parity goals for all member cities, as updated for inflation in 2018.

In recent years, the dramatic rise of housing prices has placed enormous pressures on communities across the region, leading to conversations about strategies to scale up a range of housing strategies, including direct investment. In June of 2018, the ARCH Executive Board transmitted a recommendation to city councils to adopt a technical update to the parity formula to account for inflation, and engage councils in a subsequent conversation on setting a future aspirational increases in response to the increased need for affordable housing. The passage of HB 1406 now provides a vehicle for continued discussion and progress toward goals for local investment in housing.

New Funding Tool: HB 1406

HB 1406 allows cities and counties to retain a portion of the sales tax for investment in affordable or supportive housing. This portion is offset by a reduction in the state's portion, and therefore does not result in an increased tax on consumers. The bill sets up a system for cities and counties to share the revenue, with two tiers based on whether a jurisdiction has adopted a "qualifying local tax". Seattle is currently the only city in King County with a qualifying tax.

The bill gives 6 months for jurisdictions to declare their intent and 12 months to act on legislation. After 12 months, a county may implement any authority that has gone unused by cities. For the first 12 months, the tax is limited to:

- 0.0073% for a city without a qualifying local tax, or a county within the limits of a nonparticipating city
- 0.0146% for a city with a qualifying tax, or a participating city in a county that declares it will not levy the tax, or a county within unincorporated areas or within cities that declare they will not levy the tax

After 12 months, the tax is limited to:

- 0.0073% for a city without a qualifying local tax, or a county within the limits of a participating city
- 0.0146% for a city with a qualifying tax, or a participating city in a county that declares it will not levy the tax, or a county within unincorporated areas or within any nonparticipating cities.

Cities have a choice of whether to be a participating or nonparticipating city, and a choice of whether to adopt a qualifying tax to increase the portion they may retain. After 12 months, any available revenue that is not collected by a city will be retained by the County.

Figure 2. Illustration of available taxing authorities.

First 12 months:

participating city w/ qualifying tax	participating city w/out qualifying tax	nonparticipating cities	in unincorporated areas	in cities that declare they will not levy the tax
0.0146% - city	0.0073% - city 0% - county	0% - city 0.0073% - county	0.0146% - county	0.0146% - county

After 12 months:

participating city w/ qualifying tax	participating city w/out qualifying tax	nonparticipating cities	in unincorporated areas
0.0146% - city	0.0073% - city 0.0073% - county	0.0146% - county	0.0146% - county

Qualifying Local Taxes

Qualifying local taxes include the following:

- An affordable housing levy authorized under RCW 84.52.105, which allows cities or counties to impose up to fifty cents per thousand dollars of assessed value of

property for up to ten years if approved by a majority of voters in the taxing district. The governing body of the jurisdiction must first declare the existence of a housing emergency, and adopt a financing plan.

- The sales and use tax for housing and related services authorized under RCW 82.14.530, provided the city has imposed the tax at a minimum of at least half of the authorized rate (0.1%). Cities must place a ballot proposition before voters for approval.
- The sales tax for chemical dependency and mental health treatment services or therapeutic courts authorized under RCW 582.14.460 imposed by a city. Because King County has already authorized this tax, cities within King County would not be eligible to use this authority.
- The levy authorized under RCW 84.55.050, if used solely for affordable housing. RCW 84.55.050 sets forth procedures for increasing levy authority if a proposition is approved by a majority of voters of a taxing district.

A qualifying tax must be "instated" no later than twelve months after the effective date of the law, which means no later than July 30, 2020. The Association of Washington Cities (AWC) is currently seeking a clarification to confirm that "instated" means that an ordinance has been adopted.

Potential Revenue Estimates

The maximum amount a city may collect will be limited by the amount of taxable retail sales within a jurisdiction in fiscal year 2019 times the applicable rate. Figure 2 shows the estimated revenue potential based on Taxable Retail Sales in ARCH cities in 2018.

Figure 2. Revenue Potential in ARCH Cities based on Taxable Retail Sales in 2018

Location	Taxable Retail Sales	.0073%	.0146%
BEAUX ARTS VILLAGE	6,769,158	494	988
BELLEVUE RTA	8,107,493,934	591,847	1,183,694
BOTHELL/KING	744,325,187	54,336	108,671
CLYDE HILL	76,829,233	5,609	11,217
HUNTS POINT	17,061,939	1,246	2,491
ISSAQUAH RTA	1,718,731,158	125,467	250,935
KENMORE	270,571,011	19,752	39,503
KIRKLAND	2,673,063,240	195,134	390,267
MEDINA	124,696,680	9,103	18,206
MERCER ISLAND	497,503,623	36,318	72,636
NEWCASTLE	158,413,823	11,564	23,128
REDMOND RTA	3,499,834,893	255,488	510,976
SAMMAMISH RTA	715,541,878	52,235	104,469
WOODINVILLE RTA	783,625,291	57,205	114,409
YARROW POINT	31,228,953	2,280	4,559
		1,418,075	2,836,151

Eligible Housing and Services Uses
The housing and services funded with the tax must serve populations earning up to 60% of the county median income. In determining the use of funds, a county or city must consider the income of the individuals and families to be served, the leveraging of the resources made available under this section, and the housing needs within the jurisdiction. **Attachment 1** shows incomes and affordable monthly rents for households earning up to 30%, 50% and 60% of median income. **Attachment 2** shows data on housing cost burden by income level in each ARCH member city.

All cities and counties may use the funds for:

(i) Acquiring, rehabilitating, or constructing affordable housing, which may include new units of affordable housing within an existing structure or facilities providing supportive housing services under RCW 71.24.385; or
(ii) Funding the operations and maintenance costs of new units of affordable or supportive housing.

Cities with population under 100,000 and counties with population under 400,000 may also use the funds for rental assistance.

Bonding Authority / Interlocal Agreements
Cities and counties may pledge the funds for repayment of general obligation or revenue bonds, and may also enter into interlocal agreements with other counties, cities, or public housing authorities to pool the tax receipts received under this section. The existing ARCH Interlocal Agreement (ILA) provides a structure to enable cities to pool revenue for investment in housing. Since 2010, the ILA authorized the City of Bellevue (Administering Agency for ARCH) to establish and maintain a centralized Housing Trust Fund Account for the purpose of administering the contributions of ARCH members to affordable housing projects and programs. The Housing Trust Fund Account includes a sub-account for each member city, with contributions to be released only when directed by each individual city.

Deadlines to Act
To impose the tax, a county or city legislative authority must adopt within 6 months of the effective date of the legislation a resolution of intent to adopt legislation to authorize the maximum capacity of the tax. The resolution requires simple majority approval. In addition, the legislative authority must approve actual legislation within 12 months. The bill takes effect 90 days after the end of the session, which means that cities must adopt a resolution by January 31, 2020, and actual legislation by July 27, 2020. The tax expires 20 years after the jurisdiction first imposes the tax.

A sample resolution is provided in **Attachment 4.**

Staff Recommendation
Staff recommend that councils of ARCH member cities take advantage of this new tool and adopt a resolution declaring their intent to adopt legislation to authorize the maximum capacity of the tax by January 31, 2020.

Attachments:

1. **Household Incomes and Affordable Rents by Percent of Area Median Income in 2019 (Seattle-Bellevue HUD Metro FMR Area)**
2. **Number of Households with Housing Cost Burden by Income in ARCH Cities**
3. **Sample Form of Ordinance/Resolution of Intent Pursuant to HB 1406 (prepared by Pacifica Law Group LLP)**

Attachment 1. Household Incomes and Affordable Rents by Percent of Area Median Income in 2019 (Seattle-Bellevue HUD Metro FMR Area)

Household Incomes by Percent of Area Median Income (AMI)

	1 person	2 person	3 person	4 person	5 person	6 person
30% AMI	$22,806	$26,064	$29,322	$32,580	$35,186	$37,793
50% AMI	$38,010	$43,440	$48,870	$54,300	$58,644	$62,988
60% AMI	$45,612	$52,128	$58,644	$65,160	$70,373	$75,586
80% AMI	$60,816	$69,504	$78,192	$86,880	$93,830	$100,781
100% AMI	$76,020	$86,880	$97,740	$108,600	$117,288	$125,976

Affordable Monthly Rent by Household Size and Income

	1 person	2 person	3 person	4 person	5 person	6 person
30% AMI	$570	$652	$733	$815	$880	$945
50% AMI	$950	$1,086	$1,222	$1,358	$1,466	$1,575
60% AMI	$1,140	$1,303	$1,466	$1,629	$1,759	$1,890
80% AMI	$1,520	$1,738	$1,955	$2,172	$2,346	$2,520
100% AMI	$1,901	$2,172	$2,444	$2,715	$2,932	$3,149

Attachment 2. Number of Households with Housing Cost Burden by Income in ARCH Cities
(Source: 2011-2015 CHAS 5-Year Estimates)

	Not cost burdened	Cost burdened (30-49%)	Severely cost burdened (50%+)	Sum of Cost burdened and Severely cost burdened	Total Households
EKC cities	**130,150**	**31,833**	**26,484**	**58,317**	**188,467**
<=30% AMI	2,358	1,714	13,614	15,328	17,686
31% - 50% AMI	3,102	5,409	6,768	12,177	15,279
51% - 80% AMI	7,289	7,389	2,978	10,367	17,656
81% - 100% AMI	7,705	5,156	1,341	6,497	14,202
>100% AMI	109,696	12,165	1,783	13,948	123,644
Beaux Arts Village	**98**	**28**	**24**	**52**	**150**
<=30% AMI	-	4	12	16	16
31% - 50% AMI	-	8	4	12	12
51% - 80% AMI	8	-	-	-	8
81% - 100% AMI	8	4	4	8	16
>100% AMI	82	12	4	16	98
Bellevue	**37,115**	**8,945**	**8,139**	**17,084**	**54,199**
<=30% AMI	860	530	4,370	4,900	5,760
31% - 50% AMI	885	1,755	2,000	3,755	4,640
51% - 80% AMI	2,455	1,880	869	2,749	5,204
81% - 100% AMI	2,255	1,650	420	2,070	4,325
>100% AMI	30,660	3,130	480	3,610	34,270
Bothell	**10,601**	**3,064**	**2,308**	**5,372**	**15,973**
<=30% AMI	199	249	1,399	1,648	1,847
31% - 50% AMI	419	665	525	1,190	1,609
51% - 80% AMI	818	815	284	1,099	1,917
81% - 100% AMI	1,010	665	40	705	1,715
>100% AMI	8,155	670	60	730	8,885
Clyde Hill	**751**	**136**	**172**	**308**	**1,059**
<=30% AMI	4	4	32	36	40
31% - 50% AMI	8	19	54	73	81
51% - 80% AMI	8	14	42	56	64
81% - 100% AMI	23	4	14	18	41
>100% AMI	708	95	30	125	833
Hunts Point	**106**	**60**	**58**	**118**	**224**
<=30% AMI	4	-	20	20	24
31% - 50% AMI	-	8	4	12	12
51% - 80% AMI	-	4	12	16	16
81% - 100% AMI	4	8	4	12	16
>100% AMI	98	40	18	58	156

	Not cost burdened	Cost burdened (30-49%)	Severely cost burdened (50%+)	Sum of Cost burdened and Severely cost burdened	Total Households
Issaquah	**9,400**	**2,555**	**2,090**	**4,645**	**14,045**
<=30% AMI	225	110	1,070	1,180	1,405
31% - 50% AMI	355	290	575	865	1,220
51% - 80% AMI	440	790	240	1,030	1,470
81% - 100% AMI	645	315	85	400	1,045
>100% AMI	7,735	1,050	120	1,170	8,905
Kenmore	**5,334**	**1,549**	**1,113**	**2,662**	**7,996**
<=30% AMI	99	220	634	854	953
31% - 50% AMI	225	329	250	579	804
51% - 80% AMI	425	250	84	334	759
81% - 100% AMI	390	215	80	295	685
>100% AMI	4,195	535	65	600	4,795
Kirkland	**23,349**	**6,576**	**5,434**	**12,010**	**35,359**
<=30% AMI	284	198	2,695	2,893	3,177
31% - 50% AMI	695	1,125	1,555	2,680	3,375
51% - 80% AMI	1,410	1,690	659	2,349	3,759
81% - 100% AMI	1,485	1,118	250	1,368	2,853
>100% AMI	19,475	2,445	275	2,720	22,195
Medina	**701**	**183**	**173**	**356**	**1,057**
<=30% AMI	-	-	72	72	72
31% - 50% AMI	10	18	12	30	40
51% - 80% AMI	4	8	25	33	37
81% - 100% AMI	12	4	35	39	51
>100% AMI	675	153	29	182	857
Mercer Island	**6,638**	**1,360**	**1,574**	**2,934**	**9,572**
<=30% AMI	160	40	610	650	810
31% - 50% AMI	75	170	440	610	685
51% - 80% AMI	299	240	150	390	689
81% - 100% AMI	244	120	100	220	464
>100% AMI	5,860	790	274	1,064	6,924
Newcastle	**2,972**	**649**	**492**	**1,141**	**4,113**
<=30% AMI	18	15	210	225	243
31% - 50% AMI	105	70	163	233	338
51% - 80% AMI	34	165	39	204	238
81% - 100% AMI	210	39	55	94	304
>100% AMI	2,605	360	25	385	2,990
Redmond	**17,229**	**3,444**	**2,690**	**6,134**	**23,363**
<=30% AMI	460	180	1,545	1,725	2,185
31% - 50% AMI	195	600	750	1,350	1,545
51% - 80% AMI	975	990	205	1,195	2,170
81% - 100% AMI	944	609	95	704	1,648

	Not cost burdened	Cost burdened (30-49%)	Severely cost burdened (50%+)	Sum of Cost burdened and Severely cost burdened	Total Households
>100% AMI	14,655	1,065	95	1,160	15,815
Sammamish	**12,309**	**2,322**	**1,564**	**3,886**	**16,195**
<=30% AMI	45	55	655	710	755
31% - 50% AMI	75	125	294	419	494
51% - 80% AMI	209	324	295	619	828
81% - 100% AMI	205	300	125	425	630
>100% AMI	11,775	1,518	195	1,713	13,488
Woodinville	**3,280**	**893**	**570**	**1,463**	**4,743**
<=30% AMI	-	105	270	375	375
31% - 50% AMI	55	223	130	353	408
51% - 80% AMI	200	215	60	275	475
81% - 100% AMI	270	105	20	125	395
>100% AMI	2,755	245	90	335	3,090
Yarrow Point	**267**	**69**	**83**	**152**	**419**
<=30% AMI	-	4	20	24	24
31% - 50% AMI	-	4	12	16	16
51% - 80% AMI	4	4	14	18	22
81% - 100% AMI	-	-	14	14	14
>100% AMI	263	57	23	80	343
King County	**529,895**	**159,155**	**130,605**	**289,760**	**819,655**
<=30% AMI	15,780	18,750	82,205	100,955	116,735
31% - 50% AMI	25,395	39,980	27,625	67,605	93,000
51% - 80% AMI	49,170	37,210	11,725	48,935	98,105
81% - 100% AMI	50,655	23,255	4,330	27,585	78,240
>100% AMI	388,895	39,960	4,720	44,680	433,575

PACIFICA
LAW GROUP

SAMPLE FORM OF ORDINANCE/RESOLUTION OF INTENT PURSUANT TO HB 1406
Prepared by Pacifica Law Group LLP

[ORDINANCE/RESOLUTION]
No. _____

[AN ORDINANCE][A RESOLUTION] OF THE [CITY COUNCIL][_____ COUNTY BOARD OF COMMISSIONERS] OF [_____] DECLARING THE INTENT OF THE [_____] TO ADOPT LEGISLATION TO AUTHORIZE A SALES AND USE TAX FOR AFFORDABLE AND SUPPORTIVE HOUSING IN ACCORDANCE WITH SUBSTITUTE HOUSE BILL 1406 (CHAPTER 338, LAWS OF 2019), AND OTHER MATTERS RELATED THERETO.

WHEREAS, in the 2019 Regular Session, the Washington State Legislature approved, and the Governor signed, Substitute House Bill 1406 (Chapter 338, Laws of 2019) ("SHB 1406"); and

WHEREAS, SHB 1406 authorizes the governing body of a city or county to impose a local sales and use tax for the acquisition, construction or rehabilitation of affordable housing or facilities providing supportive housing, [and] for the operations and maintenance costs of affordable or supportive housing, [*FOR COUNTIES of 400,000 or less, or CITIES of 100,000 or less*: or, if eligible, for providing rental assistance to tenants]; and

WHEREAS, the tax will be credited against state sales taxes collected within the [City/County] and, therefore, will not result in higher sales and use taxes within the [City/County] and will represent an additional source of funding to address housing needs in the [City/County]; and

WHEREAS, the tax must be used to assist persons whose income is at or below sixty percent of the [City/County] median income; and

WHEREAS, the [City/County] has [describe housing need] and has determined that imposing the sales and use tax to address this need will benefit its citizens; and

WHEREAS, in order for a city or county to impose the tax, within six months of the effective date of SHB 1406, or January 28, 2020, the governing body must adopt a resolution of intent to authorize the maximum capacity of the tax, and within twelve months of the effective date of SHB 1406, or July 28, 2020, must adopt legislation to authorize the maximum capacity of the tax; and

WHEREAS, this [ordinance/resolution] constitutes the resolution of intent required by SHB 1406; and

WHEREAS, the [City Council/County Board of Commissioners] now desires to declare its intent to impose a local sales and use tax as authorized by SHB 1406 as set forth herein;

PACIFICA
LAW GROUP

NOW, THEREFORE, BE IT [RESOLVED][ORDAINED] BY THE [CITY COUNCIL/COUNTY BOARD OF COMMISSIONERS] OF THE [CITY OF _____/ _____ COUNTY] AS FOLLOWS:

Section 1. Resolution of Intent. The [City Council/County Board of Commissioners] declares its intent to adopt legislation to authorize the maximum capacity of the sales and use tax authorized by SHB 1406 within one year of the effective date of SHB 1406, or by July 28, 2020.

Section 2. Further Authority; Ratification. All [City/County] officials, their agents, and representatives are hereby authorized and directed to undertake all action necessary or desirable from time to time to carry out the terms of, and complete the actions contemplated by, this [resolution][ordinance]. All acts taken pursuant to the authority of this [resolution][ordinance] but prior to its effective date are hereby ratified.

Section 3. Effective Date. This [resolution][ordinance] shall take effect [immediately upon its passage and adoption][____ days after the passage and publication].

Passed by majority vote of the _____ in open meeting this _____ day of _____, 2019.

[insert appropriate signature blocks]

City Council Business Agenda Item
City of Kenmore, WA

Subject/Topic: March 2019 Financial Report Presentation	For Council Meeting Agenda of: July 15, 2019 Department: Finance and Administration Prepared by: Joanne Gregory Initial & Date Approved by Department Head: 7-2-19 Approved by City Attorney: Approved by Finance Director: 7-2-19 Approved by City Manager:
Proposed Council Action/Motion: Receive and File March 2019 Financial Report for the City of Kenmore, Washington	Exhibits/Attachments: March 2019 Financial Report for the City of Kenmore, Washington.

INFORMATION/BACKGROUND:

The March 2019 monthly financial report is presented for Council review. This provides the opportunity for the City Council and the community to receive information on the City of Kenmore's biennium to date revenues and expenditures in comparison to the City's 2019-2020 adopted biennial budget. The budget was adopted on November 19, 2018.

FISCAL CONSIDERATION:

March is the third month of the 2019-2020, 24 month biennium. As of March, expenditures exceeded revenues in the General Fund by $154,652. With real property taxes due in April, the revenue balances will improve.

COUNCIL GOAL/BUDGET OBJECTIVE BEING ADDRESSED:

Kenmore Budget Policy 9a: A revenue/expenditure report will be produced monthly so that it can be directly compared to the actual results of the fiscal year to date. Kenmore Budget Policy 9b: All budget amendments, both revenues and expenditures, will be noted in the monthly report.

Priority Based Budgeting Result: Governance: Supports decision-making with timely and accurate short-term and long-range analysis that enhances vision and planning.

18120 68TH AVE. NE
KENMORE, WASHINGTON 98028

MEMORANDUM

TO: Rob Karlinsey, City Manager
FROM: Joanne Gregory, Finance Director
DATE: June 28, 2019
RE: March 2019 Financial Reports for the City of Kenmore, Washington

March 2019 financial information is presented for your review and delivery to the City Council. Attached you will find the following reports:

- General Fund Summary
- General Fund Revenue Graphs
- General Fund Expenditure Graphs
- Street Fund Summary
- Cash and Investment Report
- Investment Schedule
- Sales Tax Receipts by Business Type
- Retail Sales and Use Tax Distribution
- Real Estate Excise Tax Report
- Report for Transportation Benefit District

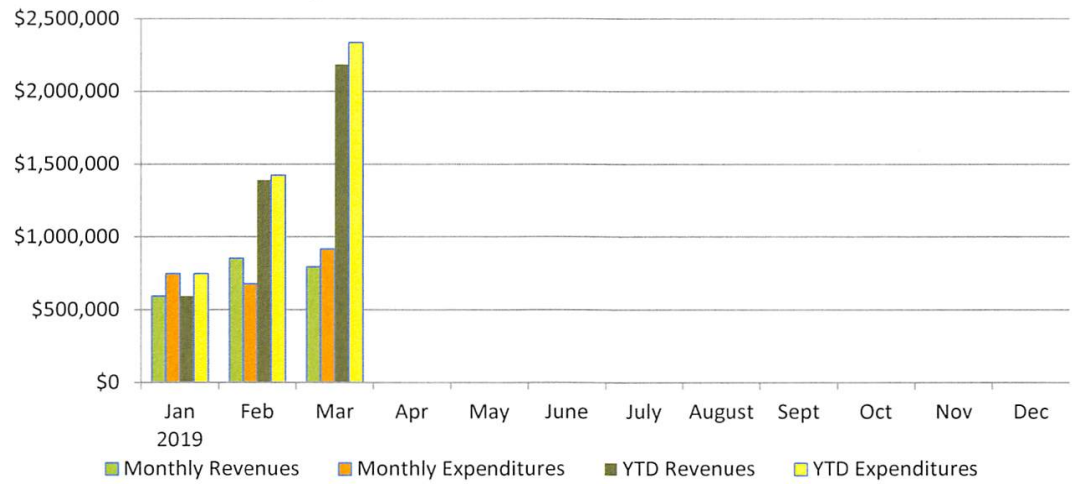
If you would like additional information or have any questions regarding the financial reports, please feel free to contact me.

GENERAL FUND

The first section of the monthly financial report is a review of the General Fund. This fund accounts for operational activities and includes all financial resources except those required or elected to be accounted for in another fund. Revenues include various taxes, per capita distributions from the State, fines and forfeitures, permits and licenses, and fees for service. In the context of the biennial budget, March is the third month (12%) of the 2019-2020 biennial budget period. For the month of March, expenditures exceeded revenues in the General Fund by $121,831.

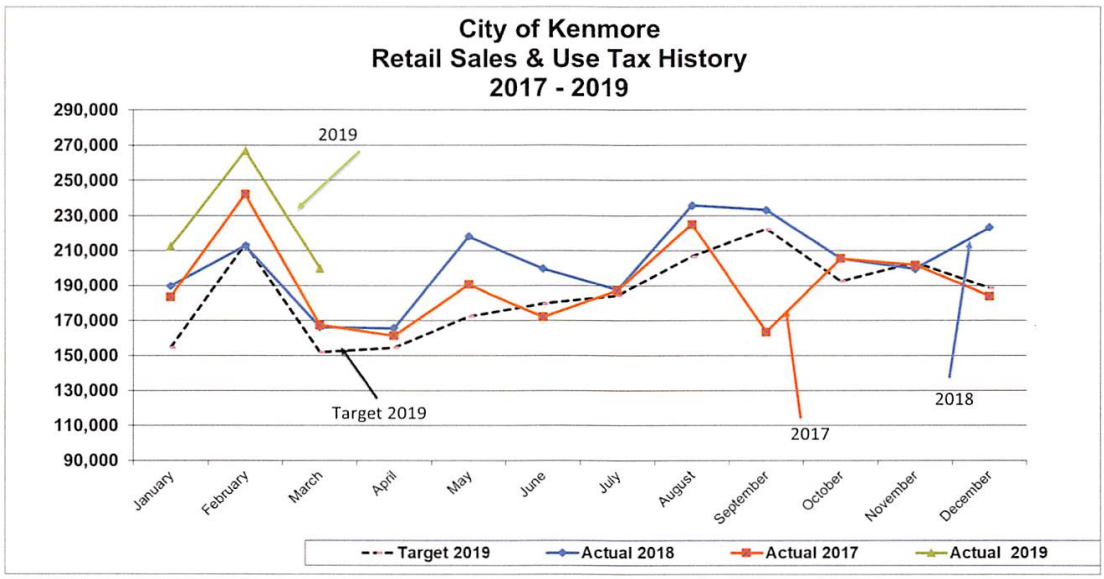
The following chart illustrates the monthly revenue and expenditure activity in the General Fund through March 2019.

City of Kenmore, Washington
Monthly Financial Report
March 2019



Total **revenues** for the month were **$793,197.** Biennium to date revenues are $2,184,723, which is 8.4% of the budgeted revenues of $25,927,872. Primary sources of revenue for the month included property taxes in the amount of $173,211, development fees & permits in the amount of $81,643, retail sales and use taxes in the amount of $199,904, and utility taxes in the amount of $114,596.

A summary of sales tax revenues received in March is attached. These receipts are based on January sales activity. The chart below gives a historical perspective of monthly sales tax receipts over the last several years. The black dotted Target 2019 line is a monthly average of actual receipts during 2016, 2017, and 2018. The green line represents 2019 actual receipts, which are $110,505 above 2018 and ahead of the 2019 target by $158,795.



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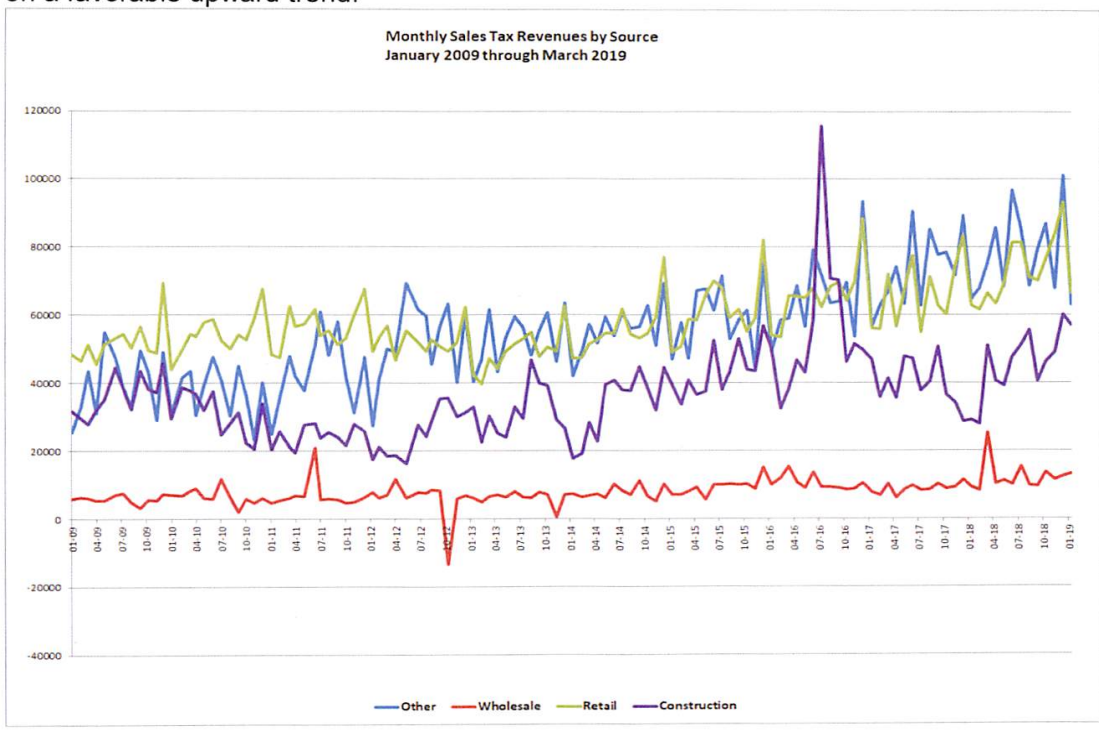
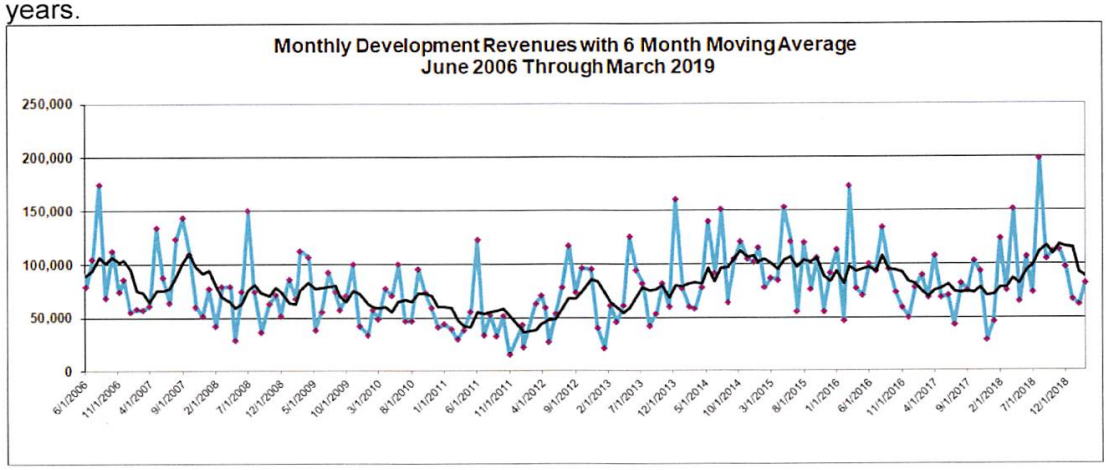
City of Kenmore, Washington
Monthly Financial Report
March 2019

The following chart illustrates the historical trends of sales tax receipts from the major segments: construction, retail, wholesale, other (agriculture, services, manufacturing, transportation and utilities) from January 2009 through March 2019. Retail and Other are on a favorable upward trend.



The following chart illustrates the development revenue activity over the last thirteen years.



March 2019 expenditures were **$915,028.** Biennium to date expenditures are $2,339,375, which is 9% of the biennial budget expenditures of $25,927,872.

Total City cash ($17,682,695) and long-term investments ($9,986,113), at the end of March, totaled $27,668,808. Proposition 1 levy funds of $8M are included in this cash balance. The Other Funds Monthly Activity graphs compare biennium to date revenues and expenditures to the 2019-2020 biennial budget.

Total non-General Fund revenues were $384,507 and total non-General Fund expenditures were $547,252.

In the **Street Fund** revenue from gas tax distributions were $43,496. $37,935 was expended for maintenance and operations during the month.

In the **Transportation Capital Fund,** there were expenditures in the amount of $97,736 on pedestrian safety projects.

The **Park Impact Fee** fund received $1,925 in revenues during the month.

There was $54,928 in revenues for the **Transportation Impact Fee** fund during the month.

The **Real Estate Excise Tax** Fund received $89,106 of real estate excise taxes (REET) in March from sales activity that occurred in February. 28 transactions were reported during the month. The 2019 year to date revenue is lower than the 2018 revenue by $30,703, and the 2019 target by $97,896.

The **Park Capital** fund had expenditures in the amount of $106,813 on park improvement projects.

The **Walkways & Waterways Debt Service** Fund collected $41,811 in property taxes related to the Prop 1 Bond for a biennium to date total revenue of $58,986.

The **Transportation Benefit District** Fund received $20,889 in vehicle license fees during the month.

SUMMARY

This concludes the financial report for the City of Kenmore as of **March 31, 2019.** I appreciate your feedback and encourage you to contact me if you have any questions prior to the City Council meeting.

City of Kenmore, Washington
General Fund Summary Report
March 31, 2019

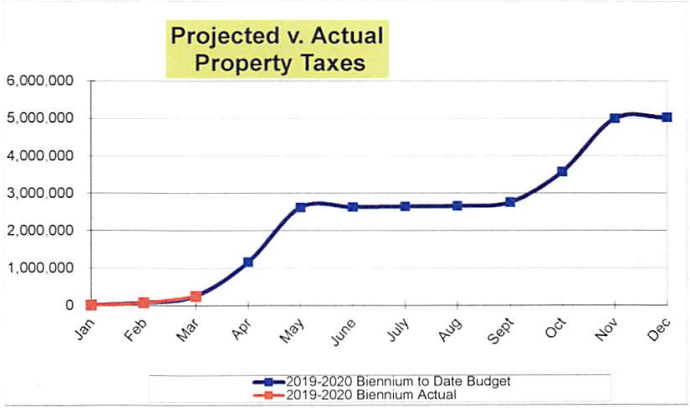
	CURRENT PERIOD 2019-2020				PREVIOUS PERIOD 2017-2018			
	MONTH March 2019	BIENNIUM TO DATE 2019-2020	% of BUDGET	BIENNIUM BUDGET 2019-2020	MONTH March 2017	BIENNIUM TO DATE 2017-2018	% of BUDGET	BIENNIUM BUDGET 2017-2018
REVENUES								
Beginning Fund Balance		4,934,368		4,934,368		3,138,914		3,131,687
Property Taxes	173,211	245,480	2.4%	10,224,205	163,661	9,479,714	99.9%	9,491,704
Sales and Use Taxes	252,725	856,863	15.1%	5,662,000	213,259	6,020,092	101.9%	5,906,291
Utility Taxes	114,596	336,885	13.7%	2,466,355	135,223	2,375,561	87.4%	2,717,485
Other Taxes	0	34,623	19.0%	181,868	0	181,601	83.3%	218,113
Development Fees & Permits	81,643	210,056	11.3%	1,854,042	68,098	2,172,030	105.9%	2,050,518
Franchise Fees	0	252,172	13.8%	1,831,835	0	1,731,286	99.3%	1,743,476
Intergovernmental and Grants	55,581	109,670	10.4%	1,057,677	62,121	982,674	116.8%	841,615
Investment Interest	6,413	16,808	17.6%	95,300	3,768	125,116	240.6%	52,000
Fines and Forfeitures	0	0	n/a	0	-458	16,791	0.0%	0
Transfers and Other Revenues	109,028	122,167	4.8%	2,554,590	119,462	2,107,146	131.6%	1,600,972
Total Revenues	793,197	2,184,723	8.4%	25,927,872	765,133	25,192,011	102.3%	24,622,174
Total Revenues & Beginning Fund Balance	793,197	7,119,092		30,862,240		28,330,925		27,753,861

	CURRENT PERIOD 2019-2020				PREVIOUS PERIOD 2017-2018			
	MONTH March 2019	BIENNIUM TO DATE 2019-2020	% of BUDGET	BIENNIUM BUDGET 2019-2020	MONTH March	BIENNIUM TO DATE 2017-2018	% of BUDGET	BIENNIUM BUDGET 2017-2018
EXPENDITURES								
Cost Center								
City Council	13,571	62,792	15.7%	400,337	13,305	346,852	105.3%	329,426
City Manager	150,533	356,226	10.7%	3,331,467	128,940	3,316,565	99.6%	3,328,297
City Clerk	16,468	103,123	12.0%	856,966	14,458	474,950	111.7%	425,368
Finance	55,317	399,938	21.6%	1,851,887	55,527	1,757,967	105.1%	1,672,775
Legal	44,094	66,212	12.5%	530,000	0	525,190	105.0%	500,000
Interfund Transfers	0	0	0.0%	1,602,484	0	1,198,406	85.4%	1,403,228
Public Safety	56,095	139,422	1.5%	9,133,991	68,185	8,340,562	94.7%	8,806,304
Engineering & Environmental Services	65,217	164,832	9.9%	1,658,620	68,039	1,416,078	100.1%	1,415,011
Community Development	77,648	205,773	12.1%	1,698,893	53,578	1,445,670	84.3%	1,715,510
Developmental Services	84,619	263,769	10.8%	2,436,502	90,292	2,371,159	111.3%	2,131,288
Parks & Facility Maintenance	351,467	577,287	23.8%	2,426,725	78,471	2,203,157	77.2%	2,854,489
Total Expenditures	915,028	2,339,375	9.0%	25,927,872	570,793	23,396,557	95.2%	24,581,696
Ending Fund Balance	-121,831	4,779,717	0	4,934,368		4,934,368		3,172,165
Total Expenditures and Ending Fund Balance		7,119,092		30,862,240		28,330,925		27,753,861

City of Kenmore, Washington
General Fund Revenue Graphs
March 31, 2019

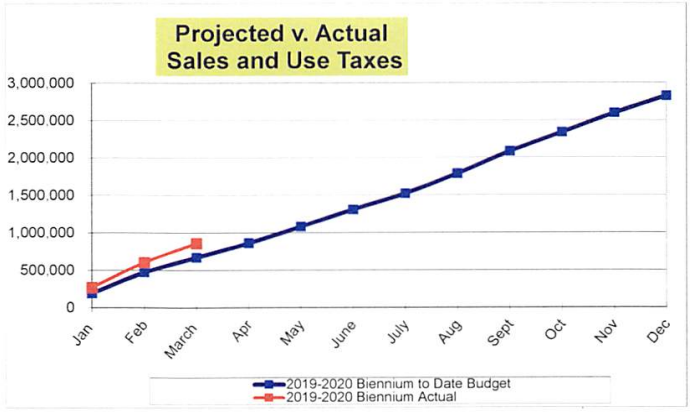
PROPERTY TAXES

	2019-2020 Biennium to Date Budget	2019-2020 Biennium Actual
Jan	16,142	15,956
Feb	78,314	72,268
Mar	262,932	245,480
Apr	1,163,061	
May	2,621,823	
June	2,635,867	
July	2,649,793	
Aug	2,664,592	
Sept	2,765,669	
Oct	3,581,266	
Nov	4,995,859	
Dec	5,024,414	
2019-20 Year To Date Actual v. Projected	10,224,205	93%



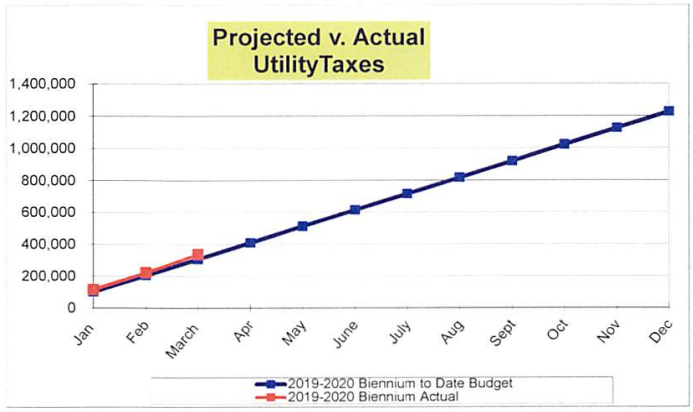
SALES, USE, CRIM JUSTICE TAXES

	2019-2020 Biennium to Date Budget	2019-2020 Biennium Actual
Jan	193,303	269,980
Feb	471,720	604,138
March	669,878	856,863
Apr	861,174	
May	1,081,140	
June	1,310,286	
July	1,523,681	
Aug	1,787,898	
Sept	2,086,187	
Oct	2,340,752	
Nov	2,598,277	
Dec	2,827,000	
2019-20 Year To Date Actual v. Projected	5,662,000	128%



UTILITY TAXES

	2019-2020 Biennium to Date Budget	2019-2020 Biennium Actual
Jan	102,250	116,230
Feb	204,500	222,289
March	306,750	336,885
Apr	409,000	
May	511,250	
June	613,500	
July	715,750	
Aug	818,000	
Sept	920,250	
Oct	1,022,500	
Nov	1,124,750	
Dec	1,227,000	
2019-20 Year To Date Actual v. Projected	2,466,355	110%



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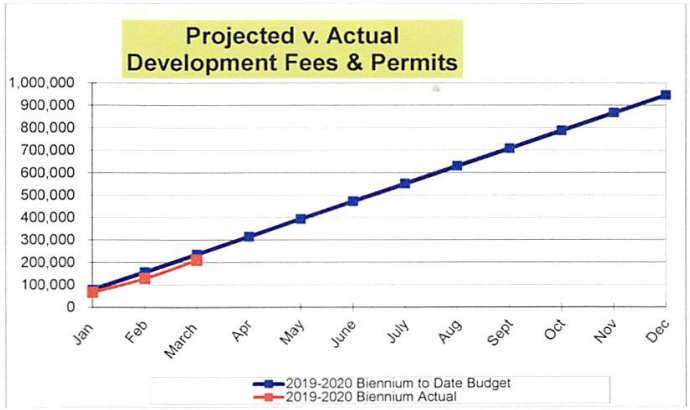
City of Kenmore, Washington
General Fund Revenue Graphs
March 31, 2019

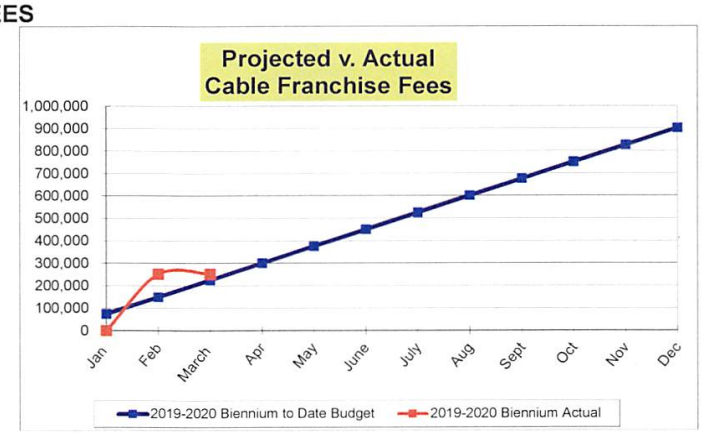
DEVELOPMENT FEES & PERMITS

	2019-2020 Biennium to Date Budget	2019-2020 Biennium Actual
Jan	78,798	66,225
Feb	157,596	128,413
March	236,394	210,056
Apr	315,192	
May	393,990	
June	472,788	
July	551,586	
Aug	630,384	
Sept	709,182	
Oct	787,980	
Nov	866,778	
Dec	945,576	
'2019-20 Year To Date	1,854,042	
Actual v. Projected		89%



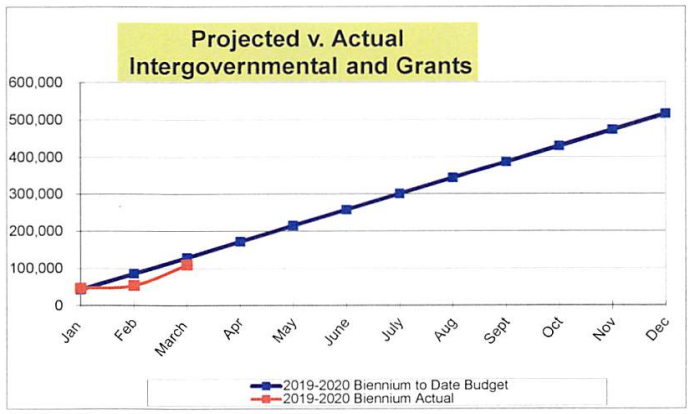
CABLE/WATER/SEWER FRANCHISE FEES

	2019-2020 Biennium to Date Budget	2019-2020 Biennium Actual
Jan	75,199	0
Feb	150,397	252,172
March	225,596	252,172
Apr	300,794	
May	375,993	
June	451,191	
July	526,390	
Aug	601,588	
Sept	676,787	
Oct	751,985	
Nov	827,184	
Dec	902,382	
'2019-20 Year To Date	1,831,835	
Actual v. Projected		112%



INTERGOVERNMENTAL & GRANTS

	2019-2020 Biennium to Date Budget	2019-2020 Biennium Actual
Jan	42,971	47,201
Feb	85,942	54,089
March	128,913	109,670
Apr	171,884	
May	214,855	
June	257,826	
July	300,796	
Aug	343,767	
Sept	386,738	
Oct	429,709	
Nov	472,680	
Dec	515,651	
'2019-20 Year To Date	1,057,677	
Actual v. Projected		85%



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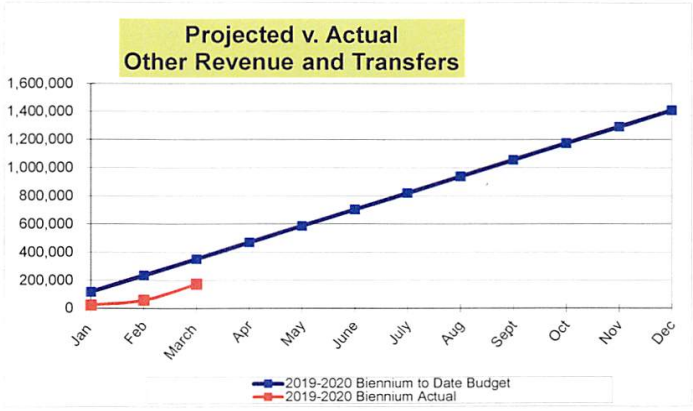
City of Kenmore, Washington
General Fund Revenue Graphs
March 31, 2019

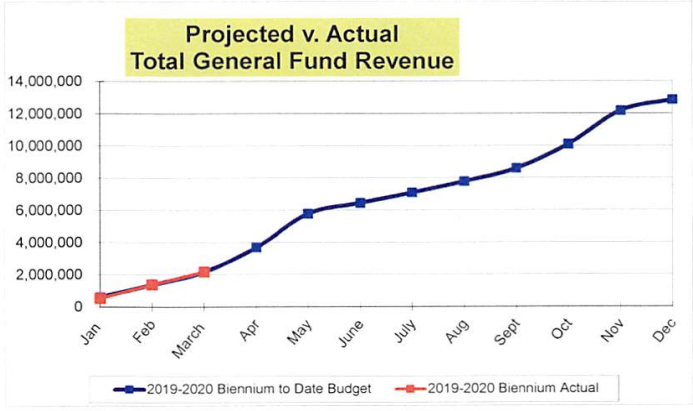
OTHER REVENUES AND TRANSFERS

	2019-2020 Biennium to Date Budget	2019-2020 Biennium Actual
Jan	117,537	24,088
Feb	235,074	58,157
March	352,611	173,597
Apr	470,148	
May	587,685	
June	705,222	
July	822,759	
Aug	940,296	
Sept	1,057,833	
Oct	1,175,370	
Nov	1,292,907	
Dec	1,410,444	
'2019-20 Year To Date	2,831,758	
Actual v. Projected		49%



TOTAL GENERAL FUND REVENUE

	2019-2020 Biennium to Date Budget	2019-2020 Biennium Actual
Jan	626,199	539,680
Feb	1,383,543	1,391,527
March	2,183,074	2,184,723
Apr	3,691,252	
May	5,786,734	
June	6,446,680	
July	7,090,755	
Aug	7,786,525	
Sept	8,602,645	
Oct	10,089,562	
Nov	12,178,435	
Dec	12,852,467	
'2019-20 Year To Date	25,927,872	
Actual v. Projected		100%



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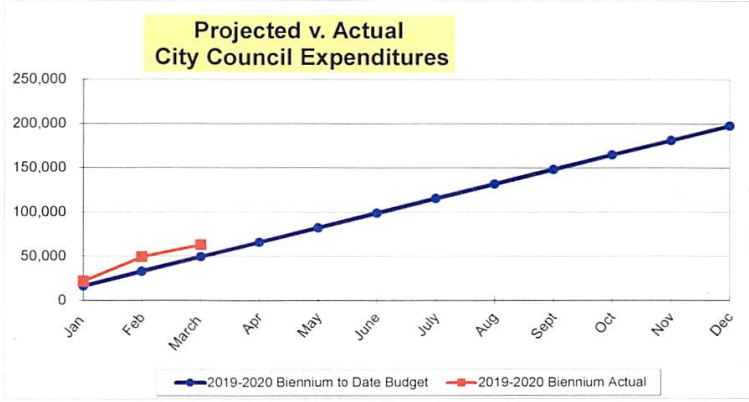
City of Kenmore, Washington
General Fund Expenditure Graphs
March 31, 2019

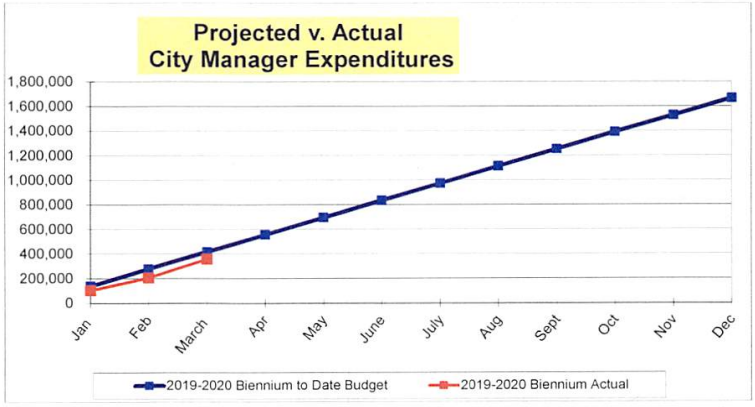
CITY COUNCIL

	2019-2020 Biennium to Date Budget	2019-2020 Biennium Actual
Jan	16,496	22,063
Feb	32,992	49,221
March	49,488	62,792
Apr	65,984	
May	82,480	
June	98,977	
July	115,473	
Aug	131,969	
Sept	148,465	
Oct	164,961	
Nov	181,457	
Dec	197,953	
2019-20 Year To Date Actual v. Projected	400,337	127%



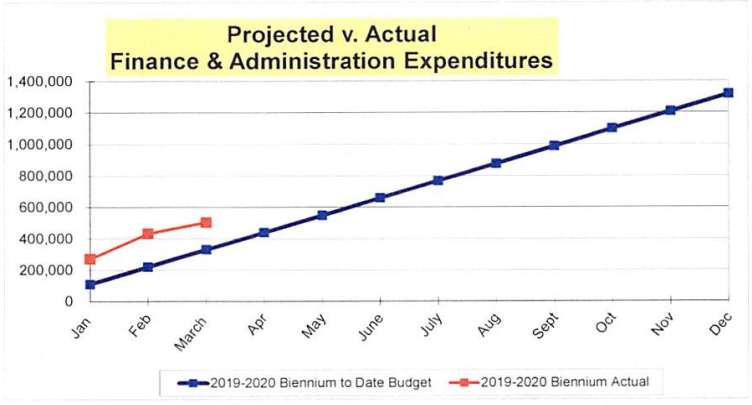
CITY MANAGER

	2019-2020 Biennium to Date Budget	2019-2020 Biennium Actual
Jan	139,070	104,052
Feb	278,140	205,694
March	417,210	356,226
Apr	556,280	
May	695,350	
June	834,421	
July	973,491	
Aug	1,112,561	
Sept	1,251,631	
Oct	1,390,701	
Nov	1,529,771	
Dec	1,668,841	
2019-20 Year To Date Actual v. Projected	3,331,467	85%



FINANCE & ADMINISTRATION

	2019-2020 Biennium to Date Budget	2019-2020 Biennium Actual
Jan	109,736	269,600
Feb	219,471	431,276
March	329,207	503,061
Apr	438,942	
May	548,678	
June	658,414	
July	768,149	
Aug	877,885	
Sept	987,620	
Oct	1,097,356	
Nov	1,207,091	
Dec	1,316,827	
2019-20 Year To Date Actual v. Projected	2,708,853	153%



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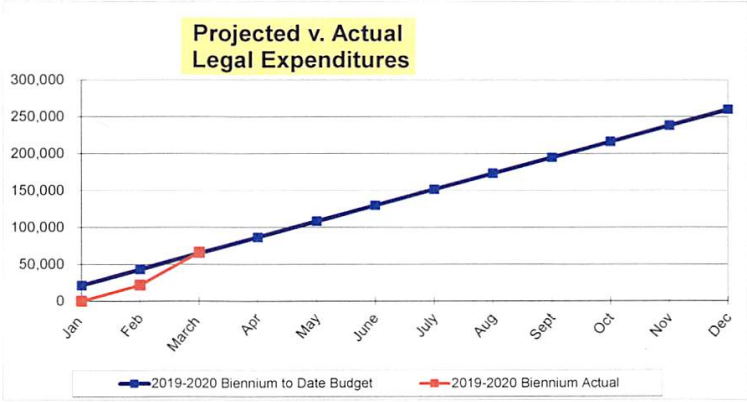
City of Kenmore, Washington
General Fund Expenditure Graphs
March 31, 2019

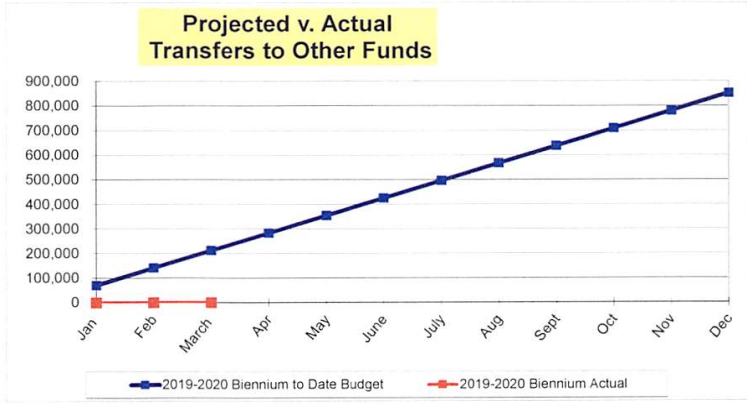
LEGAL

	2019-2020 Biennium to Date Budget	2019-2020 Biennium Actual
Jan	21,667	0
Feb	43,333	22,119
March	65,000	66,212
Apr	86,667	
May	108,333	
June	130,000	
July	151,667	
Aug	173,333	
Sept	195,000	
Oct	216,667	
Nov	238,333	
Dec	260,000	
2019-20 Year To Date	530,000	
Actual v. Projected		102%



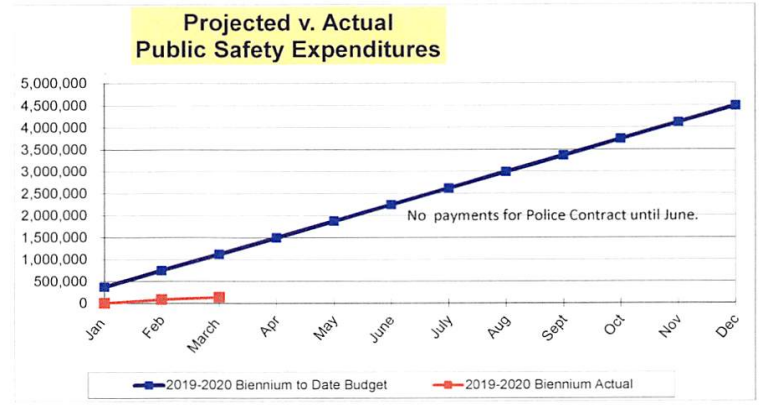
TRANSFERS TO OTHER FUNDS

	2019-2020 Biennium to Date Budget	2019-2020 Biennium Actual
Jan	70,991	0
Feb	141,983	0
March	212,974	0
Apr	283,966	
May	354,957	
June	425,949	
July	496,940	
Aug	567,931	
Sept	638,923	
Oct	709,914	
Nov	780,906	
Dec	851,897	
2019-20 Year To Date	1,602,484	
Actual v. Projected		0%



PUBLIC SAFETY

	2019-2020 Biennium to Date Budget	2019-2020 Biennium Actual
Jan	374,381	4,167
Feb	748,763	83,327
March	1,123,144	139,422
Apr	1,497,525	
May	1,871,906	
June	2,246,288	
July	2,620,669	
Aug	2,995,050	
Sept	3,369,431	
Oct	3,743,813	
Nov	4,118,194	
Dec	4,492,575	
2019-20 Year To Date	9,133,991	
Actual v. Projected		12%



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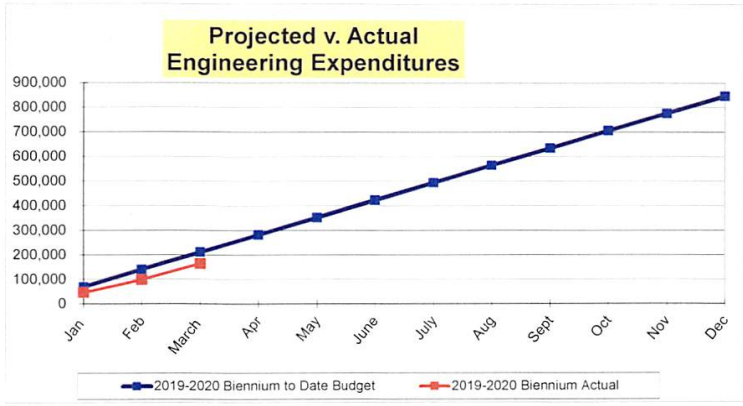
City of Kenmore, Washington
General Fund Expenditure Graphs
March 31, 2019

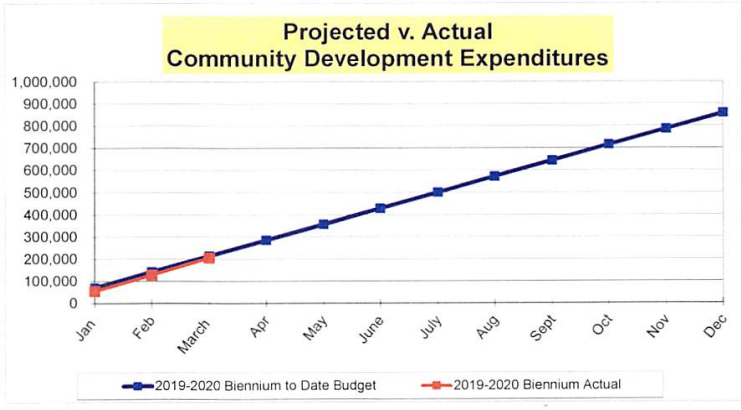
ENGINEERING

	2019-2020 Biennium to Date Budget	2019-2020 Biennium Actual
Jan	70,640	46,711
Feb	141,281	99,615
March	211,921	164,832
Apr	282,562	
May	353,202	
June	423,843	
July	494,483	
Aug	565,123	
Sept	635,764	
Oct	706,404	
Nov	777,045	
Dec	847,685	
2019-20 Year To Date	1,658,620	
Actual v. Projected		78%



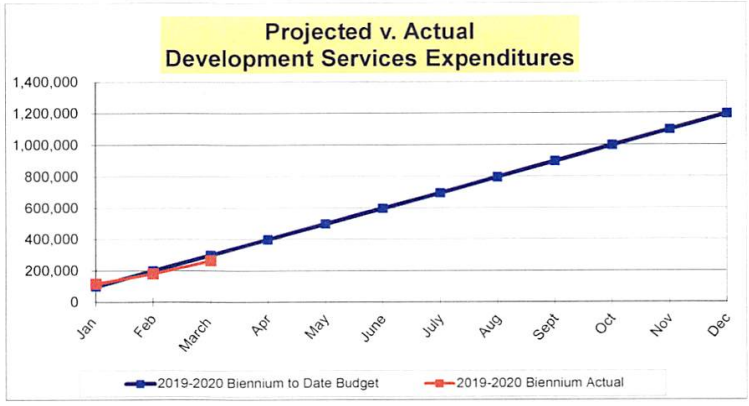
COMMUNITY DEVELOPMENT

	2019-2020 Biennium to Date Budget	2019-2020 Biennium Actual
Jan	71,551	55,205
Feb	143,102	128,125
March	214,653	205,773
Apr	286,203	
May	357,754	
June	429,305	
July	500,856	
Aug	572,407	
Sept	643,958	
Oct	715,508	
Nov	787,059	
Dec	858,610	
2019-20 Year To Date	1,698,893	
Actual v. Projected		96%



DEVELOPMENT SERVICES

	2019-2020 Biennium to Date Budget	2019-2020 Biennium Actual
Jan	99,642	118,215
Feb	199,283	179,150
March	298,925	263,769
Apr	398,567	
May	498,208	
June	597,850	
July	697,492	
Aug	797,133	
Sept	896,775	
Oct	996,417	
Nov	1,096,058	
Dec	1,195,700	
2019-20 Year To Date	2,436,502	
Actual v. Projected		88%



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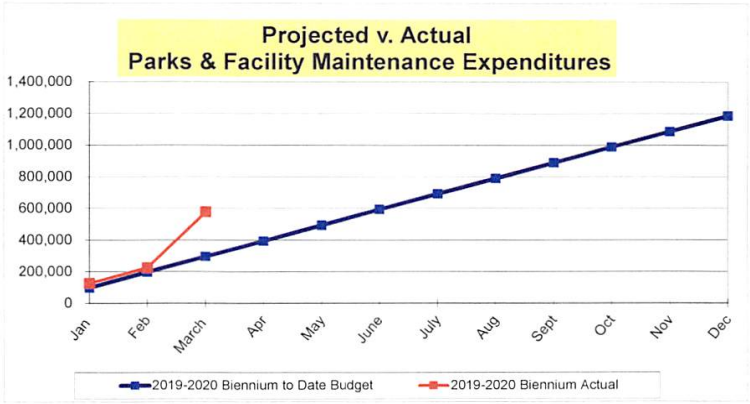
City of Kenmore, Washington
General Fund Expenditure Graphs
March 31, 2019

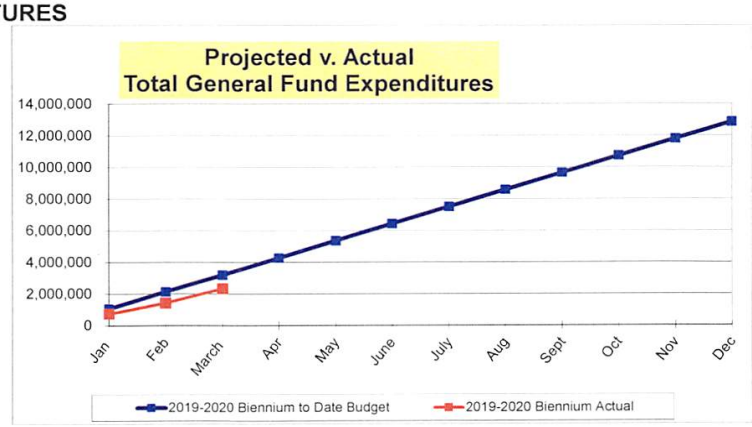
PARKS & FACILITY MAINTENANCE

	2019-2020 Biennium to Date Budget	2019-2020 Biennium Actual
Jan	98,948	126,627
Feb	197,897	225,820
March	296,845	577,287
Apr	395,793	
May	494,742	
June	593,690	
July	692,638	
Aug	791,587	
Sept	890,535	
Oct	989,483	
Nov	1,088,432	
Dec	1,187,380	
2019-20 Year To Date	2,426,725	
Actual v. Projected		194%



TOTAL GENERAL FUND EXPENDITURES

	2019-2020 Biennium to Date Budget	2019-2020 Biennium Actual
Jan	1,073,122	746,640
Feb	2,146,245	1,424,346
March	3,219,367	2,339,375
Apr	4,292,489	
May	5,365,612	
June	6,438,734	
July	7,511,856	
Aug	8,584,979	
Sept	9,658,101	
Oct	10,731,223	
Nov	11,804,346	
Dec	12,877,468	
2019-20 Year To Date	25,927,872	
Actual v. Projected		73%



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City of Kenmore, Washington
Street Fund Summary Report
March 31, 2019

	MONTH March 2019	BIENNIUM TO DATE 2019-2020	% of BUDGET	BUDGET 2019-2020
REVENUES				
Beginning Fund Balance		**926,962**		**926,962**
Fuel Tax	43,496	114,663	11.4%	1,006,385
Investment Interest	678	2,049	41.0%	5,000
Miscellaneous	0	5,964	298.2%	2,000
ROW Permit Fees/Inspections	3,380	12,038	5.0%	240,000
Multimodal Transportation	7,934	7,934	12.6%	62,910
Transfer from General Fund	0	0	0.0%	1,602,484
Transfer from TBD	0	0	0.0%	716,000
Total Revenues	55,489	142,648	3.9%	3,634,779
Total Revenues & Beginning Fund Balance		1,069,610		4,561,741

		BIENNIUM TO DATE 2019-2020	% of BUDGET	BUDGET 2019-2020
EXPENDITURES				
Salary and Benefits	67,115	166,009	12.6%	1,320,880
Maintenance & Operations	37,935	147,519	6.8%	2,163,899
Capital	985	133,312	88.9%	150,000
Total Expenditures	106,034	446,840	12.3%	3,634,779
Ending Fund Balance		**622,770**		**926,962**
Total Expenditures and Ending Fund Balance		1,069,610		4,561,741

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City of Kenmore, Washington
Cash and Investment Report
March 31, 2019

Fund	Beg. Cash & Inv. from Prev. Mo.	Monthly Revenues	Monthly Expenditures	End. Cash & Inv. Current Month
General	$4,901,548	$793,197	$915,028	4,779,716
Street	673,315	55,489	106,034	622,769
Transportation Capital	1,327,058	59,121	97,737	1,288,443
Public Art	69,690	106	0	69,797
Park Impact Fee	616,043	2,868	0	618,911
Transportation Impact Fee	2,857,730	59,470	0	2,917,201
Swamp Creek Basin	1,458,957	2,227	0	1,461,184
Transportation Benefit District	173,499	21,270	0	194,769
Sammamish Bridge Replacement	2,071,221	10,684	133,966	1,947,939
Walkways & Waterways Debt Service	207,137	41,811	0	248,949
Real Estate Excise Tax	932,644	93,745	0	1,026,389
Kenmore Village	3	0	0	3
Park Capital	62,240	0	106,813	(44,573)
Walkways & Waterways Bond	6,826,519	17,393	0	6,843,912
Surface Water Management	824,524	119,550	87,702	856,372
Surface Water Capital	-6,531	0	0	(6,531)
Public Works Shop Fund	0	0	0	0
Strategic Reserve	1,313,087	2,004	0	1,315,091
Strategic Opportunities	2,174,922	3,319	0	2,178,241
Equipment Replacement	509,147	777	0	509,924
Trust & Agency	959,351	-105,327	15,000	839,024
Totals	$27,952,104	$1,177,704	$1,462,280	$27,667,529

Fund	Cash, Savings, Local Govt Investment Pool	(> One Year) Fixed Investments	Total
General	-$70,115	$4,851,113	4,780,998
Street	-227,230	850,000	622,770
Transportation Capital	1,288,443	0	1,288,443
Public Art	54,796	15,000	69,796
Park Impact Fee	-311,087	930,000	618,913
Transportation Impact Fee	2,887,203	30,000	2,917,203
Swamp Creek Basin	61,184	1,400,000	1,461,184
Transportation Benefit District	194,768	0	194,768
Sammamish Bridge Replacement	1,947,939	0	1,947,939
Walkways & Waterways Debt Service	248,948	0	248,948
Real Estate Excise Tax	1,026,387	0	1,026,387
Kenmore Village	0	0	0
Park Capital	-44,573	0	(44,573)
Walkways & Waterways Bond	6,843,911	0	6,843,911
Surface Water Management	346,374	510,000	856,374
Surface Water Capital	-6,531	0	(6,531)
Public Works Shop Fund	0	0	0
Strategic Reserve	465,092	850,000	1,315,092
Strategic Opportunities	2,178,242	0	2,178,242
Equipment Replacement	59,924	450,000	509,924
Trust & Agency	739,019	100,000	839,019
Totals	$17,682,695	$9,986,113	$27,668,808

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City of Kenmore, Washington
Investment Schedule
March 31, 2019

Report by Security	Investment #	Average Yield to Maturity-Securities Type	Maturity Date	Purchase Date	Rate	Yield	Overall Average Yield Principal or Balance	2.10% Yield Equivalents
Morgan Stanley								
	3134G9GR2	FHLMC	8/18/2020	8/7/2017	1.60%	1.62%	999,500.00	16,191.90
	3130ACTL8	FHLB	11/25/2020	12/22/2017	1.95%	1.95%	997,650.00	19,454.18
	3134GSEU5	FHLB	2/24/2021	5/23/2018	2.62%	2.62%	996,714.35	26,153.78
	3133EHXL2	FHLB	3/5/2020	9/19/2017	1.54%	1.54%	999,000.00	15,384.60
	3130AB3N4	FHLB	10/29/2019	4/28/2017	1.55%	1.55%	1,000,750.00	15,511.63
Total Morgan Stanley Purchases							4,993,614.35	92,696.08
Time Value Investments								
	3130A7RL1	FHLB	4/19/2021	1/26/2017	1.80%	1.80%	992,893.00	17,872.07
	3133EJSU4	FFCB	12/26/2019	7/11/2018	2.53%	2.53%	1,001,561.00	25,339.49
	76116FAG2	RFCSP	1/15/2021	5/31/2018	2.50%	2.50%	999,718.18	24,992.95
	3135G0G23	FNMA	4/29/2019	11/24/2015	1.35%	1.35%	998,326.00	13,477.40
Total TVI Purchases							**3,992,498.18**	**81,681.92**
Opus Bank CD's								
	11495975	CD	8/10/2019	8/10/2018	2.37%	2.40%	1,000,000.00	24,000.00
Total Cascade Bank CD's							**1,000,000.00**	**24,000.00**
TOTAL ALL SECURITIES							**$ 9,986,112.53**	**$ 198,378.01**
		Banner Checking and Savings				**0.07% Banner**	**2,633,898.21**	1,843.73
		Opus Savings				**2.57% Opus**	**3,077,309.84**	79,086.86
		LGIP - Primary Account				**2.52% LGIP**	**3,837,268.20**	96,814.28
		LGIP - Bond Proceeds Account				**2.52% LGIP**	**8,134,219.06**	205,226.35
		Total Accounts					**$ 27,668,807.84**	**581,349.22**

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City of Kenmore, Washington

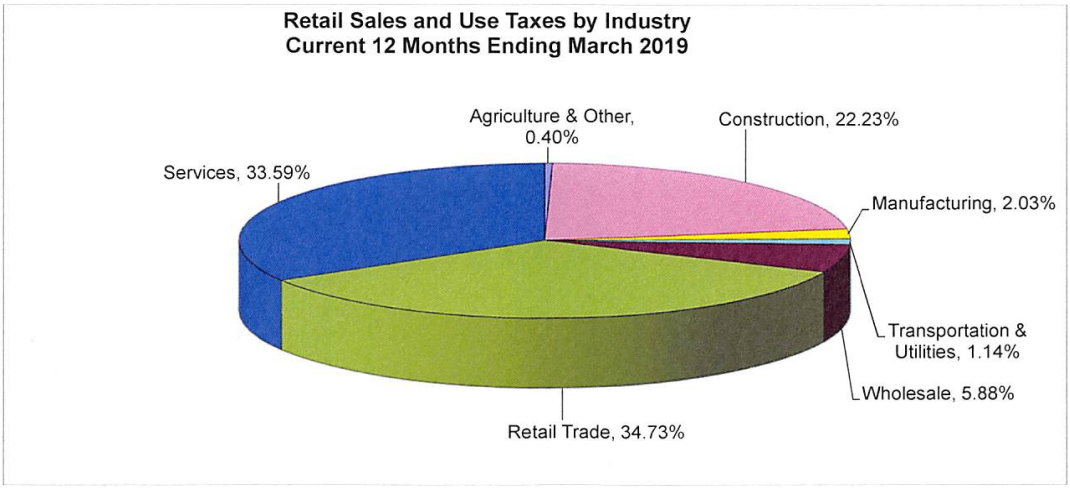
SALES TAX RECEIPTS BY BUSINESS TYPE

March 2019

	SALES TAX	USE TAX	TOTAL	PERCENT
AGRICULTURE & OTHER	19.02	0.00	19.02	0.0%
CONSTRUCTION	54,078.04	2,998.09	57,076.12	28.6%
MANUFACTURING	2,746.26	0.73	2,746.99	1.4%
TRANSPORTATION & UTILITIES	1,018.79	494.59	1,513.38	0.8%
WHOLESALE	11,409.81	1,816.92	13,226.73	6.6%
RETAIL TRADE	66,367.91	200.61	66,568.52	33.3%
SERVICES	46,691.79	329.82	47,021.61	23.5%
INFORMATION	8,158.92	71.06	8,229.98	4.1%
PUBLIC SERVICES	8.51	3,493.46	3,501.97	1.8%
	190,499.04	9,405.28	199,904.32	100.0%

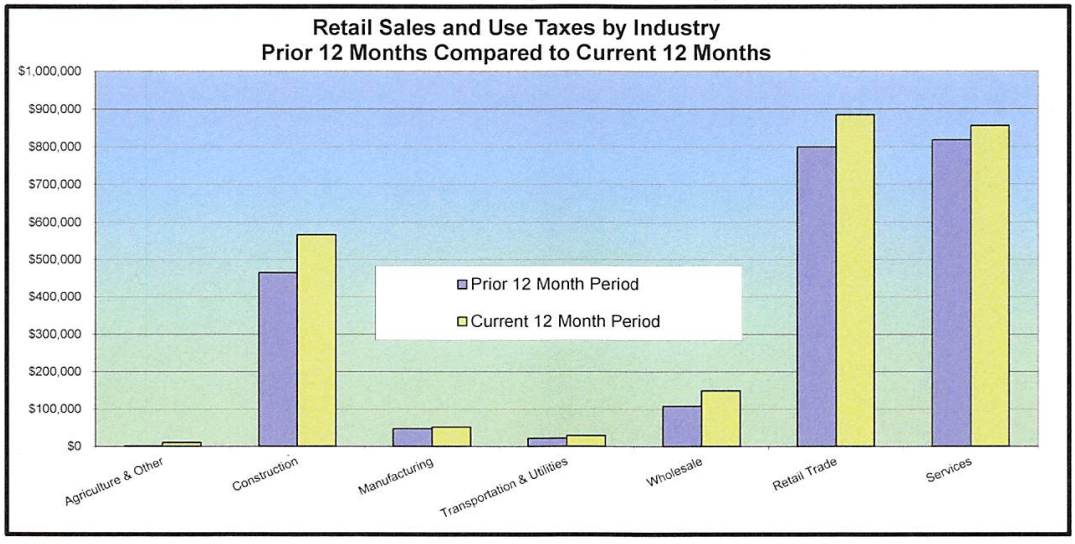
City of Kenmore, Washington
Retail Sales and Use Tax Distribution
March 31, 2019

Industry	Prior 12 Months ending March 2018	Current 12 Months ending March 2019	% Increase/ (Decrease)	% of Total
Agriculture & Other (Landscaping, Animal Hospitals)	$721	$10,067	1296.65%	0.40%
Construction	464,647	566,384	21.90%	22.23%
Manufacturing (Printing, Publishing, Other Manuf.)	47,479	51,686	8.86%	2.03%
Transp/Comm/Utilities (Telecomm., Air Transport.)	22,036	29,074	31.94%	1.14%
Wholesale (Lumber, Other Wholesale)	107,644	149,737	39.10%	5.88%
Retail Trade (Eating, Merchandise, Food Stores)	799,446	884,861	10.68%	34.73%
Services (Auction, Recreation, Auto Repair, Financial)	817,857	855,864	4.65%	33.59%
Totals	$2,259,830	$2,547,674	12.74%	100%
Increase/(Decrease)		$287,844	12.74%	



NOTE: Due to the City's Confidentiality Agreement with the Department of Revenue, specific business information cannot be disclosed.

There is a sixty-day lag between sales taxes collected and when they are remitted to the City



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City of Kenmore, Washington
Real Estate Excise Tax Report
March 31, 2019

Real Estate Excise Taxes (REET)
2016 - 2019 Monthly Receipts

	Actual 2016	Actual 2017	Actual 2018	Actual 2019	Target 2019
January	122,819	176,657	99,205	67,141	132,894
February	70,146	94,134	82,263	84,215	82,181
March	110,066	170,086	89,698	89,106	123,284
April	133,161	126,245	148,514		135,973
May	129,599	139,422	144,906		137,976
June	167,575	211,430	181,182		186,729
July	177,426	163,138	181,974		174,179
August	165,397	114,754	115,421		131,857
September	136,176	221,719	128,704		162,200
October	150,786	186,805	97,998		145,196
November	124,437	150,187	102,373		125,666
December	131,651	146,159	112,490		130,100
	$1,619,239	$1,900,736	$1,484,728	$240,463	$1,668,234

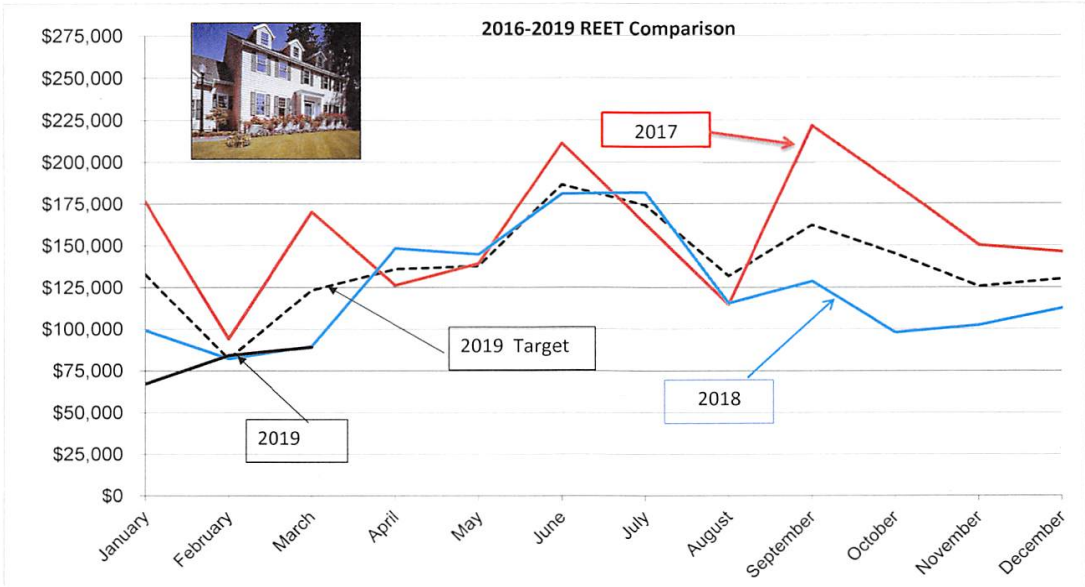
For 2019, REET is $30,703 less than the same period last year and less than the 2019 target by $97,896

* NOTE THE 2019 target is computed on a 3 year average (2016-2018) of actual receipts

Real Estate Excise Taxes (REET)
2016 - 2019 Property Sales > $500,000

sales actually occur in the prior month; there is a 30 day lag between sales and when the City receives the rev

	2016	2017	2018	2019	2016	2017	2018	2019
January	18,590,517	27,548,430	17,379,581	12,424,500	92,023	136,365	86,029	61,501
February	9,701,034	19,017,050	15,277,640	14,286,900	48,020	94,134	75,624	70,720
March	15,147,174	29,692,641	13,818,387	15,106,888	74,979	146,979	68,401	74,779
April	21,160,913	19,953,544	23,896,450		104,747	98,770	118,287	0
May	19,813,122	24,277,456	25,710,632		98,075	120,173	127,268	0
June	26,065,161	36,414,050	31,816,871		129,023	180,250	157,494	0
July	24,020,546	28,779,145	32,800,185		118,902	142,457	162,361	0
August	21,648,781	18,859,991	19,693,600		107,161	93,357	97,483	0
September	16,950,242	38,431,272	22,172,221		83,904	190,235	109,752	0
October	21,157,409	31,278,148	14,697,849		104,729	154,827	72,754	0
November	16,916,011		16,347,581		83,734	0	80,921	0
December	20,607,695	25,603,889	19,908,284		102,008	126,739	98,546	0
	$231,778,605	$299,855,616	$253,519,281	$41,818,288	1,147,305	$1,484,286	$1,254,920	$207,000



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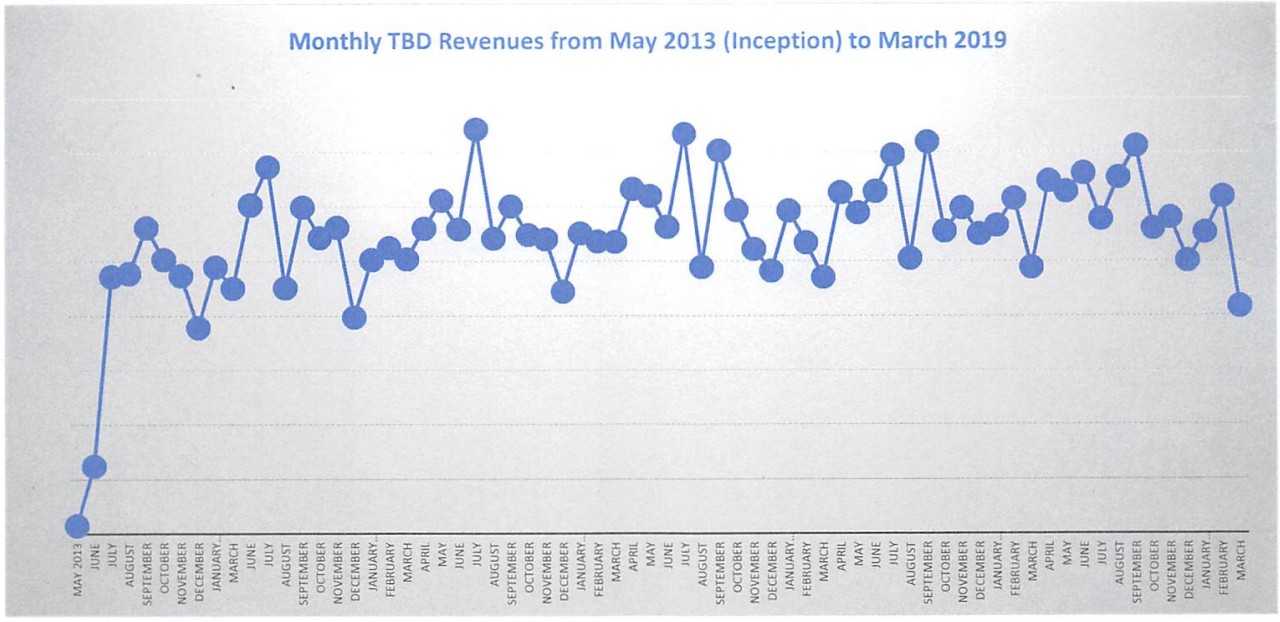
Kenmore Transportation Benefit District
Monthly Report
March 31, 2019

Revenues	March 2019	Biennium-to-Date	Percent of Budget	Biennium Budget
Vehicle Fees	20,889	79,497	11.20%	710,000
Investment Interest	381	911	11.39%	8,000
Total Revenues	$21,270	$80,408	11.20%	$718,000
Expenditures				
Reimbursement to Street Fund	0	0	0.00%	716,000
Total Expenditures	0	0	0.00%	716,000
Net Income (Loss)	$21,270	$80,408		$2,000



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City Council Business Agenda Item
City of Kenmore, WA

Subject/Topic: Resolution No. 19-325 superseding Resolution No. 01-043 establishing new travel policies for City Employees and Officials. **Proposed Council Action/Motion:** Adoption of Resolution No. 19-325	**For Council Meeting Agenda of:** July 15, 2019 **Department:** City Manager's Office **Prepared by:** Ryan Lancaster, Graduate Intern Initial & Date Approved by Department Head: _____ Approved by City Attorney: DR via email Approved by Finance Director: 7-10-19 Approved by City Manager: DJK **Exhibits/Attachments:** Exhibit A: Travel Policy Exhibit B: Frequently Asked Questions (FAQS)

INFORMATION/BACKGROUND:

City employees and officials occasionally travel overnight to conferences and other events that are official City business. In the course of these travels employees and officials incur expenses that the City reimburses. Overtime City policies regarding compensation, the process through which reimbursements are obtained, and what type of expenses are reimbursable have become confusing and inefficient.

Most of the changes in this policy seek to minimize the effort of finance department staff in processing reimbursement requests and protect traveling employees from being denied reimbursement for expenses they thought would be reimbursed. Other changes have been made to the policy in accordance with the Fair Labor and Standards Act. Most of these changes only affect hourly or non-exempt employees. Some changes are to avoid liability and taxable fringe benefits as defined by the IRS. Importantly, the new policy also defines a strict process through which travel must be approved before any plans are made. This should also help reduce any chances of an employee being denied reimbursement.

As part of the process of developing this revised travel policy Staff sent out a survey and collected frequently asked questions about the policy. Hopefully, the document that resulted from this survey can be used as a reference in the future to avoid any confusion regarding the policy and travel.

FISCAL CONSIDERATION:

It is expected that this policy revision will encourage employees and officials to be wise stewards of public funds and reduce travel expenses. For example, encouraging employees to drive city vehicles and reimbursing 50% of the IRS rate when driving personal vehicles will save the City money on vehicle maintenance. Another example is that now meals in excess of the per diem will occur less often and the City could save money on meals.

COUNCIL GOAL/BUDGET OBJECTIVE BEING ADDRESSED:

Goal 4. Create and implement a Financial Sustainability Plan

CITY OF KENMORE
WASHINGTON
RESOLUTION NO. 19-325

A RESOLUTION OF THE CITY COUNCIL OF KENMORE, WASHINGTON, ESTABLISHING CITY OFFICIAL AND EMPLOYEE OVERNIGHT TRAVEL POLICIES AND SUPERSEDING CONFLICTING POLICIES IN RESOLUTION NOS. 98-013, 01-038 AND 01-043.

WHEREAS, the City desires to pay for the reasonable travel expenses of employees and officials while on official City business; and

WHEREAS, the City desires to invest in its employees professional development and encourage their continuing education; and

WHEREAS, the current policy and process established for general travel reimbursement has caused issues and confusion for City staff and officials when applied to overnight travel, and the City Council desires to adopt specific rules and procedures relating to reimbursement of overnight travel expenses; and

WHEREAS, the City desires to be wise stewards of public funds by ensuring that the travel policy is thorough and complete;

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF KENMORE, WASHINGTON, DOES HEREBY RESOLVE AS FOLLOWS:

Section 1. Adoption. The City Council adopts the Employee Overnight Travel Policy, as set forth on Exhibit A, attached hereto and incorporated by this reference as if set forth in full.

Section 2. Superseded. Resolution Nos. 98-013, 01-038 and 01-043 are superseded to the extent those resolutions establish any rules or procedures relating to overnight travel for City business. Resolution Nos. 98-013, 01-038 and 01-043 remain in full force and effect for all other applicable travel expenses that do not include overnight travel on City business.

PASSED BY THE CITY COUNCIL OF THE CITY OF KENMORE, WASHINGTON, AT A REGULAR MEETING THEREOF THIS 15th DAY OF JULY, 2019.

CITY OF KENMORE

_____
David Baker, Mayor

ATTEST/AUTHENTICATED:

_____
Kelly M. Chelin, City Clerk

APPROVED AS TO FORM:

_____
Dawn Reitan, City Attorney

EXHIBIT A

11. EMPLOYEE OVERNIGHT TRAVEL POLICY

It is the general policy of the City of Kenmore to pay for the reasonable travel expenses of City employees and officials while on official City business. As such, the City has established these policies to define authorized reimbursable expenses for overnight travel by employees on City business.

POLICY

11.1 Definitions

Employee – For the purposes of this policy the word employee will refer to both City employees and City elected officials.

Travel – Travel refers to any trip in which an employee goes out of town overnight on City business. The policies in this section only apply to overnight travel as so defined.

11.2 Authorization

All out-of-state travel by employees must be authorized in advance by the City Manager in order to qualify for and obtain reimbursement. If the travel is in state the employee must have it authorized by their department head in order to qualify for and obtain reimbursement. Employees must fill out the Travel Request Form and get the appropriate signatures. Accommodations should not be made prior to obtaining such approval.

11.3 Allowable Expenses

The following expense categories are allowable, as detailed in the following subsections:

- Meals
- Lodging accommodations
- Airfare
- Vehicle expenses
- Select other travel expenses

11.4 Meals

Employees will be reimbursed for meals on a per diem basis, according to the rates published by the U.S. General Services Administration at http://www.gsa.gov/perdiem. Per diem reimbursements will generally be dispersed to employees when they have filled out the required Conference and Travel Report Form after returning from their trip. Alternately, a request for per diem funds may be made to the Finance Director prior to the trip using the Conference and Travel Report Form. To receive a per diem check in advance an Advanced Travel Request Form must be submitted to finance at least 21 days in advance of the trip.

For the first and last day of travel to or from a destination, reimbursement funds are calculated at 75 percent of the per diem rate in accordance with the GSA guidelines.

Non-per diem reimbursements will only be made for meals that are of a reasonable and justifiable cost. If meal costs exceed the per diem rates, the employee or official must provide a satisfactory explanation for each meal in excess of the per diem rate. The amount in excess will only be paid if approved by the City Manager and gratuity of up to 20 percent may be added to meals.

Meals included in registration fees or on flights are not reimbursable and will be deducted from the per diem calculation. Continental breakfasts provided by hotels need not be deducted from the per diem. In order to determine this employees must provide a schedule of the conference when reporting expenses for reimbursement. Expenditures not authorized as reimbursable meal costs include, but are not limited to, liquor, expenses related to spouse/family members, and expenses for guests or other persons not authorized to receive reimbursement under this policy. Expenses for guests, consultants, and other officials are not authorized for reimbursement.

11.5 Lodging Accommodations

Reasonable overnight accommodations will be reimbursed or paid at a maximum of the conference rate or the single-room per diem rate for the travel location (see www.gsa.gov/perdiem). Exceptions for unusual circumstances may only be authorized and approved by the City Manager or designee. A vendor's receipt is required in all cases.

11.6 Airfare

When purchasing airfare, employees must purchase reasonable airfare that is refundable. Only economy class tickets and fare will be reimbursed. The City will reimburse roundtrip tickets. In the event that an employee or official wishes to stay extra personal time at the destination, or add an additional leg to the trip to accommodate personal time, the City will only reimburse the cost equivalent to a roundtrip flight directly to the destination and back on the days preceding and immediately following the business segment of the trip. Documentation for the cost of the flight must be provided in advance.

11.7 Transportation and Vehicle Expenses

Employees are expected to use a City vehicle for travel. If two of more employees are traveling to the same meeting or conference, then they should carpool together. A City vehicle can be reserved.

Employees must receive permission to use a personal car before travel. Examples of when use of a personal car would be permissible are when the employee lives closer to the conference than City Hall or the employee will be doing additional personal travel after the trip. If it is not possible to use a City vehicle, the City will reimburse expenses in the following ways:

A. *Travel within a 300-mile radius of the City.* Employee/Official vehicle and gas expenses will be reimbursed at 50% the going rate per mile determined by the Internal Revenue Service (IRS) guidelines.

B. *Travel beyond a 300-radium of the City.* Trips will be reimbursed at the lower of (a) the established rate per mile (see A.), or (b) the lowest available (other than non-refundable) airfare for the business trip.

Incidental charges like tolls and parking are authorized as long as they are reasonable and necessary for the meeting or conference. Charges that are not authorized include parking tickets, speeding tickets, and towing charges if the vehicle is towed for parking in the wrong location.

If an employee or official wishes to add an additional stop for personal reasons that adds miles to the trip the City will only reimburse for the direct route to the event and back and subtract the extra distance added by the personal trip.

11.8 Incidental Travel Expenses

Miscellaneous travel costs such as bus; taxi; bridge or other tolls; parking; ferry; and payment of reasonable amount for porter service, bell person service, and the like (not including any maid service) are authorized and must be listed on the reimbursement form. Services like Uber or Lyft are normally preferred to car rentals, given that the employee provides a legitimate receipt. Rental cars must be approved before the trip if the employee plans on using one. Gratuity for meals is also included in the per diem rates.

11.9 Not Authorized for Reimbursement - Incidental Expenses

Incidental expenses that are not authorized for reimbursement include, but are not limited to, the following:

- Personal entertainment, including movies and shows
- Theft, loss, or damage to personal property
- Expenses of a spouse, family, or other persons not authorized to receive reimbursement under this policy
- Barber or beauty parlor services
- Airline or other trip insurance
- Personal postage
- Personal reading material
- Personal toiletry articles
- Alcohol of any kind

11.10 Out-of-State Travel

Out-of-state travel is authorized for training not available or offered in state, and must be directly related to the employee's job function. The employee must complete a Travel Request form and receive City Manager approval prior to making final arrangements at least 21 days in advance of the travel date. Out-of-country travel also requires City Manager approval and will not normally be permitted. Travel to Canada within 200 miles of Kenmore City Hall is authorized with City Manager approval.

11.11 Traveling Over a Weekend (Non-Exempt Employees)

For FLSA non-exempt employees, if the City requires travel away from home over a weekend, the City will provide a comp day. For more information regarding compensable travel time for calculating overtime hours see section 11.14 of this policy.

11.12 Use of City Credit Card

Instead of using per diem reimbursement, employees may use a City credit card that can be checked out with approval from the Finance Department. The credit card must be signed out by the employee by using the Credit Card Travel Form. The credit card must be used for authorized travel expenses incurred while conducting official City business only in accordance with RCW 42.24.115. When the employee returns from their respective trip, the employee must return the credit card within 48 hours of returning to work with the receipts and an expense form completed. The City credit card is a privilege that needs to be used with the same amount of caution that you might use with your own personal credit card. If there are questions about what can be charged that the employee is unsure about, err on the side of caution and either check with the Department head or City Manager or don't make the purchase. It is expected that purchases using the City credit card will not exceed per diem rates.

Unauthorized charges or charges not properly identified must be paid by the employee before the charge card billing is due. Failure to do so will render the employee personally liable for the unpaid amount plus interest at the rate charged by the bank which issues the credit card. The City may recover disallowed credit card charges not repaid by the employee before the credit card billing is due in the manner set forth in RCW 42.24.115.

11.13 Procedure for Reimbursement and for Reporting Credit Card Charges

Within five business days of returning to work, the employee will complete a Conference and Travel Report that details the expenses charged on the City credit card and/or present detailed itemized receipts for charges on their personal credit card that are not covered by per diem meal expenses. The City will generally be able to process the request within two weeks of the employee submitting the completed form with proper receipts. If the employee receives a written notice that there are unauthorized charges, the employee shall have four days to dispute this decision in writing to their Department Director or City Manager. The Finance Director shall obtain the Department Director's comments and the City Manager's decision. The affected employee shall be notified of the decision no later than seven working days after the employee's request for review. All decisions of the City Manager are final. If a receipt is lost or cannot be obtained the employee must fill out a Certification of Missing Receipt Form for the expense.

11.14 Compensation for Non-Exempt Employees During Overtime Travel

It is the City's policy to comply with the Fair Labor Standards Act when it comes to non-exempt employees' compensation and overtime calculations for travel.

Employees are not compensated for their commute time to/from the workplace or assigned job site. Accordingly, travel that requires overnight stays is only compensable when it

coincides with a non-exempt employee's regular workday or, during the same work hours on a non-workday. The only exception to this is if an employee must travel by car and is the driver or if the employee otherwise performs actual work during such travel time. Time spent traveling outside the employee's normal workday hours on an airplane, bus, train, or as a passenger in an automobile is not compensable. Only hours spent traveling during the normal work day are compensable. If a non-exempt employee travels on two consecutive days over the weekend (on Saturday and Sunday) the employee shall receive only one comp day per Section 11.11 of this policy. The additional hours of travel on a weekend shall be calculated and compensable as set forth in this section 11.14.

Non-exempt employees will also be compensated for time spent in trainings, conferences, or events in furtherance of City business. The compensable time will be calculated based upon the schedule of the event(s) (to be provided by the employee) and the employee's reporting of his/her participation in the scheduled events). Meal time and social/happy hours are not compensable.

Compensable travel time is considered to be "hours worked" for purposes of calculating overtime.

Exhibit B

Travel Policy FAQS

1. **What is the difference between per diem and expense submittal?**

Employees are expected to use the per diem rates to plan their travel expenses accordingly. The only time you would not be using per diem rates is if you spend more than the allotted amount or use the City credit card. In those two cases you will need to provide a receipt for each meal. You will not be reimbursed for any expense above the per diem rate unless you received approval beforehand or have a legitimate reason deemed appropriate by the City Manager.

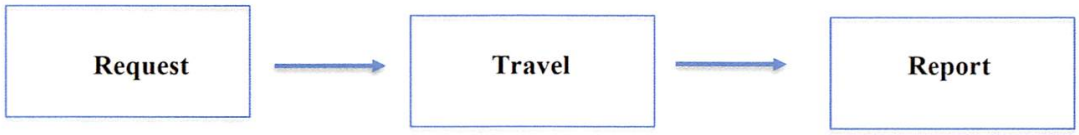
For example, if you have $20 allocated for a meal and you spend $25 you would need to attach a receipt for the meal. You would only be reimbursed the $20 and the rest would come out of pocket, unless, there is an extenuating circumstance that justifies the extra expense.

You can choose to use the City credit card for travel expenses, but you would need to keep all receipts and would still be expected to spend only what per diem rates would allow.

2. **What is expected of me when I am planning to travel for work?**

First, you should plan out all of your expenses (and hours worked if an hourly employee) and check them against the travel policy found in the personnel policies handbook. This would also include filing out a Travel Request Form. Next, you should run your plans by the finance department to ensure that you are not expecting the City to pay for any non-reimbursable expenses and get any required signatures for travel approval. Third, you should pay attention to what you spend while traveling and that it is within your approved plan. If you are traveling out of state you will need to have your travel approved by the City Manager before any travel arrangements are made and at least 21 days in advance of the trip. (See policy 11.10 for reasons that justify out-of-state travel)

When you get back fill out a Conference and Travel Report Form with any receipts or schedules that need to be attached. Pay special attention to per diem rates in the area you are traveling to and the method by which you are traveling. If you follow these steps the process for reimbursement should go smoothly.



3. **Where can I access the travel policy and required forms?**

The travel policy is part of the personnel policies handbook you receive when you were hired. The handbook can also be found on the City's servers or with the finance department. Forms can also be found on the City's servers and with the finance department.

4. **What assistance is available to me in planning my trip?**

The finance department is ready and willing to help you go over your trip plans and ensure that they are in compliance with City policy. Overall, it is the employee's responsibility to read and understand the policy and plan accordingly.

5. **What does it mean when per diem rates are at 75% on the day to and from my destination?**

On the days that you travel to and from your destination, the amount of money you have to spend is less. For example, the per diem in King County is $76 a day. The day you travel to and from your destination you would only have $57 to spend.

6. **Can you show me an example of the per diem rates?**

Primary Destination	County	M&IE Total	Continental Breakfast/Breakfast	Lunch	Dinner	Incidental Expenses	First & Last Day of Travel
Standard Rate	Applies for all locations without specified rates	$55	$13	$14	$23	$5	$41.25
Everett / Lynnwood	Snohomish	$66	$16	$17	$28	$5	$49.50
Ocean Shores	Grays Harbor	$66	$16	$17	$28	$5	$49.50
Olympia / Tumwater	Thurston	$66	$16	$17	$28	$5	$49.50
Port Angeles / Port Townsend	Clallam / Jefferson	$76	$18	$19	$34	$5	$57.00
Richland / Pasco	Benton / Franklin	$66	$16	$17	$28	$5	$49.50
Seattle	King	$76	$18	$19	$34	$5	$57.00
Spokane	Spokane	$61	$14	$16	$26	$5	$45.75
Tacoma	Pierce	$71	$17	$18	$31	$5	$53.25
Vancouver	Clark / Cowlitz / Skamania	$66	$16	$17	$28	$5	$49.50

7. How do I mix business travel with personal travel?

The City will only compensate time that is for official City business. The City will pay for direct travel expenses to and from the destination. For example, if you have a conference in Idaho and wanted to stay and extra few days the city would pay for the round trip ticket because it is a direct flight. If you took another flight during that trip to another state and then back to Washington, the City would still only reimburse for the cost equivalent to a direct flight and not the additional leg of the trip. The same applies for driving. The City will pay for the miles directly to and from the destination, any additional miles must be documented and will not be reimbursed. Time spent on additional travel for entertainment or personal travel is not compensable.

8. Do I get compensated for travel days to and from conferences?

Yes, if you are FLSA non-exempt. You can count the hours that you travel during normal work week hours. For example, if you travel from 9:00 am - 5:00 pm you may count those hours and have them count towards your 40 hours a week. If you travel outside of those hours on any day you may not count those hours, unless you are driving a vehicle. Normal travel to and from work cannot be counted. You will also be given a per diem on these days that is 75% of a normal per diem day's rate.

If a non-exempt employee travels on two consecutive days over the weekend (on Saturday and Sunday) the employee will receive only one comp day The additional hours of travel on a weekend shall be calculated and compensable as stated above. If you extend your trip for personal reasons, and that causes you to travel outside of the work week, such travel will not be compensated.

9. When should I take my car vs. using the City cars?

It is expected that employees will use a City car for travel. If you feel like using your own car is necessary, for example leaving from your own home because it is closer or family is accompanying you, then you may request permission and drive your own car and have your expenses reimbursed according to Section 11.7.

10. What travel time is compensation to an employee?

If you are FLSA non-exempt a safe rule is to only count time that is during normal work hours. For example, if you travel on a Sunday during the hours you would normally work on a week

day you can count that time. Any other time before or after those hours cannot be counted. The only exception is if you are driving a car outside of those hours. If you are driving you can count those hours and count them towards your 40 hours a week. To avoid overtime, FLSA non-exempt employees are encouraged to travel on weekdays. If you extend your trip for personal reasons, and that causes you to travel outside of the work week, such travel will not be compensated.

11. Which form do I use and when?

When it comes to reimbursement and travel there are five forms:

Travel Request Form – This form is used whenever an employee or official wants to travel for City business. Those traveling out of state have to get additional permissions while those traveling in state just have to get approval from their department head. The main purpose of this form is to make sure that employees and officials have sufficiently planned the trip and have all their questions answered about reimbursement.

Conference and Travel Reporting Form – This form is used when an employee or official returns from an approved trip and wants a reimbursement. This form will have similar information to the request form but more detailed. Attached to this form should be any required receipts and a brochure detailing the schedule of the training, conference, or event attended. The detailed expense report is reviewed by finance, after which employees and officials can receive a reimbursement. If you want an advance per diem you may be required to fill out an additional form before your trip.

Credit Card Travel Form – This form is used when and employee or official does not wish to use their personal card for travel expenses. You must have a sufficient reason why this is necessary and include it on your Travel Request Form.

Advanced Travel Request Form – This form is used when you want an advanced per diem before your trip. You will fill out this form in addition to the travel request form.

Certification of Missing Receipt Form – This form is for when you either cannot provide a receipt for a purchase or were not given a receipt for an expense. For example, if you gave a cash tip in excess of the per diem and wish to get reimbursed or paid for a taxi with cash you would use this form.

City Council Business Agenda Item
City of Kenmore, WA

Subject/Topic: Ordinance 19-0494 providing for additional parking restrictions and exemptions in bike lanes, travel lanes, and Downtown Kenmore. **Proposed Council Action/Motion:** Motion approving Ordinance 19-0494	**For Council Meeting Agenda of:** July 15, 2019 **Department:** City Manager's Office **Prepared by:** Ryan Lancaster, Graduate Intern Initial & Date Approved by Department Head: Approved by City Attorney: Olvia email Approved by Finance Director: Approved by City Manager: **Exhibits/Attachments:**

INFORMATION/BACKGROUND:

Staff recommends that Council adopt the amendments to chapter 10 of KMC "Vehicles and Traffic" allowing police to enforce additional restrictions on parking within the City and the City Manager to better allocate parking in the downtown Kenmore area. Recently, Chief Horvath and City Staff have become concerned that the current restrictions and fines on parking are not a sufficient deterrent to the behavior. So, Chief Horvath suggested that Staff research and suggest an increase to fines for parking violations outside of the downtown core.

Currently, underneath state statute and monetary penalty schedule a parking violation not specifically stipulated in Kenmore's code comes with a $20 fine. Most parking violations stated in KMC chapter 10 are a maximum of $350 with the exception of two hour parking violations in downtown Kenmore with a maximum $50 fine.

The proposed changes in this ordinance would adopt by reference RCW sections 46.61.570 and 46.61.575 and attach a monetary penalty on par with other violations in the City of a maximum $350 instead of the $20 required by the state. The activities outlined in these sections include parking, stopping, or standing in dangerous areas like a crosswalk, sidewalk, or railroad tracks which are not currently covered by City ordinance. Staff believes this change would sufficiently deter hazardous parking. The municipal court normally does not charge the full allowed maximum fine and normally sets it lower around $50 or at the discretion of the police officer, which is comparable with the two hour parking violation.

The changes would also cover parking, standing, or stopping in bike and travel lanes. City Ordinance already restricts these activities in bike lanes with a maximum fine of $350 but does not cover travel lanes of roads. Exemptions for this restriction are also included for following police instructions, disabled drivers, public transit and utility vehicles, and emergency vehicles.

Additionally, the proposed ordinance authorizes the City Manager to provide additional parking permits in the downtown Kenmore area. With the additional downtown development underway staff recommends employees of the businesses in the downtown area should be offered two hour parking exemption permits like City Staff to increase parking efficiency. A current literal reading of existing code only allows the City Manager to grant

permits on the basis of City business purposes. Meaning, that permits are to alleviate parking requirements in the City Hall parking lot for customers by allowing employees to park on the street. The proposed change would add language that would extend that authority from just business purposes to the efficient allocation of parking in the area. This would in effect allow the City Manager to grant permits to employees of downtown businesses if he saw fit for the efficient allocation of parking.

FISCAL CONSIDERATION:

The main fiscal consideration is the increase in fines for parking. This would not create any additional financial burden for police officers or the City because they already issue tickets for the proposed violations. An increase in funds received from parking tickets is to be expected but negligible. The City contracts with King County for municipal court services and they keep the revenue from tickets to offset Kenmore's court expense.

City	Time Violation	Maximum Fine for Hazardous Parking*
Kirkland	$35	$45
Bothell	N/A	$150
Lake Forest Park	$45	$250
Mountlake Terrace	$50	$50
Mukilteo	$30	$30
Mill Creek	$30	$250
Kenmore Current	$50	$20
Kenmore Proposed	$50	$350**

*This pertains to parking as defined in RCW 46.61.570, 46.61.575, and parking in bicycle lanes and travel lanes.

**Normally pursued at a lower fine at the discretion of the police officer (around $50)

COUNCIL GOAL/BUDGET OBJECTIVE BEING ADDRESSED:

Public safety.

CITY OF KENMORE
WASHINGTON
ORDINANCE NO. 19-0494

AN ORDINANCE OF THE CITY OF KENMMORE, WASHINGTON, AMENDING SECTIONS 10.20.010, 10.20.015 AND 10.20.050 OF THE KENMORE MUNICIPAL CODE RELATING TO PARKING RESTRICTIONS AND EXEMPTIONS IN BIKE LANES, TRAVEL LANES, AND DOWNTOWN KENMORE; AND ESTABLISHING AN EFFECTIVE DATE.

WHEREAS, the City Council adopted Chapter 10.20 of the Kenmore Municipal Code (KMC) to protect the citizens of Kenmore by deterring hazardous parking; and

WHEREAS, the Kenmore Police Department has determined that current parking fines and restrictions are not comprehensive enough to sufficiently deter hazardous parking; and

WHEREAS, the City Council desires to increase the efficiency of parking in downtown Kenmore, and desires to amend KMC 10.20.010, 10.20.015 and 10.20.050 to do the same;

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF KENMORE, WASHINGTON ORDAINS AS FOLLOWS:

Section 1. Amendment. The City Council amends Section 10.20.010 of the Kenmore Municipal Code by adding a new subsection E to read as follows:

10.20.010 Parking prohibited.

* * *

E. Notwithstanding the adoption of the Model Traffic Ordinance pursuant to Chapter 10.05 KMC, the following state statutes, RCW 46.61.570 (Stopping, standing, or parking prohibited in specified places – Reserving portion of highway prohibited) and RCW 46.61.575 (Additional parking regulations),as may be amended, are hereby adopted as part of this Chapter 10.20 KMC, "Parking Regulations". The penalty set forth in KMC 10.20.060 shall apply to any violations of RCW 46.61.570 and RCW 46.61.575.

Section 2. Amendment. The City Council amends Section 10.20.015 of the Kenmore Municipal Code to read as follows:

10.20.015 Parking and standing prohibited in bicycle lanes and travel portion of streets.

~~Parking or standing is hereby prohibited in any marked bicycle lane, marked shared bicycle and pedestrian lane, or bicycle lane buffer zone except when necessary to avoid conflict with other moving traffic, or at the direction of a police officer or traffic control device.~~

A. No person shall stop, stand, or park any portion of a vehicle in, on, or straddling any marked bicycle lane, marked shared bicycle and pedestrian lane, or marked bicycle lane buffer zone, or the marked travel portion of any street except when necessary to avoid conflict with other moving traffic, or at the direction of a police officer or traffic control device. The travel portion of a street, for the purposes of this section, shall be defined as follows:
   1. Any street median or pavement-marking delineated travel lane, including but not limited to center lanes, merge lanes, and turn lanes.
   2. In cases where the street has no pavement-marked delineated travel lane the area between the edges of the street will constitute the travel portion of the street. Parking on said streets shall conform to RCW 46.61.575.

B. Regulations in subsection A do not apply to:

   1. The driver of any vehicle which is disabled in such a manner and to such extent that it is impossible to avoid stopping and temporarily leaving the vehicle in such a position. The driver shall nonetheless arrange for the prompt removal of the vehicle.

   2. The driver of any vehicle that is following the direction of a police officer, traffic control flagger, traffic control sign, traffic control signal, or other official traffic control device.

   3. The driver of a public transit vehicle who temporarily stops the vehicle upon the street for the purpose of and while actually engaged in receiving or discharging passengers at a marked transit vehicle stop zone, or to the driver of a vehicle when actually engaged in the collection of solid waste, recyclables, or yard waste under authority of the City, so long as the vehicle is not parked or left for a longer time than reasonably necessary.

   4. The driver of a City-owned or approved vehicle or public utility vehicle that is being used to provide a service for the public.

   5. The driver of an emergency vehicle.

C. Any vehicle in violation of these restrictions is subject to impoundment.

Section 3. Amendment. The City Council amends Section 10.20.050 of the Kenmore Municipal Code to read as follows:

10.20.050 Permit exemption from maximum parking period.

To achieve City business purposes and to ensure the efficient allocation of parking in Downtown Kenmore, the city manager or designee may issue parking permits in order to exempt motor vehicles from the maximum time period restrictions of KMC 10.20.040. The permits shall be valid for the time period in which they are issued and may be renewed. When properly displayed according to instructions provided by the city manager or designee, the permit shall entitle the motor vehicle to be parked without complying with the maximum time period. All other parking regulations shall continue to apply to the motor vehicle displaying the permit.

For the purposes of this section, "Downtown Kenmore" shall include:

1. NE 181st Street between 67th Avenue and 73rd Avenue, and
2. 68th Avenue NE between 181st Street and 185th Street.

Section 4. Effective Date. This ordinance shall be published in the official newspaper of the City, and shall take effect and be in full force five (5) days after the date of publication.

PASSED BY THE CITY COUNCIL AT A REGULAR MEETING THEREOF ON THE 15th DAY OF July, 2019.

CITY OF KENMORE

_____
David Baker, Mayor

ATTEST/AUTHENTICATED:

_____
Kelly M. Chelin, City Clerk

Approved as to form:

_____
Dawn Reitan, City Attorney

FILED WITH THE CITY CLERK:
PASSED BY THE CITY COUNCIL:
ORDINANCE NO.:
DATE OF PUBLICATION:
EFFECTIVE DATE: