City of Kenmore

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

City Council Regular Meeting Agenda
November 15, 2021 - 7 PM

VIA ZOOM - LINK: https://us02web.zoom.us/j/83476486140

US: +12532158782,,83476486140# or +13462487799,,83476486140#

Or Telephone: Dial US: +1 253 215 8782

Webinar ID: 834 7648 6140

I. CALL MEETING TO ORDER

II. ROLL CALL

III. FLAG SALUTE

IV. AGENDA APPROVAL

V. PUBLIC COMMENTS

A. We want to welcome our community members to the Council's meeting. In this forum, the Council does not engage or dialogue with the public; the primary role of the Council is to listen. All comments must be addressed to the Mayor and City Council. Please use the "raise hand" feature if you wish to speak. The Clerk will acknowledge your request and call your name when it is your turn. Your time will start when we confirm that we can hear you. Please state your name, city of residence for the record and keep your comments to the allotted time. Your time cannot be granted to another and your clock time will not be reset unless there are extenuating circumstances *and* the Presiding Officer has expressly allowed it. Screen-sharing is not allowed; you can submit materials to the Council or Clerk in advance. Please do not comment about pending development projects on which the Council will make future decisions as those are quasi-judicial matters, and Councilmembers must limit their communications about such matters. This meeting is being recorded. Thank you for taking the time to express your comments.

VI. CONSENT AGENDA

A. Approve Total Check #s 48358 through 48441 totaling $2,424,484.42 and Total Payroll/Taxes/Flexible Spending/Retirement & Health Savings Account Electronic Deposits Dated 10/22/2021 in the amount totaling $175,455.72 and an ACH Payment to Thomco Construction in the amount of $357,556.64 and ACH Payment to US Bank in the amount of $13,077.49.
Voucher Approval Report dated 11/2/2021

B. Adopt Ordinance 21-0537, amending the Kenmore Municipal Code Chapter 2.30, extending Planning Commissioner appointments to a 4-year term

Agenda Bill - Ordinance 21-0537 Planning Commission Terms
Ordinance 21-0537 Planning Commission terms
1115 21 Attachment 2 to Agenda Bill

C. Authorize the City Manager to execute Contract No. 21-C2666, Amendment No. 1, with Red Barn Engineering to continue to perform development engineering inspection services
Agenda Bill - Red Barn Inspection Services
21-C2666 Red Barn Engineering Inspections
21-C2666 Amendment 1

D. Authorize the City Manager to execute an agreement with WSDOT to accept Pedestrian/Bicycle Program grant funds for the NE 175th Bicycle Wayfinding and Connectivity Project in the amount of $306,047
Agenda Bill - WSDOT Ped-Bike Grant Acceptance-175th Wayfinding Project

E. Authorize the City Manager to enter into an agreement with WSDOT to accept Pedestrian/Bicycle Program grant funds for the 61st Ave NE Sidewalk Replacement Project in the amount in the amount of $1,364,265.
Agenda Bill - WSDOT Grant Acceptance- 61st Ave NE Sidewalk Repair

VII. PUBLIC HEARING

A. 2022 Property Tax Levy, presented by Finance and Administration Director Leticia Salcido
Agenda Bill - Public Hearing - Property Tax Levy 2022
Presentation - Public Hearing Tax levy 2022

VIII. BUSINESS AGENDA

A. Mid-Biennial Amendments to the 2021-2022 Biennial Budget and Salary Plan for 2022, presented by Finance & Administration Director Leticia Salcido, *for Review and Discussion*
Agenda Bill- Budget Amendments 2021-2022 Budget 11-15-21- Revised
Presentation - Budget Amendment Discussion - 11-15-21

B. Affordable Housing Update, presented by Assistant City Manager/ARPA Administrator Stephanie Lucash, *for Discussion and Action*
Agenda Bill - Affordable Housing Update for Council - November 2021
Attachment- Map of Potential Affordable Housing Properties

C. Select Planning Commission Candidates to be interviewed on November 30, 2021
Agenda Bill- Selecting Applicants for Planning Commission Interviews

IX. STAFF REPORT

A. Council Salary Commission Update, presented by City Manager Rob Karlinsey and Graduate Intern Garrett Oppenheim
Agenda Bill - Salary Commission Update
Salary Commission Process Memo

X. COUNCILMEMBER REPORTS & COMMENTS

XI. ADJOURNMENT

UPCOMING MEETINGS:

A. November 22, 2021 Regular Meeting
November 30, 2021 Special Meeting
December 6, 2021 Special Meeting
December 13, 2021 Regular Meeting
December 14, 2021 46th District Legislative Delegation Sendoff Event
December 20, 2021 Regular Meeting

Voucher Certification and Approval

City of Kenmore
DATE RANGE:
10/16/2021 - 10/29/2021

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 48358 through 48441: $2,424,484.42

Total Payroll/Taxes/Flexible Spending/Retirement & Health Savings Acct Electronic Deposits Dated: 10/22/2021: $175,455.72

ACH Payment to: Thomco Construction: $357,556.64

ACH Payment to: US Bank: $13,077.49

Rob Karlinsey
Rob Karlinsey (Nov 2, 2021 08:59 PDT) Nov 2, 2021

City Manager / Date

Leticia Salcido
Leticia Salcido (Nov 2, 2021 08:55 PDT) Nov 2, 2021

Finance Director / Date

Vendor Name	Check #	Date	Description	Amount
THOMCO CONSTRUCTION, INC.	1021	10/29/2021	20-C2144 Sept. Juanita Dr. Ped/Bike Proj.	357,556.64
U.S. BANK PURCHASE CARDS	1022	10/29/2021	Amazon Police Dept. Equipment	57.24
U.S. BANK PURCHASE CARDS	1023	10/29/2021	ISA Training	169.00
U.S. BANK PURCHASE CARDS	1024	10/29/2021	Volgistics/Bob's Corn Maze/Amazon/Rite Aid	667.12
U.S. BANK PURCHASE CARDS	1025	10/29/2021	Zoom/DoubleTree Hotel/Marriott Portland	1,164.83
U.S. BANK PURCHASE CARDS	1026	10/29/2021	Industrial Safety.com/Albert Lee/Amazon	4,648.28
U.S. BANK PURCHASE CARDS	1027	10/29/2021	Zoom Subscription	60.54
U.S. BANK PURCHASE CARDS	1028	10/29/2021	Del's Truck/Costco/NRPA Operating/GIH	1,168.75
U.S. BANK PURCHASE CARDS	1029	10/29/2021	Zoom Charges, CH Phone, & Software	2,840.49
U.S. BANK PURCHASE CARDS	1030	10/29/2021	Shutterstock/Vcita/Wix/NTHP Conference	465.59
U.S. BANK PURCHASE CARDS	1031	10/29/2021	Training-Countering Social Media Misinformation	35.00
U.S. BANK PURCHASE CARDS	1032	10/29/2021	Userway.org	49.00
U.S. BANK PURCHASE CARDS	1033	10/29/2021	MBP.com Fees, Background Checks, WFH Supplies	11.87
U.S. BANK PURCHASE CARDS	1034	10/29/2021	YSI/Chemworld/Sticker Mule/Discount Mugs	1,739.78
AFLAC	48358	10/22/2021	Employee Medical/Disability Plans	216.19
AWC EMPLOYEE BENEFIT TRUST	48359	10/22/2021	Employee Health Insurance	72,708.12
AWC EMPLOYEE BENEFIT TRUST	48360	10/22/2021	Void	-
AWC EMPLOYEE BENEFIT TRUST	48361	10/22/2021	Void	-
DEPARTMENT OF LABOR AND INDUSTRIES	48362	10/22/2021	City of Kenmore	3,645.59

DEPARTMENT OF LABOR AND INDUSTRIES	48363	10/22/2021	Void	-
EMPLOYMENT SECURITY DEPARTMENT	48364	10/22/2021	Paid Family & Medical Leave	1,354.84
ICMA RETIREMENT C/O ALLFIRST BANK/109964	48366	10/22/2021	City of Kenmore 401a	18,958.12
ICMA RETIREMENT TRUST 457 / 304745	48367	10/22/2021	ICMA 457 Deferred Comp	8,225.02
LINCOLN NATIONAL LIFE INSURANCE	48368	10/22/2021	Life Ins/ADD & LTD	1,519.61
NATIONAL LIFE OF VERMONT	48369	10/22/2021	Life Insurance	123.17
STATE OF FLORIDA DISBURSEMENT UNIT	48370	10/22/2021	Employee Deduction	275.00
UNITED WAY OF KING COUNTY	48371	10/22/2021	Employee Charitable Contribution	98.46
UNITED STATES POSTMASTER	48372	10/26/2021	Check for Kenmore Newletter Postage	1,927.23
AMERICALL	48373	10/29/2021	Sept. After Hours Call Out Service	134.16
APPLEONE EMPLOYMENT SERVICES	48374	10/29/2021	10/08 Temporary Reception Services	244.35
APPLEONE EMPLOYMENT SERVICES	48375	10/29/2021	10/15 Temporary Reception Services	244.35
APPLEONE EMPLOYMENT SERVICES	48376	10/29/2021	10/01 Temporary Reception Services	244.35
AURORA RENTS	48377	10/29/2021	Wood Chipper Rental 192nd/73rd	370.44
BCN TELECOM, INC.	48378	10/29/2021	10/15-11/14 City Hall Phone Lines	387.94
BUILDERS EXCHANGE OF WASHINGTON INC	48379	10/29/2021	Squire's Water Access Project Publishing	297.85
CADMAN MATERIALS, INC.	48380	10/29/2021	Asphalt for Berm Installation	269.44
CANON FINANCIAL SERVICES, INC.	48381	10/29/2021	Oct. 2nd Floor Copier Rental	266.08
CASCADE PEST CONTROL	48382	10/29/2021	Monthly Rhododendron Park Pest Control	154.58
CECCANTI, INC.	48383	10/29/2021	19-C1977 Sept. W. Samm. Bridge Construction	881,476.96
CENTER FOR HUMAN SERVICES	48384	10/29/2021	3rd Qtr Family Support Program Funding	3,750.00
CENTER FOR HUMAN SERVICES	48385	10/29/2021	3rd Qtr Behavioral Heath Prog. Funding	1,800.00
CHILD CARE RESOURCES	48386	10/29/2021	3rd Qtr Human Svcs Funding	375.00
CITY OF BELLEVUE	48387	10/29/2021	Human Services Pooled Programs	15,450.00
CLIFTON, CURTIS	48388	10/29/2021	CDL License Renewal Reimbursement	102.00
CODE PUBLISHING COMPANY	48389	10/29/2021	Codification Services	567.03
CODE PUBLISHING COMPANY	48390	10/29/2021	Printing Services	19.82
DONE RIGHT PLUMBING & SEWER REPAIR LLC	48391	10/29/2021	Refund Duplicate Permit	268.80
EARTHCORPS	48392	10/29/2021	18-C1928 Sept. Squire's Landing Float Replacement	839.51
FERGUSON ENTERPRISES INC #3011	48393	10/29/2021	Cement for Surface Water Projects	168.81
FLEMINGS HOLIDAY LIGHTING LLC	48394	10/29/2021	Installation of Holiday Lights	2,983.99
FOSTER GARVEY PC	48395	10/29/2021	Sept. Attorney Svcs - Elizabeth Ct. Condemnation	275.00
FOSTER GARVEY PC	48396	10/29/2021	Sept. Attorney Svcs - Moore Condemnation	385.00
FOSTER GARVEY PC	48397	10/29/2021	Sept. Ben Holt Ind. Property Acquisition Svcs	440.00
GOVERNMENT FINANCE RESEARCH GROUP	48398	10/29/2021	Municast Budget Forecasting Software thru 2022	1,995.00
GRAINGER	48399	10/29/2021	Marking Paint	40.69
HDR ENGINEERING, INC	48400	10/29/2021	8/29-9/25 Juanita Dr. Engineering Svcs	67,637.65
HONEY BUCKET	48401	10/29/2021	10/18-11/14 Public Works Yard Rental	156.75

HONEY BUCKET	48402	10/29/2021	10/2-10/29 Log Boom Park Rental	1,116.50
JACOBS ENGINEERING GROUP	48403	10/29/2021	7/3-10/1 W. Samm. Bridge Prof. Svcs	25,849.72
KENMORE ELEMENTARY	48404	10/29/2021	3rd Quarter Human Services Funding	1,250.00
KLB CONSTRUCTION, INC.	48405	10/29/2021	20-C2143 Sept. 68th Ave Ped/Bike Proj.	1,195,498.74
LAKESIDE INDUSTRIES	48406	10/29/2021	Cold Mix for Asphalt Stock	945.76
LIGHTHOUSE CONSULTING INC	48407	10/29/2021	Replacement Firewall Hardware - 1Yr Protection	1,474.24
LIGHTHOUSE CONSULTING INC	48408	10/29/2021	Replacement Firewall Hardware	6,234.96
MARY'S PLACE	48409	10/29/2021	3rd Quarter Human Services Funding	6,250.00
MOTT MACDONALD GROUP, INC.	48410	10/29/2021	17-C1657 Sept. Squire's Landing Design/Permitting	32,394.00
NAMI EASTSIDE	48411	10/29/2021	3rd Qtr Human Services Funding	750.00
NAMI EASTSIDE	48412	10/29/2021	2nd Qtr Human Services Funding	750.00
NORTHSHORE ROTARY CLUB	48413	10/29/2021	Quarterly Dues	300.00
NORTHSHORE SENIOR CENTER	48414	10/29/2021	3rd Qtr Adult Day Health Human Svcs Funding	1,250.00
NORTHSHORE UTILITY DIST	48415	10/29/2021	Connection/Permit for 1" Irrigation Meter on 68th	8,220.00
OFFICE DEPOT	48416	10/29/2021	Misc. Office Supplies	40.01
OFFICE DEPOT	48417	10/29/2021	Ink & Toner Cartridges	198.84
PACIFIC OFFICE AUTOMATION	48418	10/29/2021	Monthly Maint. Fee-1st Floor Temperature Scanners	92.04
PAWS	48419	10/29/2021	Sept. Animal Sheltering Svcs	200.00
PETERSEN BROTHERS, INC.	48420	10/29/2021	Guardrail Repair NE 163rd & 74th Ave NE	5,908.42
PUGET SOUND ENERGY	48421	10/29/2021	9/14-10/14 Facilities/Parks/Traffic Signals/Gas	2,190.38
QUALITY BUSINESS SYSTEMS / WELLS FARGO	48422	10/29/2021	10/5-11/04 1st Floor Copier Lease	676.14
QUALITY BUSINESS SYSTEMS INC.	48423	10/29/2021	7/1-9/30 B/W & Color Copy Overage Chgs	562.78
REPUBLIC SERVICES	48424	10/29/2021	Sept. Swm Facility Dumpster for Vegetation	395.52
SMS CLEANING, INC.	48425	10/29/2021	City Hall/Hangar & PW Office Janitorial	6,495.00
STAPLES ADVANTAGE	48426	10/29/2021	Toilet Tissue	97.37
STAPLES ADVANTAGE	48427	10/29/2021	Wall Clock	50.62
STAPLES ADVANTAGE	48428	10/29/2021	Glass Cleaner/Squeegees	99.45
STEWART MACNICHOLS HARMELL, INC.	48429	10/29/2021	Sept. Public Defense Svcs	5,000.00
TELESYSTEMS WEST	48430	10/29/2021	City Hall Phone Svc. Maintenance	415.85
TOTAL LANDSCAPE CORP	48431	10/29/2021	City Hall & Parks' Landscaping	5,030.02
TRUGREEN	48432	10/29/2021	Moorlands Field Lawn Service	1,525.99
TRUGREEN	48433	10/29/2021	Moorlands Field Lawn Service	302.78
TRUGREEN	48434	10/29/2021	Moorlands Field Lawn Service	317.91
WA CITIES INSURANCE AUTHORITY	48435	10/29/2021	Training 8/12/21	50.00
WA STATE DEPT OF TRANSPORTATION	48436	10/29/2021	Sept. W. Samm. Bridge Inspection	492.79
WA STATE DEPT OF TRANSPORTATION	48437	10/29/2021	Sept. 68th/775th & 68th/181st Traffic Signal Maint.	1,896.34

WM CORP. SVCS/COLUMBIA RIDGE LANDFILL	48438	10/29/2021	Oct. 6th Street Sweeper Debris Disposal	1,489.88
ZIPLY FIBER	48439	10/29/2021	10/19-11/18 PW Office Internet	153.00
CONTECH ENGINEERED SOLUTIONS, INC	48440	10/29/2021	Surface Water Facility Maintenance Supplies	9,270.43
CORAL SALES CO.	48441	10/29/2021	Coral Sales Co. Hwy Radar Signs/Batteries	8,852.04
DRS 457	DFT0001125-1126	10/22/2021	DRS 457 Deferred Comp	1,100.99
AVIDIA HEALTH	DFT0001127	10/22/2021	Employee Health Savings Contribution	100.00
DEPARTMENT OF RETIREMENT SYSTEMS	DFT0001128-1133	10/22/2021	Public Employees Retirement	29,191.19
NAVIA	DFT0001134	10/22/2021	Employee Flexible Spending Account	516.54
BANK OF AMERICA 941	DFT0001135	10/22/2021	Federal Taxes	21,899.68
PAYROLL	Electronic Dep.	10/22/2021	Direct Deposit	122,647.32
TOTAL				$ 2,970,574.27

10-29-2021

Final Audit Report 2021-11-02

Created:	2021-11-01
By:	Carla Schnee (cschnee@kenmorewa.gov)
Status:	Signed
Transaction ID:	CBJCHBCAABAADH_PPZc25fCYoK5xPDGZh2wb3u0ABBI3

"10-29-2021" History

- Document created by Carla Schnee (cschnee@kenmorewa.gov)
  2021-11-01 - 11:36:16 PM GMT- IP address: 50.235.209.34

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- Document emailed to Rob Karlinsey (rkarlinsey@kenmorewa.gov) for signature
  2021-11-02 - 3:55:43 PM GMT

- Email viewed by Rob Karlinsey (rkarlinsey@kenmorewa.gov)
  2021-11-02 - 3:58:49 PM GMT- IP address: 50.235.209.34

- Document e-signed by Rob Karlinsey (rkarlinsey@kenmorewa.gov)
  Signature Date: 2021-11-02 - 3:59:13 PM GMT - Time Source: server- IP address: 50.235.209.34

- Agreement completed.
  2021-11-02 - 3:59:13 PM GMT

City Council Business Agenda Item
City of Kenmore, WA

Subject/Topic: Extending Planning Commissioner Appointments from a 3-Year to a 4-Year Term **Proposed Council Action/Motion:** Motion to Approve Ordinance 21-0537 amending the Kenmore Municipal Code Chapter 2.30, extending Planning Commissioner appointments to a 4-year term	**For Council Meeting Agenda of:** 11/15/21 **Department:** Community Development **Prepared by:** Debbie Bent, Community Development Director **Initial & Date** **Approved by Department Head:** **DB 11/1/21** **Approved by City Attorney:** **e-mail 11/1/21** **Approved by Finance Director:** N/A **Approved by City Manager:** **RK 11/3/21** **Exhibits/Attachments:** Attachment 1: Ordinance 21-0537 Attachment 2: Municipal Code Chapter 2.30

Council Action: Motion approving Ordinance 21-0537 amending the Kenmore Municipal Code (KMC) Chapter 2.30, extending Planning Commissioner appointments from a 3-year to a 4-year term. On 10/11/21 Council direction by motion was to amend the municipal Code Chapter 2.30 to extend Planning Commission terms from a 3-year to a 4-year term. Four-year terms are consistent with RCW 35.63.030, generally applicable to second class cities and towns that have not reclassified as a code city. Ordinance 21-0537 (Attachment #1) amends the KMC to provide for a 4-year Commission term. The 4-year term applies as current 3-year terms expire, starting with four new commission appointments commencing January 1, 2022. Attachment #2 are the current Planning Commission regulations in KMC 2.30.

The Council may utilize the regulatory framework under Chap. 35.63 for planning commissions, or alternatively, as a non-charter code city, the Council may opt to regulate its planning agency (i.e., the Planning Commission) under the more flexible statutory scheme of Chapter RCW 35A.63 RCW. This chapter, applicable to code-cities, does not limit Planning Commission membership, terms, or compensation in the same manner as RCW 35.63.020 (referenced above). Instead, RCW 35A.63.020 provides broad home rule authority and by ordinance a code city may create a planning agency and provide for its membership, organization, and expenses. This statute does not limit the City's authority to determine what a "planning agency" would look like, and consistent with the intent to provide broad home rule authority, provides flexibility for the City to retain its local choice of 3-year terms for the Planning Commission. The statute would also support other policy choices such as compensating the commission or adding additional members. However, changes in policy choices would also require adoption of an ordinance amending the existing KMC 2.30 Planning Commission regulations to implement such changes.

Background: There are seven appointed Planning Commissioners. The 3-year terms of four Planning Commissioners end this December 31 (Suzanne Greathouse, Dennis Olson, Mark Ohrenschall, and Mike Vanderlinde). Mr. Vanderlinde has served on the Commission for 15 years. Mr. Ohrenschall has served on the Commission for 9 years. Mr. Olson has served on the Commission for 6 years. Ms. Greathouse has served on the Commission for 3 years. The 3-year terms of the three other Commissioners (Tracy Banaszynski, Nathan Loutsis, and Dwight Thompson) expire at the end of 2022.

Council direction 10/11/21 was to interview for vacant positions. The four Commissioners whose terms expire 12/31/21 would need to re-apply if interested in serving another term. The three back-up candidates

interviewed in December 2020 selected as “alternates” (Mariel Torres Mehdipour, Carlos Gil, and Jon Culver) to be tapped in the event of unexpected vacancies (there have been no such vacancies) would also need to re-apply if interested in serving on the Commission. The application period for Planning Commission applications closes 11/10/21. On 11/15/21 Council will select candidates for interview. Interviews will be conducted 11/30/21. Council will appoint members either 11/30/21 or at a December meeting.
FISCAL CONSIDERATION: None.
COUNCIL PRIORITY/BUDGET OBJECTIVE BEING ADDRESSED: Municipal Code Chapter 2.30 creates the Planning Commission to provide guidance and recommendations to the City on policy matters relative to the amendment of the City’s Comprehensive Plan and related land use regulations.

CITY OF KENMORE
WASHINGTON
ORDINANCE NO. 21-0537

AN ORDINANCE OF THE CITY OF KENMORE, WASHINGTON, AMENDING KENMORE MUNICIPAL CODE (KMC) CHAPER 2.30 ESTABLISHING A FOUR-YEAR TERM FOR PLANNING COMMISSION APPOINTMENTS

WHEREAS, the Revised Code of Washington (RCW) 35A.63.020 provides broad home rule authority and by ordinance a code city may create a planning agency and provide for its membership, organization and expenses; and

WHEREAS, the City Council acknowledges that RCW 35.63.030 provides planning commission regulations for second class cities and towns, which establishes term of office for each appointive member of a planning commission to be either four or six years as determined by legislative action of the council; and

WHEREAS, the Kenmore Municipal Code (KMC) Chapter 2.30 establishes Planning Commission regulations; and

WHEREAS, the Kenmore Municipal Code (KMC) Chapter 2.30.020.A establishes a three-year term for appointed Planning Commissioners; and

WHEREAS, on October 11, 2021, the Council directed staff to bring forward an ordinance for Council acting amending the Kenmore establishing a four-year term for appointed Planning Commissioners; and

WHEREAS the four-year term applies to new Planning Commission appointments following expiration of three-year terms;

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

Section 1. Incorporation of Recitals - Findings.

A. The recitals set forth above, incorporated by reference as if set forth in full, are adopted as findings in support of this Ordinance.

Section 2. Amendment. The City Council hereby amends Kenmore Municipal Code Section 2.30.020.A as follows:

Number of Members. The planning commission shall consist of seven voting members, each of whom shall serve for a period of ~~three~~ four years commencing with planning commission appointments effective January 2022 and for appointments thereafter ~~The city council, when making initial appointments, may select some members for two- or three-year terms to stagger appointments.~~

Section 3. Severability. If any provision of this ordinance or its application to any person or circumstance is held invalid, the remainder of the ordinance or the application of the provision to other persons or circumstances shall not be affected and shall be in full force and effect.

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 the publication.

PASSED BY THE CITY COUNCIL AT A REGULAR MEETING THEREOF ON THE 15th DAY OF NOVEMBER 2021.

CITY OF KENMORE

____
David Baker, Mayor

ATTEST/AUTHENTICATED:

____
Anastasiya Warhol, City Clerk

Approved as to form:

____
Dawn Reitan, City Attorney

Filed with the City Clerk:
Passed by the City Council: 11/15/21
Ordinance No.: 21-0537
Date of Publicati

ATTACHMENT 2

Chapter 2.30
PLANNING COMMISSION

Sections:

2.30.010 Planning commission created.
2.30.020 Membership.
2.30.030 Meeting.
2.30.040 Duties and responsibilities.

2.30.010 Planning commission created.

There is hereby created a planning commission consisting of seven voting members to provide guidance and recommendations to the City on policy matters relative to the amendment of the City's comprehensive plan and related land use regulations. [Ord. 06-0255 § 2.]

2.30.020 Membership.

A. Number of Members. The planning commission shall consist of seven voting members, each of whom shall serve for a period of three years. The city council, when making initial appointments, may select some members for two- or three-year terms to stagger appointments.

B. Appointment. All members of the planning commission shall be appointed by, and serve at the pleasure of, a majority of the city council. All planning commission members shall serve without compensation. All members of the planning commission shall be Kenmore residents. The city council shall attempt, but shall not be obligated, to appoint planning commission members so that all geographic areas of the City are represented and the commission has broad demographic representation.

C. Vacancies. Vacancies shall be filled by the city council.

D. Chair and Vice Chair. For the first year, the city council shall appoint from among the planning commission members a chair who shall preside at all meetings and a vice chair who shall preside in the absence of the chair. Thereafter, members of the planning commission shall nominate and vote for the chair and vice chair positions. Service as commission chair is limited to 36 months in every 48 consecutive months. [Ord. 19-0477 § 2; Ord. 06-0255 § 2.]

2.30.030 Meeting.

A. The planning commission shall hold such regular and special meetings as may be necessary to complete its responsibilities. A majority of the planning commission shall constitute a quorum for the transaction of business and a majority vote of voting members present shall be necessary to carry any motion.

B. The planning commission shall adopt such rules and regulations as are necessary for the conduct of its business. [Ord. 06-0255 § 2.]

2.30.040 Duties and responsibilities.

A. The planning commission shall be an advisory body to the city council responsible for the review and making policy recommendations relating to amendment to the comprehensive plan and related land use regulations.

The planning commission shall provide annual reports to the city council on execution of its duties and responsibilities.

B. The planning commission shall have the authority to review and study proposed amendments to the comprehensive plan and development regulations that are included in a city council- approved annual docket work program for each year. The planning commission shall hold a public hearing, deliberate, and make recommendations to the city council on said proposals. [Ord. 06-0255 § 2.]

Home <

City Council Business Agenda Item
City of Kenmore, WA

Subject/Topic: Red Barn Engineering Consulting Contract **Proposed Council Action/Motion:** Authorize City Manager to execute Contract No. 21-C2666, Amendment No. 1 with Red Barn Engineering to continue to perform development engineering inspection services	**For Council Meeting Agenda of:** November 15, 2021 **Department:** Development Services **Prepared by:** Bryan Hampson, Director **Initial & Date** **Approved by Department Head:** BH 10/28/21 **Approved by City Attorney:** NA **Approved by Finance Director:** ________ **Approved by City Manager:** __RGK____ **Exhibits:** Contract No. 21-C666 with Amendment No 1

INFORMATION/BACKGROUND:
The City needs engineering inspection support services from time to time. Red Barn Engineering has been providing this support to the City on an as needed basis. Contract No, 21-C2666 not to exceed amount is $100,000. Amendment No. 1 increases the maximum contract amount to $200,000. Specific tasks the support services include are inspections for grading, erosion control, stormwater systems, infrastructure, and other activities associated with development projects within the City.

FISCAL CONSIDERATION:
The City receives engineering inspection fees from developers and applicants during the permitting process which are used to support this contract. Development revenues are consistent with the engineering inspection expenses. The 2021-2022 Biennial Budget included a $350,000 budget for this type of expense.

COUNCIL GOAL/BUDGET OBJECTIVE BEING ADDRESSED:
These services address City Council Priority # 6:

1. Focus and emphasize multimodal transportation safety in the City of Kenmore with a specific focus on pedestrian, bicycle, and other means of travel.

City of Kenmore Contract No. 21-C2666

CONTRACT FOR PROFESSIONAL SERVICES

This Agreement is entered into by and between the City of Kenmore, Washington, a municipal corporation ("City"), and Red Barn Engineering, Inc., ("Consultant") whose principal office is located at 6610 NE 181st Street, Suite 2, Kenmore WA, 98028.

WHEREAS, the City has determined the need to have certain services performed for its citizens requiring specific expertise, and

WHEREAS, the City desires to have the Consultant perform such services pursuant to certain terms and conditions,

NOW THEREFORE, in consideration of the mutual benefits and conditions hereinafter contained, the parties hereto agree as follows:

1. Scope and Schedule of Services to be Performed by Consultant. The Consultant shall perform those services described in Exhibit "A" of this Agreement. In performing such services, the Consultant shall at all times comply with all Federal, State, and local laws and regulations applicable to the performance of such services. The Consultant shall perform the services diligently and completely and in accordance with professional standards of conduct and performance. The Consultant shall request and obtain prior written approval from the City if the scope or schedule is to be modified in any way.

2. Compensation and Method of Payment. The Consultant shall request payment for work performed using the billing invoice form at Exhibit "C."

The City shall pay Consultant [Check applicable method of payment]:

_X_ According to the rates set forth in Exhibit "B."

_X_ A sum not to exceed $100,000 per year.

____ Other (describe): ____

____

The Consultant shall complete and return to the City Exhibit "D," federal tax Form W-9, prior to or along with the first billing invoice. The City shall pay the Consultant for services rendered within ten (10) days after City Council voucher approval.

3. Duration of Agreement. This Agreement shall be in full force and effect for a period commencing January 1, 2021 and ending, December 31, 2022, with an option to renew annually at the City's discretion, unless sooner terminated under the provisions of this Agreement. Time is of the essence of this agreement in each and all of its provisions in which performance is required.

4. Ownership and Use of Documents. Any records, files, documents, drawings, specifications, data or information, regardless of form or format, and all other materials produced by the Consultant in connection with the services provided to the City, shall be the property of the City, whether the project for which they were created is executed or not.

5. Independent Consultant. The Consultant and the City agree that the Consultant is an independent Consultant with respect to the services provided pursuant to this Agreement. The Consultant will be solely responsible for its acts and for the acts of its agents, employees, subconsultants or representatives during the performance of this Agreement. Nothing in this Agreement shall be considered to create the relationship of employer and employee between the parties. Neither Consultant nor any employee of Consultant shall be entitled to any benefits accorded City employees by virtue of the services provided under this Agreement. The City shall not be responsible for withholding or otherwise deducting federal income tax or social security or contributing to the State Industrial Insurance Program, or otherwise assuming the duties of an employer with respect to the Consultant, or any employee of the Consultant.

6. Indemnification.

A. Consultant shall protect, defend, indemnify and hold harmless the City, its officers, officials, employees, agents and volunteers from any and all costs, claims, injuries, damages, suits, losses or liabilities of any nature, including attorneys' fees, arising out of or in connection with the acts, errors or omissions of the Consultant, its officers, employees and agents in performing this Agreement.

B. Should a court of competent jurisdiction determine that this Agreement is subject to RCW 4.24.115, then, in the event of liability for damages arising out of bodily injury to persons or damages to property caused by or resulting from the concurrent negligence of the Consultant and the City, its officers, officials, employees, and volunteers, the Consultant's liability, including the duty and cost to defend, hereunder shall be only to the extent of the Consultant's negligence.

C. It is further specifically and expressly understood that the indemnification provided herein constitutes the Consultant's waiver of immunity under Industrial Insurance, Title 51 RCW, solely for the purposes of this indemnification. This waiver has been mutually negotiated by the parties.

D. The provisions of this section shall survive the expiration or termination of this Agreement.

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

A. Minimum Scope of Insurance. Consultant shall obtain insurance of the types described below:

1. Automobile Liability insurance covering all owned, non-owned, hired and leased vehicles. Coverage shall be written on Insurance Services Office (ISO) form CA 00 01 or a substitute form providing equivalent liability coverage. If necessary, the policy shall be endorsed to provide contractual liability coverage.

2. Commercial General Liability insurance shall be written on ISO occurrence form CG 00 01 and shall cover liability arising from premises, operations, independent Consultants and personal injury and advertising injury. The City shall be named as an additional insured under the Consultant's Commercial

General Liability insurance policy with respect to the work performed for the City.

3. Workers' Compensation coverage as required by the Industrial Insurance laws of the State of Washington.

4. Professional Liability insurance appropriate to the Consultant's profession.

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

1. Automobile Liability insurance with a minimum combined single limit for bodily injury and property damage of $1,000,000 per accident.

2. Commercial General Liability insurance shall be written with limits no less than $1,000,000 each occurrence, $2,000,000 general aggregate.

3. Professional Liability insurance shall be written with limits no less than $1,000,000 per claim and $1,000,000 policy aggregate limit.

C. Other Insurance Provision. The insurance policies are to contain, or be endorsed to contain, the following provisions for Automobile Liability, Professional Liability, and Commercial General Liability insurance:

1. The Consultant's insurance coverage shall be primary insurance as respects the City. Any insurance, self-insurance or insurance pool coverage maintained by the City shall be in excess of the Consultant's insurance and shall not contribute with it.

2. The Consultant's insurance shall be endorsed to state that coverage shall not be canceled by either party except after thirty (30) days prior written notice by certified mail, return receipt requested, has been given to the City.

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

8. Record Keeping and Reporting.

A. The Consultant shall maintain accounts and records, including personnel, property, financial and programmatic records which sufficiently and properly reflect all direct and indirect costs of any nature expended and services performed pursuant to this Agreement. The Consultant shall also maintain other such records as may be deemed necessary by the City to ensure proper accounting of all funds contributed by the City to the performance of this Agreement.

B. The foregoing records shall be maintained for a period of seven (7) years after the termination of this Agreement unless permission to destroy them is granted by the Office of the Archivist in accordance with RCW Chapter 40.14 and by the City.

9. Audits and Inspections. The records and documents with respect to all matters covered by this Agreement shall be subject at all times to inspection, review or audit by the City during the performance of this Agreement.

10. Termination. This Agreement may at any time be terminated by the City giving to the Consultant thirty (30) days written notice of the City's intention to terminate the same. Failure to provide products on schedule may result in contract termination. If the Consultant's insurance coverage is canceled for any reason, the City shall have the right to terminate this Agreement.

A. The City reserves the right to terminate or suspend this Agreement at any time, with or without cause, upon thirty (30) days prior written notice. In the event of termination or suspension, all finished or unfinished documents, data, studies, worksheets, models, reports or other materials prepared by the Consultant pursuant to this Agreement shall promptly be submitted to the City.

B. In the event this Agreement is terminated or suspended, the Consultant shall be entitled to payment for all services performed and reimbursable expenses incurred to the date of termination.

C. This Agreement may be canceled immediately if the Consultant's insurance coverage is canceled for any reason, or if the Consultant is unable to perform the services called for by this Agreement.

D. The Consultant reserves the right to terminate this Agreement with not less than thirty (30) days written notice, or in the event that outstanding invoices are not paid within sixty (60) days.

E. This provision shall not prevent the City from seeking any legal remedies it may otherwise have for the violation or nonperformance of any provisions of this Agreement.

11. Discrimination Prohibited. The Consultant shall not discriminate against any employee, applicant for employment, or any person seeking the services of the Consultant under this Agreement, on the basis of race, color, religion, creed, sex, sexual orientation, age, national origin, marital status, presence of any sensory, mental or physical disability, or other circumstance prohibited by federal, State or local law or ordinance, except for a bona fide occupational qualification.

12. Assignment and Subcontract. The Consultant shall not assign or subcontract any portion of the services contemplated by this Agreement without the written consent of the City.

13. Conflict of Interest. The Consultant represents to the City that it has no conflict of interest in performing any of the services set forth in Exhibit "A." In the event that the Consultant is asked to perform services for a project with which it may have a conflict, Consultant will immediately disclose such conflict to the City.

14. Confidentiality. All information regarding the City obtained by the Consultant in performance of this Agreement shall be considered confidential. Breach of confidentiality by the Consultant shall be grounds for immediate termination.

15. Non-appropriation of Funds. If sufficient funds are not appropriated or allocated for payment under this Agreement for any future fiscal period, the City will so notify the Consultant and shall not be obligated to make payments for services or amounts incurred after the end of the current fiscal period. This Agreement will terminate upon the completion of all remaining services for which funds are

allocated. No penalty or expense shall accrue to the City in the event that the terms of the provisions are effectuated.

16. Entire Agreement. This Agreement contains the entire agreement between the parties, and no other agreements, oral or otherwise, regarding the subject matter of this Agreement shall be deemed to exist or bind either of the parties. If there is a conflict between the terms and conditions of this Agreement and the attached exhibits, then the terms and conditions of this Agreement shall prevail over the exhibits. Either party may request changes to the Agreement. Changes which are mutually agreed upon shall be incorporated by written amendments to this Agreement.

17. Notices. Notices to the City of Kenmore shall be sent to the following address:

Bryan Hampson, Development Services Director
18120 68th Ave. NE
City of Kenmore
Kenmore, Washington 98028-0607

Notices to the Consultant shall be sent to the following address:

Red Barn Engineering, Inc.
6610 NE 181st Street, Suite 2
Kenmore WA 98028

Phone No.: 425-419-4979

18. Applicable Law; Venue; Attorney's Fees. This Agreement shall be governed by and construed in accordance with the laws of the State of Washington. In the event any suit, arbitration, or other proceeding instituted to enforce any term of this Agreement, the parties specifically understand and agree that venue shall be exclusively in King County, Washington. The prevailing party in any such action shall be entitled to its attorney's fees and costs of suit, which shall be fixed by the judge hearing the case, and such fee shall be included in the judgment.

19. Severability. Any provision or part of this Agreement held to be void or unenforceable under any law or regulation shall be deemed stricken, and all remaining provisions shall continue to be valid and binding upon the City and the Consultant, who agree that the Agreement shall be reformed to replace such stricken provision or part with a valid and enforceable provision that comes as close as reasonably possible to expressing the intent of the stricken provision.

CONSULTANT:	CITY OF KENMORE:
BY: [signature]	BY: [signature] Rob Karlinsey
Title: President	Title: City Manager
Date: 1/12/2021	Date: 1-14-21

EXHIBIT A

Scope of Services to be Provided by Consultant. During the term of this Agreement, the Consultant will perform on-call development engineering inspection services for the City.

When the Consultant's services are required, the City will provide notice to the Consultant. The Consultant will visit the site, perform the inspection and generate a report. Following the inspection, a report will be sent as soon as possible, but no later than 24 hours after the City submits the request.

EXHIBIT B

Rates for Services to be Provided by Contractor. The Contractor shall furnish the services in accordance with the following rates: (See attached)

Red Barn Engineering Rates

RED BARN ENGINEERING, INC.
6610 NE 181st Street, Ste 2 Kenmore WA98028
www.redbarn-engineering.com | 425-419-4979

Employee Name	**Job Classification**	**Billing Rate**
Last name, First name	*Classification*	*Rate*
Rackley, Seth	EIT Construction Inspector	$125.00
Vanderburg, Brian	PE Construction Inspector	$155.00
Folsome, Wyn	Construction Inspector	$141.12
Weston, Rebekah	Principal Construction Inspector Emergencies	$311.54
Wen, Wendy	Project Billing	$85.00

EXHIBIT C

CITY OF KENMORE
BILLING INVOICE

To: City of Kenmore
18120 68th Ave. NE
Kenmore, Washington 98028
Phone: (425) 398-8900
Fax: (425) 481-3236

Specific Project: ______________________________________

Contract No.: ____________________________

Invoice Number: ______________ Date of Invoice: ___________

Contractor: ____
Mailing Address: _____________________________________
____

Telephone: ( ) _______________

Contract Period: _________________ Reporting Period: ___________________

Amount requested this invoice: $_________

Attach itemized description of services provided.

____
Authorized signature

For Department Use Only

BUDGET SUMMARY

Total contract amount	$_________
Previous payments	$_________
Current request	$_________
Balance remaining	$_________

Approved for Payment by: _______________________ Date: ________________

EXHIBIT D

Form **W-9**
(Rev. December 2014)
Department of the Treasury
Internal Revenue Service

Request for Taxpayer Identification Number and Certification

Give Form to the requester. Do not send to the IRS.

Print or type
See **Specific Instructions** on page 2.

1 Name (as shown on your income tax return). Name is required on this line; do not leave this line blank.

2 Business name/disregarded entity name, if different from above

3 Check appropriate box for federal tax classification; check only **one** of the following seven boxes:
☐ Individual/sole proprietor or single-member LLC ☐ C Corporation ☐ S Corporation ☐ Partnership ☐ Trust/estate
☐ Limited liability company. Enter the tax classification (C=C corporation, S=S corporation, P=partnership) ▸ ________
Note. For a single-member LLC that is disregarded, do not check LLC; check the appropriate box in the line above for the tax classification of the single-member owner.
☐ Other (see instructions) ▸

4 Exemptions (codes apply only to certain entities, not individuals; see instructions on page 3):
Exempt payee code (if any) ________
Exemption from FATCA reporting code (if any) ________
(Applies to accounts maintained outside the U.S.)

5 Address (number, street, and apt. or suite no.)

Requester's name and address (optional)

6 City, state, and ZIP code

7 List account number(s) here (optional)

Part I Taxpayer Identification Number (TIN)

Enter your TIN in the appropriate box. The TIN provided must match the name given on line 1 to avoid backup withholding. For individuals, this is generally your social security number (SSN). However, for a resident alien, sole proprietor, or disregarded entity, see the Part I instructions on page 3. For other entities, it is your employer identification number (EIN). If you do not have a number, see *How to get a TIN* on page 3.

Note. If the account is in more than one name, see the instructions for line 1 and the chart on page 4 for guidelines on whose number to enter.

Social security number
☐☐☐ – ☐☐ – ☐☐☐☐

or

Employer identification number
☐☐ – ☐☐☐☐☐☐☐

Part II Certification

Under penalties of perjury, I certify that:

1. The number shown on this form is my correct taxpayer identification number (or I am waiting for a number to be issued to me); and
2. I am not subject to backup withholding because: (a) I am exempt from backup withholding, or (b) I have not been notified by the Internal Revenue Service (IRS) that I am subject to backup withholding as a result of a failure to report all interest or dividends, or (c) the IRS has notified me that I am no longer subject to backup withholding; and
3. I am a U.S. citizen or other U.S. person (defined below); and
4. The FATCA code(s) entered on this form (if any) indicating that I am exempt from FATCA reporting is correct.

Certification instructions. You must cross out item 2 above if you have been notified by the IRS that you are currently subject to backup withholding because you have failed to report all interest and dividends on your tax return. For real estate transactions, item 2 does not apply. For mortgage interest paid, acquisition or abandonment of secured property, cancellation of debt, contributions to an individual retirement arrangement (IRA), and generally, payments other than interest and dividends, you are not required to sign the certification, but you must provide your correct TIN. See the instructions on page 3.

Sign Here **Signature of U.S. person** ▸ **Date** ▸

General Instructions

Section references are to the Internal Revenue Code unless otherwise noted.

Future developments. Information about developments affecting Form W-9 (such as legislation enacted after we release it) is at *www.irs.gov/fw9.*

Purpose of Form

An individual or entity (Form W-9 requester) who is required to file an information return with the IRS must obtain your correct taxpayer identification number (TIN) which may be your social security number (SSN), individual taxpayer identification number (ITIN), adoption taxpayer identification number (ATIN), or employer identification number (EIN), to report on an information return the amount paid to you, or other amount reportable on an information return. Examples of information returns include, but are not limited to, the following:

- Form 1099-INT (interest earned or paid)
- Form 1099-DIV (dividends, including those from stocks or mutual funds)
- Form 1099-MISC (various types of income, prizes, awards, or gross proceeds)
- Form 1099-B (stock or mutual fund sales and certain other transactions by brokers)
- Form 1099-S (proceeds from real estate transactions)
- Form 1099-K (merchant card and third party network transactions)
- Form 1098 (home mortgage interest), 1098-E (student loan interest), 1098-T (tuition)
- Form 1099-C (canceled debt)
- Form 1099-A (acquisition or abandonment of secured property)

Use Form W-9 only if you are a U.S. person (including a resident alien), to provide your correct TIN.

If you do not return Form W-9 to the requester with a TIN, you might be subject to backup withholding. See *What is backup withholding?* on page 2.

By signing the filled-out form, you:

1. Certify that the TIN you are giving is correct (or you are waiting for a number to be issued),

2. Certify that you are not subject to backup withholding, or

3. Claim exemption from backup withholding if you are a U.S. exempt payee. If applicable, you are also certifying that as a U.S. person, your allocable share of any partnership income from a U.S. trade or business is not subject to the withholding tax on foreign partners' share of effectively connected income, and

4. Certify that FATCA code(s) entered on this form (if any) indicating that you are exempt from the FATCA reporting, is correct. See *What is FATCA reporting?* on page 2 for further information.

Cat. No. 10231X

Note. If you are a U.S. person and a requester gives you a form other than Form W-9 to request your TIN, you must use the requester's form if it is substantially similar to this Form W-9.

Definition of a U.S. person. For federal tax purposes, you are considered a U.S. person if you are:

- An individual who is a U.S. citizen or U.S. resident alien;
- A partnership, corporation, company, or association created or organized in the United States or under the laws of the United States;
- An estate (other than a foreign estate); or
- A domestic trust (as defined in Regulations section 301.7701-7).

Special rules for partnerships. Partnerships that conduct a trade or business in the United States are generally required to pay a withholding tax under section 1446 on any foreign partners' share of effectively connected taxable income from such business. Further, in certain cases where a Form W-9 has not been received, the rules under section 1446 require a partnership to presume that a partner is a foreign person, and pay the section 1446 withholding tax. Therefore, if you are a U.S. person that is a partner in a partnership conducting a trade or business in the United States, provide Form W-9 to the partnership to establish your U.S. status and avoid section 1446 withholding on your share of partnership income.

In the cases below, the following person must give Form W-9 to the partnership for purposes of establishing its U.S. status and avoiding withholding on its allocable share of net income from the partnership conducting a trade or business in the United States:

- In the case of a disregarded entity with a U.S. owner, the U.S. owner of the disregarded entity and not the entity;
- In the case of a grantor trust with a U.S. grantor or other U.S. owner, generally, the U.S. grantor or other U.S. owner of the grantor trust and not the trust; and
- In the case of a U.S. trust (other than a grantor trust), the U.S. trust (other than a grantor trust) and not the beneficiaries of the trust.

Foreign person. If you are a foreign person or the U.S. branch of a foreign bank that has elected to be treated as a U.S. person, do not use Form W-9. Instead, use the appropriate Form W-8 or Form 8233 (see Publication 515, Withholding of Tax on Nonresident Aliens and Foreign Entities).

Nonresident alien who becomes a resident alien. Generally, only a nonresident alien individual may use the terms of a tax treaty to reduce or eliminate U.S. tax on certain types of income. However, most tax treaties contain a provision known as a "saving clause." Exceptions specified in the saving clause may permit an exemption from tax to continue for certain types of income even after the payee has otherwise become a U.S. resident alien for tax purposes.

If you are a U.S. resident alien who is relying on an exception contained in the saving clause of a tax treaty to claim an exemption from U.S. tax on certain types of income, you must attach a statement to Form W-9 that specifies the following five items:

1. The treaty country. Generally, this must be the same treaty under which you claimed exemption from tax as a nonresident alien.
2. The treaty article addressing the income.
3. The article number (or location) in the tax treaty that contains the saving clause and its exceptions.
4. The type and amount of income that qualifies for the exemption from tax.
5. Sufficient facts to justify the exemption from tax under the terms of the treaty article.

Example. Article 20 of the U.S.-China income tax treaty allows an exemption from tax for scholarship income received by a Chinese student temporarily present in the United States. Under U.S. law, this student will become a resident alien for tax purposes if his or her stay in the United States exceeds 5 calendar years. However, paragraph 2 of the first Protocol to the U.S.-China treaty (dated April 30, 1984) allows the provisions of Article 20 to continue to apply even after the Chinese student becomes a resident alien of the United States. A Chinese student who qualifies for this exception (under paragraph 2 of the first protocol) and is relying on this exception to claim an exemption from tax on his or her scholarship or fellowship income would attach to Form W-9 a statement that includes the information described above to support that exemption.

If you are a nonresident alien or a foreign entity, give the requester the appropriate completed Form W-8 or Form 8233.

Backup Withholding

What is backup withholding? Persons making certain payments to you must under certain conditions withhold and pay to the IRS 28% of such payments. This is called "backup withholding." Payments that may be subject to backup withholding include interest, tax-exempt interest, dividends, broker and barter exchange transactions, rents, royalties, nonemployee pay, payments made in settlement of payment card and third party network transactions, and certain payments from fishing boat operators. Real estate transactions are not subject to backup withholding.

You will not be subject to backup withholding on payments you receive if you give the requester your correct TIN, make the proper certifications, and report all your taxable interest and dividends on your tax return.

Payments you receive will be subject to backup withholding if:

1. You do not furnish your TIN to the requester,
2. You do not certify your TIN when required (see the Part II instructions on page 3 for details),
3. The IRS tells the requester that you furnished an incorrect TIN,
4. The IRS tells you that you are subject to backup withholding because you did not report all your interest and dividends on your tax return (for reportable interest and dividends only), or
5. You do not certify to the requester that you are not subject to backup withholding under 4 above (for reportable interest and dividend accounts opened after 1983 only).

Certain payees and payments are exempt from backup withholding. See *Exempt payee code* on page 3 and the separate Instructions for the Requester of Form W-9 for more information.

Also see *Special rules for partnerships* above.

What is FATCA reporting?

The Foreign Account Tax Compliance Act (FATCA) requires a participating foreign financial institution to report all United States account holders that are specified United States persons. Certain payees are exempt from FATCA reporting. See *Exemption from FATCA reporting code* on page 3 and the Instructions for the Requester of Form W-9 for more information.

Updating Your Information

You must provide updated information to any person to whom you claimed to be an exempt payee if you are no longer an exempt payee and anticipate receiving reportable payments in the future from this person. For example, you may need to provide updated information if you are a C corporation that elects to be an S corporation, or if you no longer are tax exempt. In addition, you must furnish a new Form W-9 if the name or TIN changes for the account; for example, if the grantor of a grantor trust dies.

Penalties

Failure to furnish TIN. If you fail to furnish your correct TIN to a requester, you are subject to a penalty of $50 for each such failure unless your failure is due to reasonable cause and not to willful neglect.

Civil penalty for false information with respect to withholding. If you make a false statement with no reasonable basis that results in no backup withholding, you are subject to a $500 penalty.

Criminal penalty for falsifying information. Willfully falsifying certifications or affirmations may subject you to criminal penalties including fines and/or imprisonment.

Misuse of TINs. If the requester discloses or uses TINs in violation of federal law, the requester may be subject to civil and criminal penalties.

Specific Instructions

Line 1

You must enter one of the following on this line; **do not** leave this line blank. The name should match the name on your tax return.

If this Form W-9 is for a joint account, list first, and then circle, the name of the person or entity whose number you entered in Part I of Form W-9.

a. **Individual.** Generally, enter the name shown on your tax return. If you have changed your last name without informing the Social Security Administration (SSA) of the name change, enter your first name, the last name as shown on your social security card, and your new last name.

Note. ITIN applicant: Enter your individual name as it was entered on your Form W-7 application, line 1a. This should also be the same as the name you entered on the Form 1040/1040A/1040EZ you filed with your application.

b. **Sole proprietor or single-member LLC.** Enter your individual name as shown on your 1040/1040A/1040EZ on line 1. You may enter your business, trade, or "doing business as" (DBA) name on line 2.

c. **Partnership, LLC that is not a single-member LLC, C Corporation, or S Corporation.** Enter the entity's name as shown on the entity's tax return on line 1 and any business, trade, or DBA name on line 2.

d. **Other entities.** Enter your name as shown on required U.S. federal tax documents on line 1. This name should match the name shown on the charter or other legal document creating the entity. You may enter any business, trade, or DBA name on line 2.

e. **Disregarded entity.** For U.S. federal tax purposes, an entity that is disregarded as an entity separate from its owner is treated as a "disregarded entity." See Regulations section 301.7701-2(c)(2)(iii). Enter the owner's name on line 1. The name of the entity entered on line 1 should never be a disregarded entity. The name on line 1 should be the name shown on the income tax return on which the income should be reported. For example, if a foreign LLC that is treated as a disregarded entity for U.S. federal tax purposes has a single owner that is a U.S. person, the U.S. owner's name is required to be provided on line 1. If the direct owner of the entity is also a disregarded entity, enter the first owner that is not disregarded for federal tax purposes. Enter the disregarded entity's name on line 2, "Business name/disregarded entity name." If the owner of the disregarded entity is a foreign person, the owner must complete an appropriate Form W-8 instead of a Form W-9. This is the case even if the foreign person has a U.S. TIN.

Line 2

If you have a business name, trade name, DBA name, or disregarded entity name, you may enter it on line 2.

Line 3

Check the appropriate box in line 3 for the U.S. federal tax classification of the person whose name is entered on line 1. Check only one box in line 3.

Limited Liability Company (LLC). If the name on line 1 is an LLC treated as a partnership for U.S. federal tax purposes, check the "Limited Liability Company" box and enter "P" in the space provided. If the LLC has filed Form 8832 or 2553 to be taxed as a corporation, check the "Limited Liability Company" box and in the space provided enter "C" for C corporation or "S" for S corporation. If it is a single-member LLC that is a disregarded entity, do not check the "Limited Liability Company" box; instead check the first box in line 3 "Individual/sole proprietor or single-member LLC."

Line 4, Exemptions

If you are exempt from backup withholding and/or FATCA reporting, enter in the appropriate space in line 4 any code(s) that may apply to you.

Exempt payee code.

- Generally, individuals (including sole proprietors) are not exempt from backup withholding.
- Except as provided below, corporations are exempt from backup withholding for certain payments, including interest and dividends.
- Corporations are not exempt from backup withholding for payments made in settlement of payment card or third party network transactions.
- Corporations are not exempt from backup withholding with respect to attorneys' fees or gross proceeds paid to attorneys, and corporations that provide medical or health care services are not exempt with respect to payments reportable on Form 1099-MISC.

The following codes identify payees that are exempt from backup withholding. Enter the appropriate code in the space in line 4.

1—An organization exempt from tax under section 501(a), any IRA, or a custodial account under section 403(b)(7) if the account satisfies the requirements of section 401(f)(2)

2—The United States or any of its agencies or instrumentalities

3—A state, the District of Columbia, a U.S. commonwealth or possession, or any of their political subdivisions or instrumentalities

4—A foreign government or any of its political subdivisions, agencies, or instrumentalities

5—A corporation

6—A dealer in securities or commodities required to register in the United States, the District of Columbia, or a U.S. commonwealth or possession

7—A futures commission merchant registered with the Commodity Futures Trading Commission

8—A real estate investment trust

9—An entity registered at all times during the tax year under the Investment Company Act of 1940

10—A common trust fund operated by a bank under section 584(a)

11—A financial institution

12—A middleman known in the investment community as a nominee or custodian

13—A trust exempt from tax under section 664 or described in section 4947

The following chart shows types of payments that may be exempt from backup withholding. The chart applies to the exempt payees listed above, 1 through 13.

IF the payment is for . . .	THEN the payment is exempt for . . .
Interest and dividend payments	All exempt payees except for 7
Broker transactions	Exempt payees 1 through 4 and 6 through 11 and all C corporations. S corporations must not enter an exempt payee code because they are exempt only for sales of noncovered securities acquired prior to 2012.
Barter exchange transactions and patronage dividends	Exempt payees 1 through 4
Payments over $600 required to be reported and direct sales over $5,000[1]	Generally, exempt payees 1 through 5[2]
Payments made in settlement of payment card or third party network transactions	Exempt payees 1 through 4

[1] See Form 1099-MISC, Miscellaneous Income, and its instructions.

[2] However, the following payments made to a corporation and reportable on Form 1099-MISC are not exempt from backup withholding: medical and health care payments, attorneys' fees, gross proceeds paid to an attorney reportable under section 6045(f), and payments for services paid by a federal executive agency.

Exemption from FATCA reporting code. The following codes identify payees that are exempt from reporting under FATCA. These codes apply to persons submitting this form for accounts maintained outside of the United States by certain foreign financial institutions. Therefore, if you are only submitting this form for an account you hold in the United States, you may leave this field blank. Consult with the person requesting this form if you are uncertain if the financial institution is subject to these requirements. A requester may indicate that a code is not required by providing you with a Form W-9 with "Not Applicable" (or any similar indication) written or printed on the line for a FATCA exemption code.

A—An organization exempt from tax under section 501(a) or any individual retirement plan as defined in section 7701(a)(37)

B—The United States or any of its agencies or instrumentalities

C—A state, the District of Columbia, a U.S. commonwealth or possession, or any of their political subdivisions or instrumentalities

D—A corporation the stock of which is regularly traded on one or more established securities markets, as described in Regulations section 1.1472-1(c)(1)(i)

E—A corporation that is a member of the same expanded affiliated group as a corporation described in Regulations section 1.1472-1(c)(1)(i)

F—A dealer in securities, commodities, or derivative financial instruments (including notional principal contracts, futures, forwards, and options) that is registered as such under the laws of the United States or any state

G—A real estate investment trust

H—A regulated investment company as defined in section 851 or an entity registered at all times during the tax year under the Investment Company Act of 1940

I—A common trust fund as defined in section 584(a)

J—A bank as defined in section 581

K—A broker

L—A trust exempt from tax under section 664 or described in section 4947(a)(1)

M—A tax exempt trust under a section 403(b) plan or section 457(g) plan

Note. You may wish to consult with the financial institution requesting this form to determine whether the FATCA code and/or exempt payee code should be completed.

Line 5

Enter your address (number, street, and apartment or suite number). This is where the requester of this Form W-9 will mail your information returns.

Line 6

Enter your city, state, and ZIP code.

Part I. Taxpayer Identification Number (TIN)

Enter your TIN in the appropriate box. If you are a resident alien and you do not have and are not eligible to get an SSN, your TIN is your IRS individual taxpayer identification number (ITIN). Enter it in the social security number box. If you do not have an ITIN, see *How to get a TIN* below.

If you are a sole proprietor and you have an EIN, you may enter either your SSN or EIN. However, the IRS prefers that you use your SSN.

If you are a single-member LLC that is disregarded as an entity separate from its owner (see *Limited Liability Company (LLC)* on this page), enter the owner's SSN (or EIN, if the owner has one). Do not enter the disregarded entity's EIN. If the LLC is classified as a corporation or partnership, enter the entity's EIN.

Note. See the chart on page 4 for further clarification of name and TIN combinations.

How to get a TIN. If you do not have a TIN, apply for one immediately. To apply for an SSN, get Form SS-5, Application for a Social Security Card, from your local SSA office or get this form online at *www.ssa.gov.* You may also get this form by calling 1-800-772-1213. Use Form W-7, Application for IRS Individual Taxpayer Identification Number, to apply for an ITIN, or Form SS-4, Application for Employer Identification Number, to apply for an EIN. You can apply for an EIN online by accessing the IRS website at *www.irs.gov/businesses* and clicking on Employer Identification Number (EIN) under Starting a Business. You can get Forms W-7 and SS-4 from the IRS by visiting IRS.gov or by calling 1-800-TAX-FORM (1-800-829-3676).

If you are asked to complete Form W-9 but do not have a TIN, apply for a TIN and write "Applied For" in the space for the TIN, sign and date the form, and give it to the requester. For interest and dividend payments, and certain payments made with respect to readily tradable instruments, generally you will have 60 days to get a TIN and give it to the requester before you are subject to backup withholding on payments. The 60-day rule does not apply to other types of payments. You will be subject to backup withholding on all such payments until you provide your TIN to the requester.

Note. Entering "Applied For" means that you have already applied for a TIN or that you intend to apply for one soon.

Caution: *A disregarded U.S. entity that has a foreign owner must use the appropriate Form W-8.*

Part II. Certification

To establish to the withholding agent that you are a U.S. person, or resident alien, sign Form W-9. You may be requested to sign by the withholding agent even if items 1, 4, or 5 below indicate otherwise.

For a joint account, only the person whose TIN is shown in Part I should sign (when required). In the case of a disregarded entity, the person identified on line 1 must sign. Exempt payees, see *Exempt payee code* earlier.

Signature requirements. Complete the certification as indicated in items 1 through 5 below.

1. Interest, dividend, and barter exchange accounts opened before 1984 and broker accounts considered active during 1983. You must give your correct TIN, but you do not have to sign the certification.

2. Interest, dividend, broker, and barter exchange accounts opened after 1983 and broker accounts considered inactive during 1983. You must sign the certification or backup withholding will apply. If you are subject to backup withholding and you are merely providing your correct TIN to the requester, you must cross out item 2 in the certification before signing the form.

3. Real estate transactions. You must sign the certification. You may cross out item 2 of the certification.

4. Other payments. You must give your correct TIN, but you do not have to sign the certification unless you have been notified that you have previously given an incorrect TIN. "Other payments" include payments made in the course of the requester's trade or business for rents, royalties, goods (other than bills for merchandise), medical and health care services (including payments to corporations), payments to a nonemployee for services, payments made in settlement of payment card and third party network transactions, payments to certain fishing boat crew members and fishermen, and gross proceeds paid to attorneys (including payments to corporations).

5. Mortgage interest paid by you, acquisition or abandonment of secured property, cancellation of debt, qualified tuition program payments (under section 529), IRA, Coverdell ESA, Archer MSA or HSA contributions or distributions, and pension distributions. You must give your correct TIN, but you do not have to sign the certification.

What Name and Number To Give the Requester

For this type of account:	Give name and SSN of:
1. Individual	The individual
2. Two or more individuals (joint account)	The actual owner of the account or, if combined funds, the first individual on the account[1]
3. Custodian account of a minor (Uniform Gift to Minors Act)	The minor[2]
4. a. The usual revocable savings trust (grantor is also trustee)	The grantor-trustee[1]
b. So-called trust account that is not a legal or valid trust under state law	The actual owner[1]
5. Sole proprietorship or disregarded entity owned by an individual	The owner[3]
6. Grantor trust filing under Optional Form 1099 Filing Method 1 (see Regulations section 1.671-4(b)(2)(i)(A))	The grantor*
For this type of account:	**Give name and EIN of:**
7. Disregarded entity not owned by an individual	The owner
8. A valid trust, estate, or pension trust	Legal entity[4]
9. Corporation or LLC electing corporate status on Form 8832 or Form 2553	The corporation
10. Association, club, religious, charitable, educational, or other tax-exempt organization	The organization
11. Partnership or multi-member LLC	The partnership
12. A broker or registered nominee	The broker or nominee
13. Account with the Department of Agriculture in the name of a public entity (such as a state or local government, school district, or prison) that receives agricultural program payments	The public entity
14. Grantor trust filing under the Form 1041 Filing Method or the Optional Form 1099 Filing Method 2 (see Regulations section 1.671-4(b)(2)(i)(B))	The trust

[1] List first and circle the name of the person whose number you furnish. If only one person on a joint account has an SSN, that person's number must be furnished.

[2] Circle the minor's name and furnish the minor's SSN.

[3] You must show your individual name and you may also enter your business or DBA name on the "Business name/disregarded entity" name line. You may use either your SSN or EIN (if you have one), but the IRS encourages you to use your SSN.

[4] List first and circle the name of the trust, estate, or pension trust. (Do not furnish the TIN of the personal representative or trustee unless the legal entity itself is not designated in the account title.) Also see *Special rules for partnerships* on page 2.

***Note.** Grantor also must provide a Form W-9 to trustee of trust.

Note. If no name is circled when more than one name is listed, the number will be considered to be that of the first name listed.

Secure Your Tax Records from Identity Theft

Identity theft occurs when someone uses your personal information such as your name, SSN, or other identifying information, without your permission, to commit fraud or other crimes. An identity thief may use your SSN to get a job or may file a tax return using your SSN to receive a refund.

To reduce your risk:

- Protect your SSN,
- Ensure your employer is protecting your SSN, and
- Be careful when choosing a tax preparer.

If your tax records are affected by identity theft and you receive a notice from the IRS, respond right away to the name and phone number printed on the IRS notice or letter.

If your tax records are not currently affected by identity theft but you think you are at risk due to a lost or stolen purse or wallet, questionable credit card activity or credit report, contact the IRS Identity Theft Hotline at 1-800-908-4490 or submit Form 14039.

For more information, see Publication 4535, Identity Theft Prevention and Victim Assistance.

Victims of identity theft who are experiencing economic harm or a system problem, or are seeking help in resolving tax problems that have not been resolved through normal channels, may be eligible for Taxpayer Advocate Service (TAS) assistance. You can reach TAS by calling the TAS toll-free case intake line at 1-877-777-4778 or TTY/TDD 1-800-829-4059.

Protect yourself from suspicious emails or phishing schemes. Phishing is the creation and use of email and websites designed to mimic legitimate business emails and websites. The most common act is sending an email to a user falsely claiming to be an established legitimate enterprise in an attempt to scam the user into surrendering private information that will be used for identity theft.

The IRS does not initiate contacts with taxpayers via emails. Also, the IRS does not request personal detailed information through email or ask taxpayers for the PIN numbers, passwords, or similar secret access information for their credit card, bank, or other financial accounts.

If you receive an unsolicited email claiming to be from the IRS, forward this message to *phishing@irs.gov*. You may also report misuse of the IRS name, logo, or other IRS property to the Treasury Inspector General for Tax Administration (TIGTA) at 1-800-366-4484. You can forward suspicious emails to the Federal Trade Commission at: *spam@uce.gov* or contact them at *www.ftc.gov/idtheft* or 1-877-IDTHEFT (1-877-438-4338).

Visit IRS.gov to learn more about identity theft and how to reduce your risk.

Privacy Act Notice

Section 6109 of the Internal Revenue Code requires you to provide your correct TIN to persons (including federal agencies) who are required to file information returns with the IRS to report interest, dividends, or certain other income paid to you; mortgage interest you paid; the acquisition or abandonment of secured property; the cancellation of debt; or contributions you made to an IRA, Archer MSA, or HSA. The person collecting this form uses the information on the form to file information returns with the IRS, reporting the above information. Routine uses of this information include giving it to the Department of Justice for civil and criminal litigation and to cities, states, the District of Columbia, and U.S. commonwealths and possessions for use in administering their laws. The information also may be disclosed to other countries under a treaty, to federal and state agencies to enforce civil and criminal laws, or to federal law enforcement and intelligence agencies to combat terrorism. You must provide your TIN whether or not you are required to file a tax return. Under section 3406, payers must generally withhold a percentage of taxable interest, dividend, and certain other payments to a payee who does not give a TIN to the payer. Certain penalties may also apply for providing false or fraudulent information.

EXHIBIT E

Nondiscrimination Agreement.

During the performance of this contract, the contractor/consultant, for itself, its assignees and successors in interest (hereinafter referred to as the "contractor") agrees as follows:

1. Compliance with Regulations

The contractor shall comply with the Regulations relative to nondiscrimination in federally assisted programs of United States Department of Transportation (USDOT), Title 49, Code of Federal Regulations, part 21, as they may be amended from time to time, (hereinafter referred to as the Regulations), which are herein incorporated by reference and made a part of this contract.

2. Nondiscrimination

The contractor, with regard to the work performed by it during the contract, shall not discriminate on the grounds of race, color, sex, or national origin in the selection and retention of subcontractors, including procurement of materials and leases of equipment. The contractor shall not participate either directly or indirectly in the discrimination prohibited by Section 21.5 of the Regulations, including employment practices when the contract covers a program set forth in Appendix B of the Regulations.

3. Solicitations for Subcontracts, Including Procurement of Materials and Equipment

In all solicitations, either by competitive bidding or negotiations, made by the contractor for work to be performed under a subcontract, including procurement of materials or leases of equipment, each potential subcontractor or supplier shall be notified by the contractor of the contractor's obligations under this contract and the Regulations relative to nondiscrimination on the grounds of race, color, sex, or national origin.

4. Information and Reports

The contractor shall provide all information and reports required by the Regulations or directives issued pursuant thereto, and shall permit access to its books, records, accounts, other sources of information, and its facilities as may be determined by the contracting agency or the appropriate federal agency to be pertinent to ascertain compliance with such Regulations, orders and instructions. Where any information required of a contractor is in the exclusive possession of another who fails or refuses to furnish this information, the contractor shall so certify to WSDOT or the USDOT as appropriate, and shall set forth what efforts it has made to obtain the information.

5. Sanctions for Noncompliance

In the event of the contractor's noncompliance with the nondiscrimination provisions of this contract, the contracting agency shall impose such contract sanctions as it or the USDOT may determine to be appropriate, including, but not limited to:

- Withholding of payments to the contractor under the contract until the contractor complies, and/or;
- Cancellation, termination, or suspension of the contract, in whole or in part

6. Incorporation of Provisions

The contractor shall include the provisions of paragraphs (1) through (5) in every subcontract, including procurement of materials and leases of equipment, unless exempt by the Regulations, or directives issued pursuant thereto. The contractor shall take such action with respect to any subcontractor or procurement as the contracting agency or USDOT may direct as a means of enforcing such provisions, including sanctions for noncompliance.

Provided, however, that in the event a contractor becomes involved in, or is threatened with, litigation with a subcontractor or supplier as a result of such directions, the contractor may request WSDOT enter into such litigation to protect the interests of the State and, in addition, the contractor may request the USDOT enter into such litigation to protect the interests of the United States.

CITY OF KENMORE CONTRACT NO. 21-C2666
AMENDMENT NO. 1

The following section of the Contract between the City of Kenmore and Red Barn Engineering is amended to read in its entirety as set forth (i.e. below or in attachment). All other terms and conditions of the underlying Contract shall remain in full force and effect.

Exhibit A

1) The maximum Contract amount is $200,000.00

DATED this ____ day of ________, 20__.

CONSULTANT:

BY: ______________________________

Title: ______________________________

Address: ______________________________

____

____

Phone No.: ______________________________

CITY OF KENMORE:

BY: ______________________________
Rob Karlinsey

Title: City Manager__________________

City Council Business Agenda Item
City of Kenmore, WA

Subject/Topic:
NE 175th St Bicycle Wayfinding and Connectivity Project – Acceptance of WSDOT Pedestrian/Bicycle Program Grant

For Council Meeting Agenda of: November 15, 2021

Department: Public Works Engineering

Prepared by: John Vicente, City Engineer

	Initial & Date
Approved by Department Head:	**JFV 10/27/2021**
Approved by City Attorney:	**N/A**
Approved by Finance Director:	Leticia Salcido Leticia Salcido (Oct 27, 2021 09:20 PDT)
Approved by City Manager:	**RGK 10/26/2021**

Proposed Council Action/Motion:
Authorize the City Manager to execute an agreement with WSDOT to accept Pedestrian/Bicycle Program grant funds in the amount of $306,047.

Exhibits/Attachments:
Exhibit A: Vicinity Map

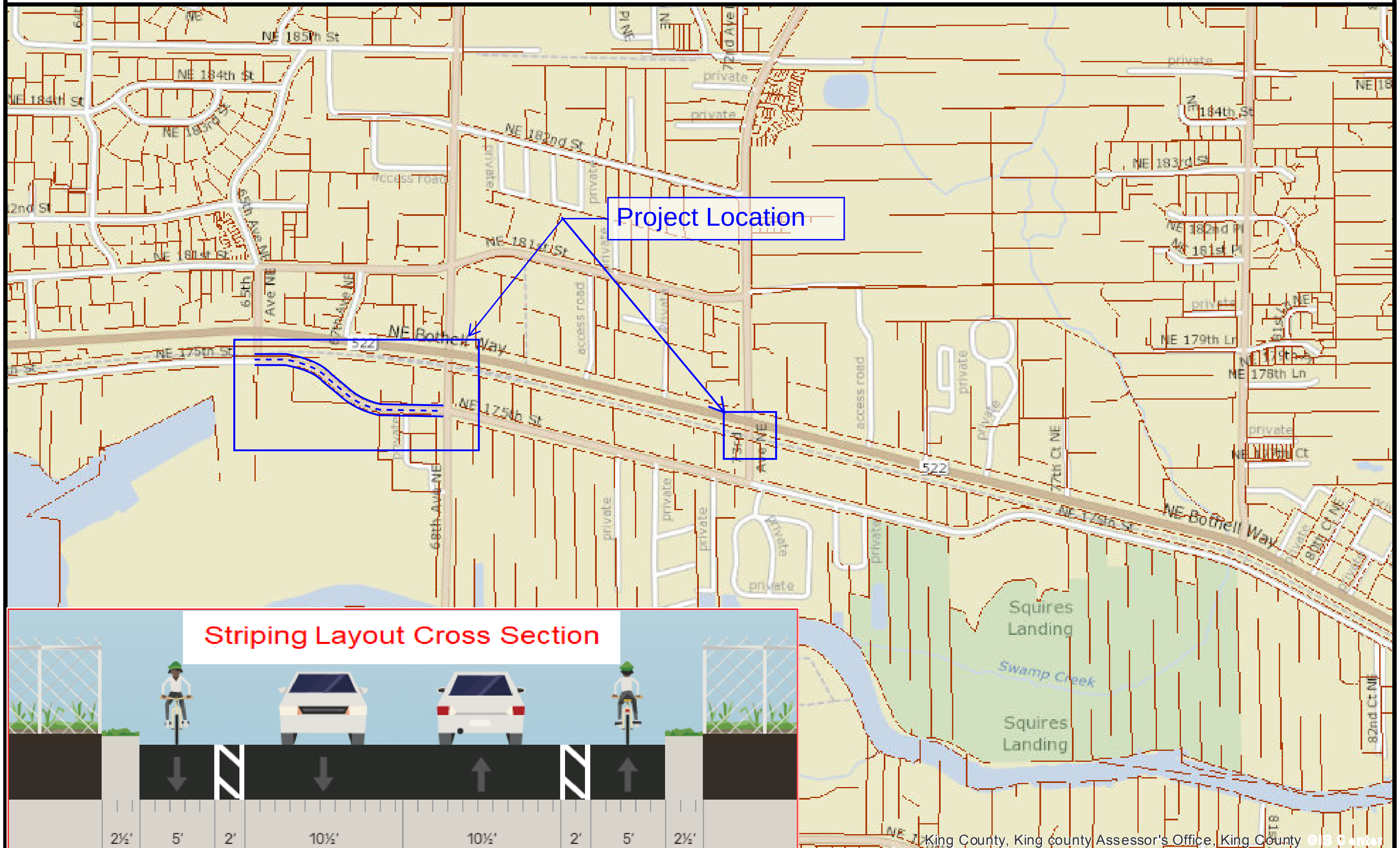
INFORMATION/BACKGROUND:
In July 2020, staff applied for 2021-2023 WSDOT Pedestrian/Bicycle Program funds to complete the design and construction phases of the NE 175th St Bicycle Wayfinding and Connectivity Project between 65th Ave NE and 68th Ave NE (See Exhibit A). The project will add bike lanes between 65th and 68th and work will also include wayfinding signs at 73rd Ave NE. WSDOT announced the Prioritized List of Projects for the Pedestrian/Bicycle Program in December 2020. Kenmore's NE 175th St Bicycle Wayfinding and Connectivity Project was selected to receive $306,047 in grant funds to complete the project.

Design is expected to begin in January 2022 with construction anticipated the summer of 2022.

FISCAL CONSIDERATION:
These grant funds will cover the full cost of the project; no City funds are needed for the project.

COUNCIL GOAL/BUDGET OBJECTIVE BEING ADDRESSED:
Council Priority 6: To focus and emphasize multimodal transportation safety in the City of Kenmore with a specific focus on pedestrian, bicycle and other means of travel.

EXHIBIT A



NE 175TH WAYFINDING AND CONNECTIVITY PROJECT
VICINITY MAP

N

KENMORE BY THE LAKE

City Council Business Agenda Item
City of Kenmore, WA

Subject/Topic: 61st Ave NE Sidewalk Replacement Project – Acceptance of WSDOT Pedestrian/Bicycle Program Grant **Proposed Council Action/Motion:** Authorize the City Manager to execute an agreement with WSDOT to accept Pedestrian/Bicycle Program grant funds in the amount of $1,364,265.	**For Council Meeting Agenda of:** November 15, 2021 **Department:** Public Works Engineering **Prepared by:** John Vicente, City Engineer **Initial & Date** **Approved by Department Head:** **JFV 10/27/2021** **Approved by City Attorney:** **N/A** **Approved by Finance Director:** Leticia Salcido Leticia Salcido (Nov 5, 2021 09:12 PDT) **Approved by City Manager:** **RGK 10/26/2021** **Exhibits/Attachments:** Exhibit A: Vicinity Map

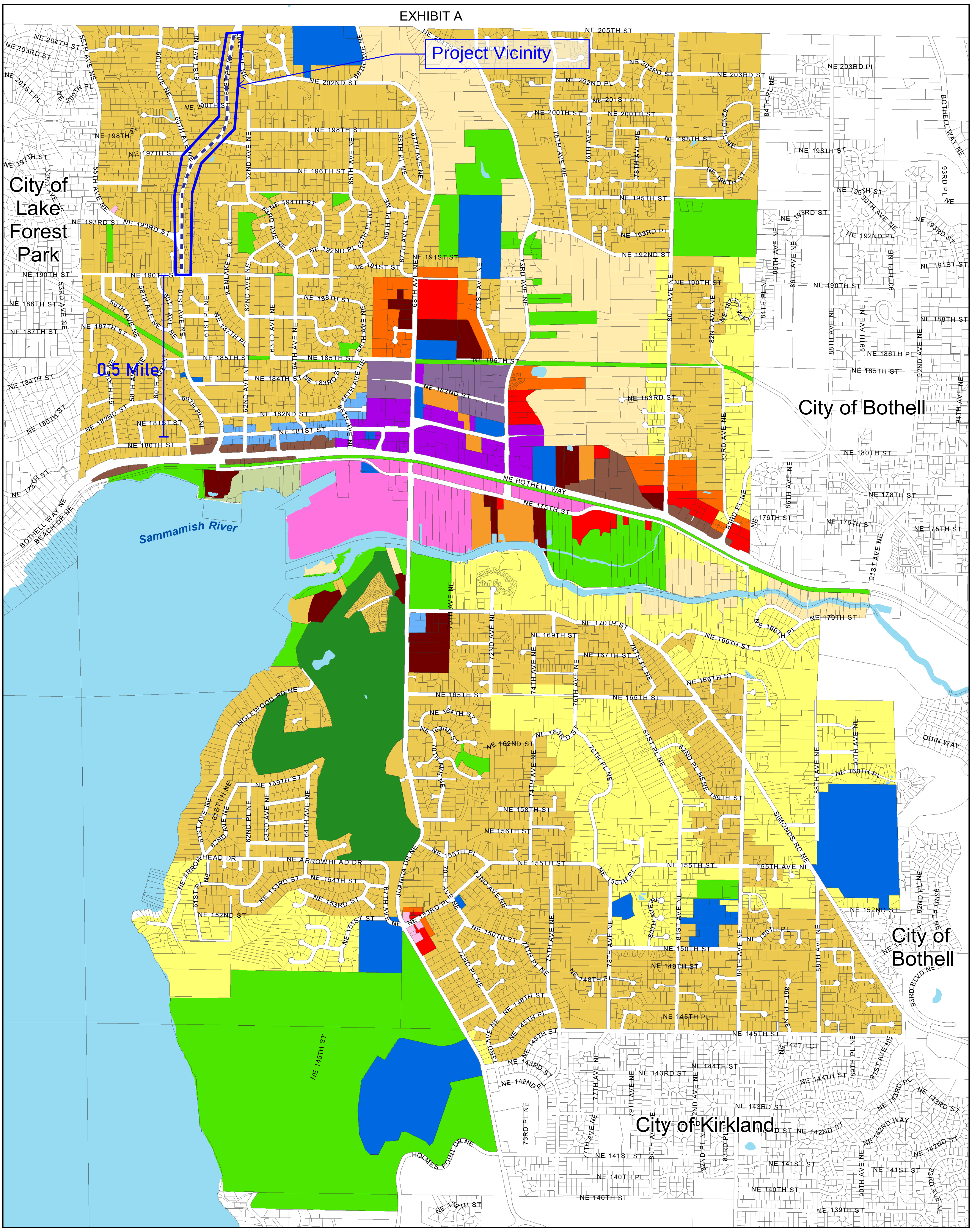
INFORMATION/BACKGROUND:
In July 2020, staff applied for 2021-2023 WSDOT Pedestrian/Bicycle Program funds to complete the design and construction phases of the 61st Ave NE Sidewalk Replacement Project between NE 190th St and the northern City Limits (see Exhibit A). Replacement would be primarily located on the east side of 61st Ave NE with some minor replacements on the west side of 61st Ave. Improvements will also include removing parking to accommodate bike lanes, removing the right turn pocket at NE 193rd St and installing a pedestrian crossing beacon (RRFB). WSDOT announced the Prioritized List of Projects for the Pedestrian/Bicycle Program in December 2020. Kenmore's 61st Ave NE Sidewalk Replacement project was selected to receive $1,364,265 in grant funds to complete the project.

Design is expected to begin in January 2022 with construction anticipated the spring of 2024.

FISCAL CONSIDERATION:
To accept the WSDOT Pedestrian/Bicycle grant funds, the City must provide a grant match of $205,000. The 2021-22 biennium budget for this project includes $30,000 in REET funds and $30,000 in SWM funds. The remaining $145,000 will be covered by the Sidewalk Gap/ADA Replacement Program if additional grant funds are not awarded.

COUNCIL GOAL/BUDGET OBJECTIVE BEING ADDRESSED:
Council Priority 6: To focus and emphasize multimodal transportation safety in the City of Kenmore with a specific focus on pedestrian, bicycle and other means of travel.

EXHIBIT A



Official Zoning Map | City of Kenmore

- Regional Business
- Urban Corridor
- Waterfront Commercial
- Downtown Commercial
- Downtown Residential
- Community Business
- Neighborhood Business
- Public/Semi-Public
- Parks*
- Golf Course
- R-1 (Residential 1 Dwelling Per Acre)
- R-4 (Residential 4 Dwellings Per Acre)
- R-6 (Residential 6 Dwellings Per Acre)
- Manufactured Housing Community
- R-12 (Residential 12 Dwellings Per Acre)
- R-18 (Residential 18 Dwellings Per Acre)
- R-24 (Residential 24 Dwellings Per Acre)

* Portions of the Burke-Gilman Trail & Tolt Pipeline occur in rights-of-way and not as separate parcels. However, these facilities are considered to be Parks along their full length.

0 4,000
Feet

N

This map is intended for planning purposes only and is not guaranteed to show accurate measurements.

Map Date: March 2019

City Council Business Agenda Item
City of Kenmore, WA

Subject/Topic:
(1) Hold Public Hearing on Proposed Property Tax Levy for 2022

For Council Meeting Agenda of: November 15, 2021

Department: Finance and Administration

Prepared by: Leticia Salcido

	Initial & Date
Approved by Department Head:	
Approved by City Attorney:	
Approved by Finance Director:	
Approved by City Manager:	RGK RGK

Exhibits/Attachments:

Proposed Council Action/Motion:
Hold Public Hearing on Proposed Property Tax Levy Necessary to Meet Authorized Tax-Supported Estimated Expenses for the Year 2022.

INFORMATION/BACKGROUND:
November 15, 2021 - A presentation and public hearing on proposed property tax levy for 2022
November 22, 2021 – Proposed adoption of Ordinance relating to the 2022 Regular and Excess Property tax levy

FISCAL CONSIDERATION:
Each year the City must set the tax levy for the ensuing year and hold a public hearing prior to approval of the levy. The City is allowed to increase its levy by the lesser of one (1) percent **or** the percentage increase in the July IPD (Implicit Price Deflator). The IPD this year is 3.86% (which is more than 1%). The state Department of Revenue (DOR) calculates the IPD using the most recent quarterly numbers reported by the Federal Bureau of Economic Analysis (BEA). The IPD is a measure of inflation. Every month BEA publishes an estimate of the quarterly IPD numbers. These quarterly numbers are seasonally adjusted each year in July, and these seasonal numbers form the basis for the prior year IPD personal consumption expenditure number that is used by DOR to calculate inflation.

Regular Property Tax Levy
In 2021 the property tax levy was $5,359,873. The County Assessor has only released preliminary assessed valuations and levy information at this time. Based on what has been received, the proposed property tax levy for 2022 is $5,463,405 which includes the 1% increase over 2021 ($53,599), plus new construction in the amount of $49,933 (or 0.93%).

The City's preliminary assessed value is $6,162,255,359, an increase of about 15.78% from 2021. Because of the increase in assessed valuation for the entire City, the levy rate will decline from $1.014 to about $0.89 for each $1,000 of assessed value. On a $600,000 home in the city, the annual tax with a 1% levy increase and a rate of $0.89 would be $534.

The proposed property tax levy of 1% meets the City Council's goal for a financial sustainable plan and continued financial sustainability for the City.

h:\1-property taxes\2022 levy\ab ph 2022 prop tax levy-11-15-21.docx

Excess Property Tax Levy
The purpose of the excess property tax levy is for repayment of the voted Walkways and Waterways bonds approved by the voters in 2016. In 2021 the city levied $781,100 to cover the debt service payments that were due in that year. For 2022 it is recommended to levy $1,056,150 ($0.17/1,000 AV) for the debt service payments due in that year. An Ordinance to approve the excess tax levy for 2022 will be presented at the November 22, 2021, City Council meeting.

Tax Relief
State law provides two tax benefit programs for senior citizens and the disabled persons that includes property tax exemptions and property tax deferrals. Basic qualifications include an annual household income under $58,423; owning and occupying the property as principal residence for at least nine months per year; over the age of 61 or disabled with at least an 80% total disability rating. More information can be found on the King County Assessor's website or by calling 206-296-3920.

COUNCIL GOAL/BUDGET OBJECTIVE BEING ADDRESSED:

1) RCW. 84.55.120 The legislative body must hold a public hearing for the coming year's budget including consideration of possible increases in property tax revenues, before taking action on the property tax levy.

2) The proposed property tax levy of 1% meets the City Council's goal for a financial sustainable plan and continued financial sustainability for the City.

Signature: Rob Karlinsey
Rob Karlinsey (Nov 5, 2021 17:45 PDT)

Email: rkarlinsey@kenmorewa.gov

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AB-PH Property Tax Levy 2022-2

Final Audit Report 2021-11-06

Created:	2021-11-06
By:	Leticia Salcido (lsalcido@kenmorewa.gov)
Status:	Signed
Transaction ID:	CBJCHBCAABAAfSkspRjNXpWew8EjO5r6pOCCGt0Ly7v0

"AB-PH Property Tax Levy 2022-2" History

Document created by Leticia Salcido (lsalcido@kenmorewa.gov)
2021-11-06 - 0:02:28 AM GMT- IP address: 50.235.209.34

Document emailed to Rob Karlinsey (rkarlinsey@kenmorewa.gov) for signature
2021-11-06 - 0:02:57 AM GMT

Email viewed by Rob Karlinsey (rkarlinsey@kenmorewa.gov)
2021-11-06 - 0:44:32 AM GMT- IP address: 50.235.209.34

Document e-signed by Rob Karlinsey (rkarlinsey@kenmorewa.gov)
Signature Date: 2021-11-06 - 0:45:07 AM GMT - Time Source: server- IP address: 50.235.209.34

Agreement completed.
2021-11-06 - 0:45:07 AM GMT

City of Kenmore Public Hearing 2022 Regular & Excess Property Tax Levies

City Council meeting
November 15, 2021

Purpose of Tonight's Public Hearing

- **Per RCW 84.55.120**
- The legislative body must hold a public hearing
- on revenue sources for the following year's budget
- including consideration of possible increases in property tax revenue,
- prior to the ad valorem/property tax certification deadline, which is November 30.
- After the hearing, a city may choose to adopt an ordinance at the same or subsequent meeting
- authorizing a property tax increase in dollars and percentage.

Timeline

- Property Tax Levy
  - November 15, 2021
    - Public Hearing - Proposed Tax Levy
  - November 22, 2021
    - Adopt Ordinance for:
      - 2022 Regular Property Tax Levy
      - 2022 Excess Property Tax Levy
- Mid-Biennium Budget Amendments (2021-2022)
  - November 15, 2021 – Presentation (Review/Discussion)
  - November 22, 2021
    - Public Hearing & Ordinance - Budget Amendments 2021-2022

GENERAL FUND REVENUES - 2021-2022

- $28.6 MILLION – BUDGET 2021-2022 (pages 80-132 of budget document)
- 3% greater than 2019-2020 (actuals)
- Major Revenue sources
  - 40% - Property tax
  - 20% - Sales Tax
  - 9% - Utility Taxes (electric, gas, telephone, cellular)
  - 6% - Development fees (building permit, plan review, land use)
  - 6% - Franchise fees (comcast, wa/swr)

YEAR-TO-DATE - 10/31/21 (83% year elapsed)

- **Sales Tax - Budget $2.6m (2021)**
  - $3M – YTD
  - Actual 2020 full year - $2.9m
- **Utility Taxes**
  - $850k – YTD
  - 78% of budget amount
- **Development Fees**
  - $967k – YTD
  - 111% of budget amount
- **Franchise Fees**
  - $845k – ytd
  - 97% of budget amount

Setting the Regular Tax Levy

1.
Prior Year 2021 Levy = $5,359,873

→

2.
Allowable Increase: lower of 1% or IPD = 3.86%

→

3.
$5,359,873 x 1% = $53,599

→

4.
Add new construction = $49,933

→

5.
=$5,463,405
2022 Proposed Levy

Levy Calculations – Regular Tax Levy

- $5,359,873 – Levy 2021
- **$5,463,405 -** Proposed Levy 2022– 1.93% increase over 2021
  - $53,599 from 1% Increase
  - $49,933 from new construction
- Tax rate projected - **$0.89 per $1,000 AV**
  - 5,463,405 / 6,162,255,359 X 1000 = 0.887
  - Decline from last year's $1.014 per $1k AV
- $6,162,255,359 - 2022 Prelim. Assessed Valuation (AV)
  - 15.78% increase from 2021

Tax Effect on Homeowner (City taxes only)

Assume home value of $600,000

Taxed at 2021 rate of $1.01403

(600,000/1000 = 600 X 1.01403)

= $608

Assume No Change in value of home at $600K

Taxed at 2022 rate of $0.887

= $532

$76 less for the year

Assume 5% increase in value of home to $630K

Taxed at 2022 rate of $0.887

=$559

$49 less annually

- **8.06% decrease**

Levy Calculations – Excess Tax Levy

- **Excess Tax Levy for W&W Bonds**
  - $18.1m – Issued 2016 & 2021
  - $14.6m - outstanding as of 12/31/2021
- Resources Needed - Principal & Interest in 2022
  - **$1,056,150**
- $0.17 - Tax rate projected
  - $1,056,150 / 6,162,255,359 X 1000 = $0.17

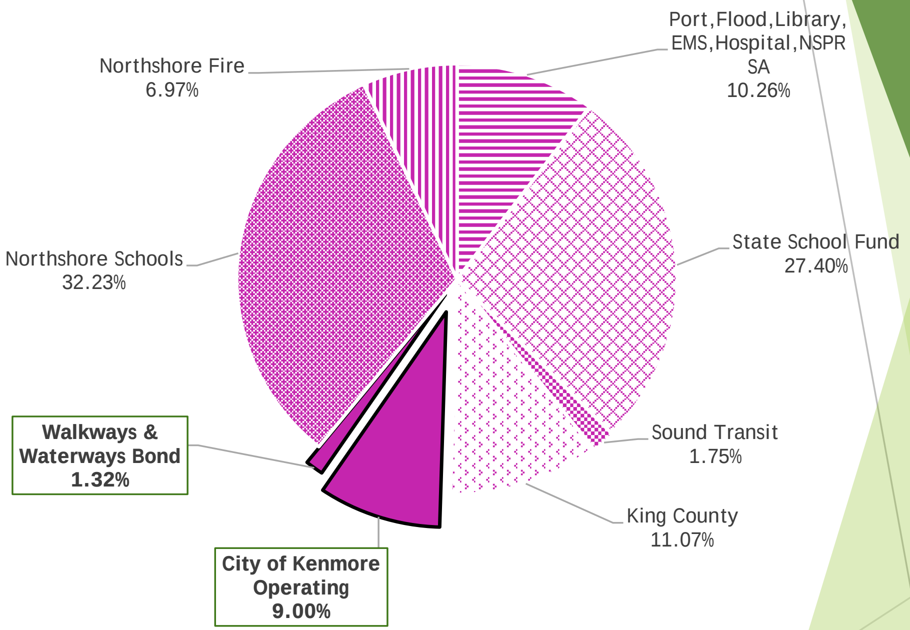
2021 Property Tax Distribution for $700K Property

There are 12 taxing districts that impact Kenmore taxpayers.

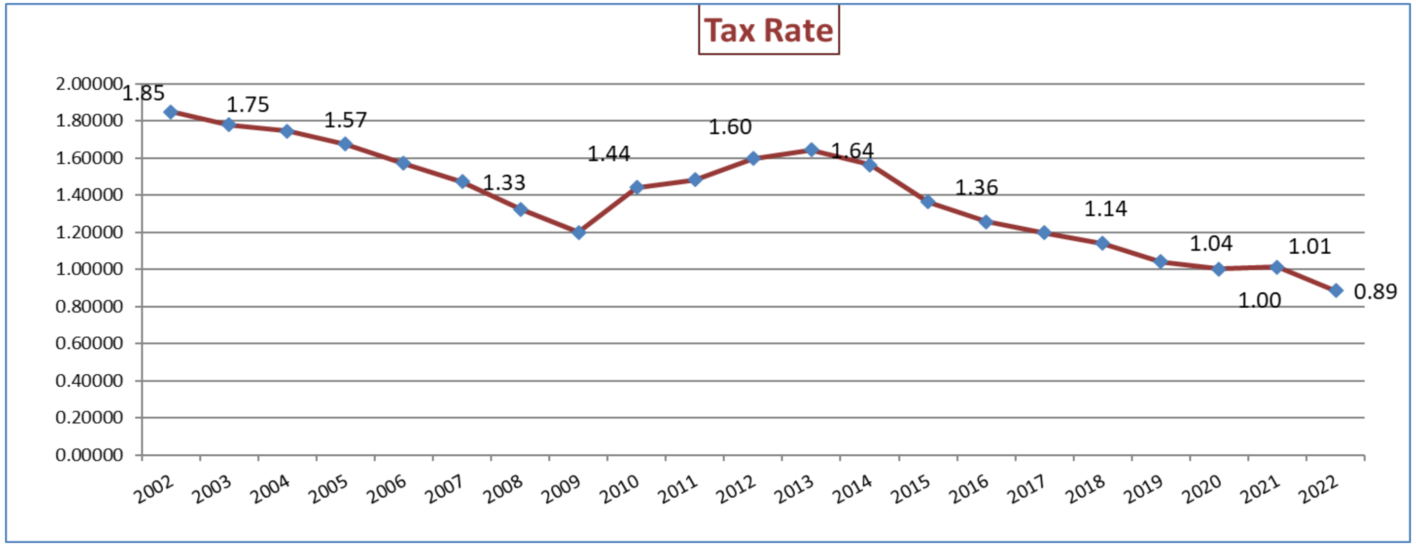
The total tax rate for most taxpayers in the City last year was $**11.27** per $1,000 AV.

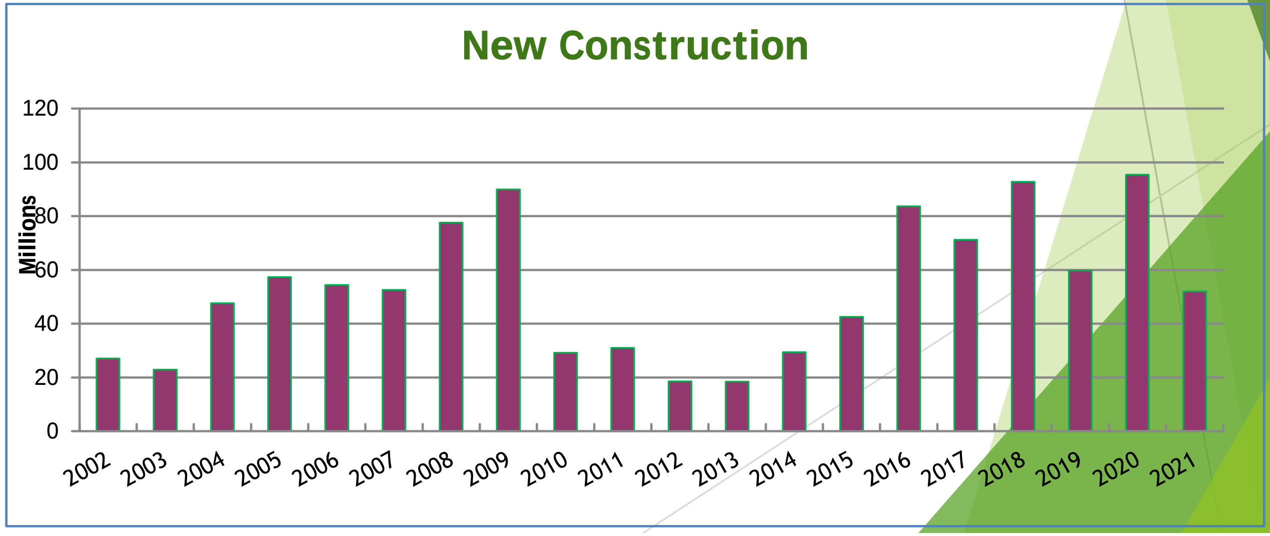
The tax bill on a $700K property would have been about **$7,889.**

Only 9% of that tax bill belongs to the City of Kenmore.



Historical Charts 2002 - 2021





NEXT ACTIONS

- 11/22/21 – Presenting for Adoption
  - Ordinance - 2022 Property Tax Levy
  - Ordinance - 2022 Excess Property Tax Levy

This Concludes Presentation,

- **THANK YOU!**

- **OPEN FOR PUBLIC COMMENTS AND QUESTIONS**

City Council Business Agenda Item
City of Kenmore, WA

Subject/Topic:
Mid-Biennial Amendments to the 2021-2022 Biennial Budget and Salary Plan for 2022

Proposed Council Action/Motion:
Review and discuss:

1. Mid Biennial Amendments to the 2021-2022 Biennial Budget
2. Salary Plan for 2022

For Council Meeting Agenda of: November 15, 2021

Department: Finance and Administration

Prepared by: Leticia Salcido, Finance and Administration Director

	Initial & Date
Approved by Department Head:	LS
Approved by City Attorney:	
Approved by Finance Director:	LS
Approved by City Manager:	RGK RGK

Exhibits/Attachments:
Exhibit 1 - Budget Amendments
Exhibit 2 - 2022 Salary Plan
Exhibit 3 - Projected Ending Fund Balance

INFORMATION/BACKGROUND:
On November 23, 2020, the City of Kenmore City Council adopted the 2021-2022 biennial budget. The budget includes revenue ($122,210,624) and expenditure ($132,209,358) projections for both years which support the City Council priorities, departmental work programs, various municipal obligations, as well as Federal and State mandates.

At this time a mid-biennial review of the biennial budget as prescribed by State law is complete. A financial presentation of year-to-date revenues and expenditures for the General Fund, Street Fund, Surface Water Fund, Real Estate Excise Tax Fund, Park Impact Fee Fund, Transportation Impact Fee Fund and other was made at the council meeting of September 13, 2021. Revenues continue to be on the same positive trend. As of October 31, 2021, sales tax revenue is higher by $664,000 from the amount received during the same period last year. Real Estate Excise tax revenue is $1.2 million higher than the amount received last year. Park Impact fee revenue as of October 31, 2021, totals $160,000 while the budgeted amount for the year is $88,000. Transportation Impact Fee revenue totals $428,000 while the budget for the year was $328,000. Surface Water Management Fund Revenue is $95,000 higher than the amount received same period last year. Expenditures are within the amount expected at this time of the year.

Per RCW 35A.34.130, cities that budget on a biennial basis must adopt an ordinance providing for a mid-biennial review and any modifications of the biennial budget. This must occur no sooner than eight months after the start of the biennium (September 1, 2021) and no later than the end of the first year of the biennium (December 31, 2021).

This will be the initial presentation of budget amendments. Following council's direction on the proposed amendments, a public hearing, and an ordinance to formally amend the budget will be presented for approval at the Council meeting of November 22, 2021.

As described on Exhibit 1, amendments to the following funds are being recommended:
General Fund, Strategic Opportunities Fund, Street Fund, Transportation Benefit District Fund, ARPA Fiscal Recovery fund, Transportation Capital Fund, REET Fund, Walkways & Waterway Bond Project Fund, Park Capital Fund, Park Impact Fund, Transportation Impact Fund, Public Works Shop Fund, Sammamish Bridge Replacement Fund, Surface Water Management Fund, Surface Water Management Capital Fund, and Swamp Creek Basin Fund.

General Fund-001

1) An amendment is included to the revenue account, interfund loan repayment, to increase it from the initial budgeted amount of $1.5 million to $2.3 million. The $2.3 million corresponds to the actual amount lent out to the Sammamish Bridge Fund.

2) An amendment to Sales & Use Tax revenue projections in 2021 to increase by $672,000 from $2,628,000 to $3,300,000. The year-to-date revenues as of 9/30/21 total $2,650,110 and have exceeded the 2021 budgeted amount of $2,628,000.
3) In the General Fund, recognition of a 2020 ending fund balance of $2.3 million (after a $2.3 million loan to the Sammamish Bridge fund which was paid back in 2021) creates the opportunity to transfer $1 million to the Strategic Opportunities Fund. The Strategic Opportunities Fund ended 2020 with a fund balance of $2.6 million; however a budgeted major capital investment is projected to reduce the fund balance to $960,000 creating a need to replenish it back to its target amount.
4) In 2021 budget for interfund loan from the General fund ($550,000) to the Public Works Shop Fund. This interfund loan is for the purchase of a property. The transaction is due to close in December 2021 with permanent financing on or about April 2022.
5) In 2022 budget for repayment of interfund loan from Public Works Shop fund in the amount of $550,000.

Strategic Opportunities Fund (SOF)-046

1) Amendment is included to reflect the transfer from the General Fund to replenish the SOF fund in the amount of $1 million.
2) In 2021 budget for interfund loan from the Strategic Opportunities fund ($1.5 million) to the Public Works Shop Fund. This interfund loan is for the purchase of a property. The transaction is due to close in December 2021 with permanent financing on or about April 2022.
3) In 2022 budget for repayment of interfund loan from Public Works Shop fund in the amount of $1.5 million.

Street fund-101

1) Amendment to increase revenue from transfer from Transportation Benefit District Fund in the amount of $350,000 in 2021 and $350,000 in 2022.

Transportation Benefit District Fund (TBD)-115

1) Amendment is included to budget for vehicle license fee revenue previously put on hold by initiative 976. On October 15, 2020, the State Supreme Court ruled I-976 unconstitutional. This budget amendment includes an allocation of $350,000 per year for 2021 and 2022.
2) Amendment to expenditure for transfer to the Street Fund in the amount of $350,000 per year for 2021 and 2022.

ARPA Fiscal Recovery Fund - 130

1) Amendment to budget revenue from receipt of ARPA relief funds in the amount of $3,223,740 per year for 2021 and 2022.
2) Amendment to budget for the following expenditures:
    a. Human services contributions in the amount of $1 million as approved by Council.
    b. Salaries & Benefits - $494,000 for the biennium 2021-2022.
    c. Office & operating supplies, small tools & minor equipment, legal notices postage, printing, consultant, telecommunications, training registration, computer hardware - $76,900

Transportation Capital fund - 300

1) Reduce revenue Transfer from REET by $996,913. This amount was budgeted in this fund but should be transferred to the Sammamish Bridge Fund (correctly accounted in that fund).
2) Reduce revenue Transfer from Transportation Impact Fee Fund by $45,000. This amount was budgeted in this fund but should be transferred to the Sammamish Bridge Fund.
3) Reduce revenue Transfer from Surface Water Management fund by $664,587. This amount was budgeted in this fund but should be transferred to the Sammamish Bridge Fund.

REET - 301

1) Increase revenue from Real Estate Excise tax for both the first and second quarter percent by $500,000 each per year. The revised total for the biennium will be $4 million. Reasons for the adjustment to revenue projections include the following:
    a. The original budget for the biennium is $2 million, and as of 9/30/21 (nine months into the 24-month budget period) the year-to-date revenues were $1.8 million.
    b. Previous year 2020 revenue was $3.2 million for the year.
    c. YTD revenues are $649,000 (58%) higher than same period last calendar year.
2) Increase revenue Transfer from Parks Capital Fund by $751,712 in 2021. This is to reimburse REET for transfers in 2019/2020 that exceeded related capital expenditures in the Parks Capital Fund.
3) Reduce expense Transfer to Transportation Capital fund by $996,913 and increase Transfer to Sammamish Bridge Fund by the same amount. This is done to reflect the budget transfer to the correct fund.

Park Capital Fund - 303

1) Budget for revenue originally budgeted in 2020 but received in 2021:
    a. Increase revenue NS School District Contribution by $250,000 in 2021.
    b. Increase revenue from State Department of Commerce Boathouse by $201,110 in 2021.
    c. Increase revenue from KC CFT-Squires Landing conversion by $804,587 in 2021.
2) Reduce revenue State RCO Grant Squires Landing by $235,288 in 2021 and in 2022 and increase State RCO Grant Log Boom Park by the same amount. This is done to reflect the revenues in the correct account.
3) Budget for transfer to Strategic Opportunities Fund (SOF) in the amount of $250,000 in 2021. The original budget included this transfer into the SOF but not out of the Park Capital Fund. This transfer will correct the omission.
4) Budget to reimburse for transfers made in 2019/2020 that were over the amount of related capital expenditures.
    a. Increase transfer to REET Fund by $751,712 in 2021
    b. Increase transfer to Park Impact Fee Fund by $300,505 in 2021
    c. Increase transfer to Swamp Creek Fund by $141,634 in 2021

Park Impact Fee Fund - 304

1) Increase revenue Park Impact Fees by $74,654 in 2021 from $88,346 to $163,000. This amendment is to reflect he better-than-expected actual year-to-date revenues.
    a. Year-to-date revenues as of 9/30/21 total $160,000.
2) Increase revenue to reflect reimbursement for transfer in 2019/2020 over the amount of related capital expenditures. Increase Transfer from Park Capital Fund by $300,505.

Transportation Impact Fee Fund - 305

1) Increase revenue from Transportation Impact Fees to reflect better than expected revenues.
    a. 2021 - $171,249 (from $328,751 to $500,000)
        i. Actual year-to-date revenues as of 9/30/21 totaled $416,886
    b. 2022 - $174,536 (from $325,464 to $500,000)
2) Increase transfer from Sammamish Bridge Fund by $231,202 in 2021 to reflect reimbursement for 2019/2020 transfer over related capital expenditures.
3) Increase transfer to Sammamish Bridge Fund by $45,000 in 2022.

Sammamish Bridge Replacement Fund – 306

1) Budget for revenue originally budgeted in 2020 but received in 2021:
    a. Connecting WA Funds – $2,218,000
    b. T37 TIB 68th Ave. NE Bridge - $1,899,000
2) Reduce transfer from REET fund in 2022 by $45,000 and increase transfer from Transportation Impact Fee Fund by the same amount. To reflect transfer in the proper account.
3) Budget for loan repayment to the General fund (2020 loan) in the amount of $2.3 million. The loan repayment was partially reflected in the General Fund budget but not in this Sammamish Bridge Fund.
4) Increase expenditure to reflect transfer out to Transportation Impact Fee Fund in the amount of $231,202 in 2021. To reimburse for the transfer that exceeded the related capital expenditures for the bridge project.

Public Works Shop Fund – 307

1) Increase the budget allocation for land acquisition from $3.5 million to $6 million
2) In 2021 budget for interfund loan in the amount of $2.6 million. The loan is from the General fund ($550,000), Strategic Opportunity Fund ($1.5 million) and Surface Water Management Fund ($550,000). This interfund loan is for the purchase of the property due to close in December 2021 with permanent financing on or about April 2022.
3) In 2022 budget for payment of interfund loan in the amount of $2.6 million.

Surface Water Management Fund – 401

1) Increase revenue projections, Storm Drainage Fees, to reflect better-than-projected revenue. 2020 revenues were $2.7 million.
    a. 2021 increase of $292,348 from $2,457,652 to $2,750,000
    b. 2022 increase by $304,042 from $2,555,958 to $2,860,000
2) In 2022 budget for loan repayment from Public Works Shop fund in the amount of $550,000.
3) Decrease expense account Transfer to Surface Water Management Capital Fund in 2022 by $664,587, from $3,140,054 to $2,475,467. This is to reflect the amount of transfer correctly reflected in SWM Capital Fund.
4) In 2021 budget for interfund loan from the Surface Water Management Fund ($550,000) to the Public Works Shop Fund. This interfund loan is for the purchase of a property. The transaction is due to close in December 2021 with permanent financing on or about April 2022.

Surface Water Management Capital Fund – 402

1) Decrease revenue Transfer from Surface Water Management Fund by $15,000 in 2022 from $2,490,467 to $2,475,467. This is to match the amount required by CIP for capital projects.
2) Adjust expense Transfer to Sammamish Bridge Fund to reflect correct amount and year of transfer.
    a. 2021 increase of $649,587
    b. 2022 decrease of $664,587
3) Increase expense Transfer to Transportation Capital fund in the amount of $15,000. To reflect the correct amount of transfer.

Swamp Creek Basin Fund – 403

1) Increase revenue to reflect transfer from Parks Capital fund in the amount of $141,634 in 2021 to reimburse for transfer over the amount of related capital expenditures in 2018-2020.
2) Increase expense Transfer to Parks Capital Fund by $150,151 in 2021. This is to match the budgeted transfer in the Parks Capital Fund.

Salary Plan Pay Ranges – Exhibit 2

Also included for council consideration is an update to the Salary Plan pay ranges. The Seattle-Tacoma-Bellevue CPI-W (Consumer Price Index for Urban Wage Earners and Clerical Workers) as of June 2021 was 6.3%. This is the index typically used by the city for wage adjustments. The pay ranges in the attached Salary Plan have been updated and increased by 6.3% which would allow for this same amount (6.3%) of wage adjustment for all employees on January 1, 2022. Several staff positions are at the top of their pay range and will not be eligible for a merit increase during 2022. The adopted budget provided for an adjustment to wages and benefits in 2022; 2.75% average increase for salaries, a 5% increase for medical, and a 3% increase for dental.

The budget for 2022 included a 2.75% increase in salaries and the additional adjustment to the budgeted amounts from the update to the salary plan would be as follows:

General Fund - $139,000
ARPA Fund - $7,000
Street Fund - $17,000
SWM - $20,600

The increase in salaries will be accounted in the final budget amendments in 2022.

FISCAL CONSIDERATION:

Details of proposed revenue and expenditure adjustments are included as part of exhibit 1 & 2.

COUNCIL GOAL/BUDGET OBJECTIVE BEING ADDRESSED: **- All City Council Priorities**

Per RCW 35A the budget is the legal authority to expend public funds and controls those expenditures by setting the amount of the appropriation at the fund level by ordinance.

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Signature: RGK
RGK (Nov 13, 2021 18:06 PST)

Email: rkarlinsey@kenmorewa.gov

AB Budget Amendments 2021-2022 Budget-11-15-21-revised_encrypted_

Final Audit Report 2021-11-14

Created:	2021-11-13
By:	Leticia Salcido (lsalcido@kenmorewa.gov)
Status:	Signed
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City of Kenmore Washington

2021-2022

Mid Biennium Budget Amendments

City Council Meeting November 15, 2021

Why Mid Biennium Review and Adjustment

Mid Biennium Review required for a biennial budget; amend due to changing economic conditions; changes in work programs and priorities

- Per RCW 35A.34.130

Adjust for previously approved Council actions and/or direction during the year

such as June 29, 2021, CIP Update

Ensure legally adopted expenditures for the various funds are not exceeded

Mid Biennial Review: General Fund Adjustments:

Reviewed revenues/exp.

- Most revenues stable,
- some exceeding budget expectations
- Departments spending close to budget

Recommended revenue Adjustments

- $672,000 increase in sales tax revenue projection
- $800,000 interfund loan repayment

Recommended expenditure adjustments

- $1 million – transfer to Strategic Opportunities fund

Net impact to General Fund

$472,000 – net increase

Other Fund Revenue Adjustments Revenues:

- $6.4 million – ARPA Fiscal Recovery Funds
- $2 million – REET Fund (real estate excise tax)
- $700,000 – TBD Fund (Vehicle license fees for street activities)
- $421,000 – Impact Fee (Park/Transportation)
- $5.4 million – Grants
  - (Park Capital fund $1.3m/Sammamish Bridge Fund $4.1m)
- $596,000 – SWM (storm drainage fees)
- $6.5m – transfers in, loan repayments, corrections

Other Fund Adjustments – Expenditures/transfers to other funds/loan repayments ($10.3m):

- $1m – Human Services Contribution (ARPA relief funds)
- $571k – ARPA Fund allocation (salaries/benefits/supplies/services/etc.)
- $2.5m – Land acquisition Public Works Shop fund (fm. $3.5m to $6m)
- $2.3m – loan repayment from Samm. Bridge fund to General Fund
- $2.6m - interfund loan to Public Works Shop Fund
- $1.3m – interfund transfers

UPDATE TO 2021 SALARY PLAN

- June CPI–W Seattle-Tacoma-Bellevue Index
  - (Consumer Price Index Urban Wage Earners & Clerical Workers)
  - Index typically used by City for wage adjustments
- Increased 6.3%
- Recommend 6.3% adjustment to salary ranges
  - Adjustment to wages as of January 1, 2022

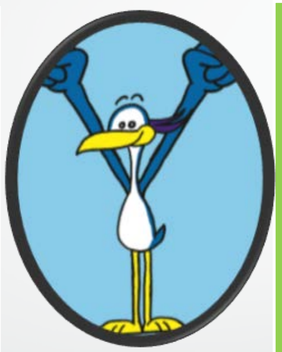
If amendments acceptable to City Council

- Public Hearing & Amendment Ordinance will be presented on November 22, 2021

If Salary Plan is acceptable to City Council

- Ordinance will include Amended Salary Plan for 2022 on Presentation November 22, 2021

Conclusion of Presentation



Comments and Questions

City Council Business Agenda Item
City of Kenmore, WA

Subject/Topic: Affordable Housing Update and Council Motion **Proposed Council Action/Motion:** **1)** Direct City Staff to Perform Further Analysis on Four Possible Affordable Housing Properties and Proceed with One or More Request for Proposals for Possible Plans on Those Parcels	For Council Meeting Agenda of: November 15, 2021 **Department**: City Manager **Prepared by**: Stephanie Lucash, Assistant City Manager/ARPA Administrator Initial & Date Approved by Department Head: SL, 10/29/21 Approved by City Attorney: DR, 11/2/21 Approved by Finance Director: LS, 10/29/21 Approved by City Manager: RGK, 11/3/2021 **Exhibits/Attachments**: Map of potential affordable housing properties

Affordable Housing Update and Council Motion

BACKGROUND

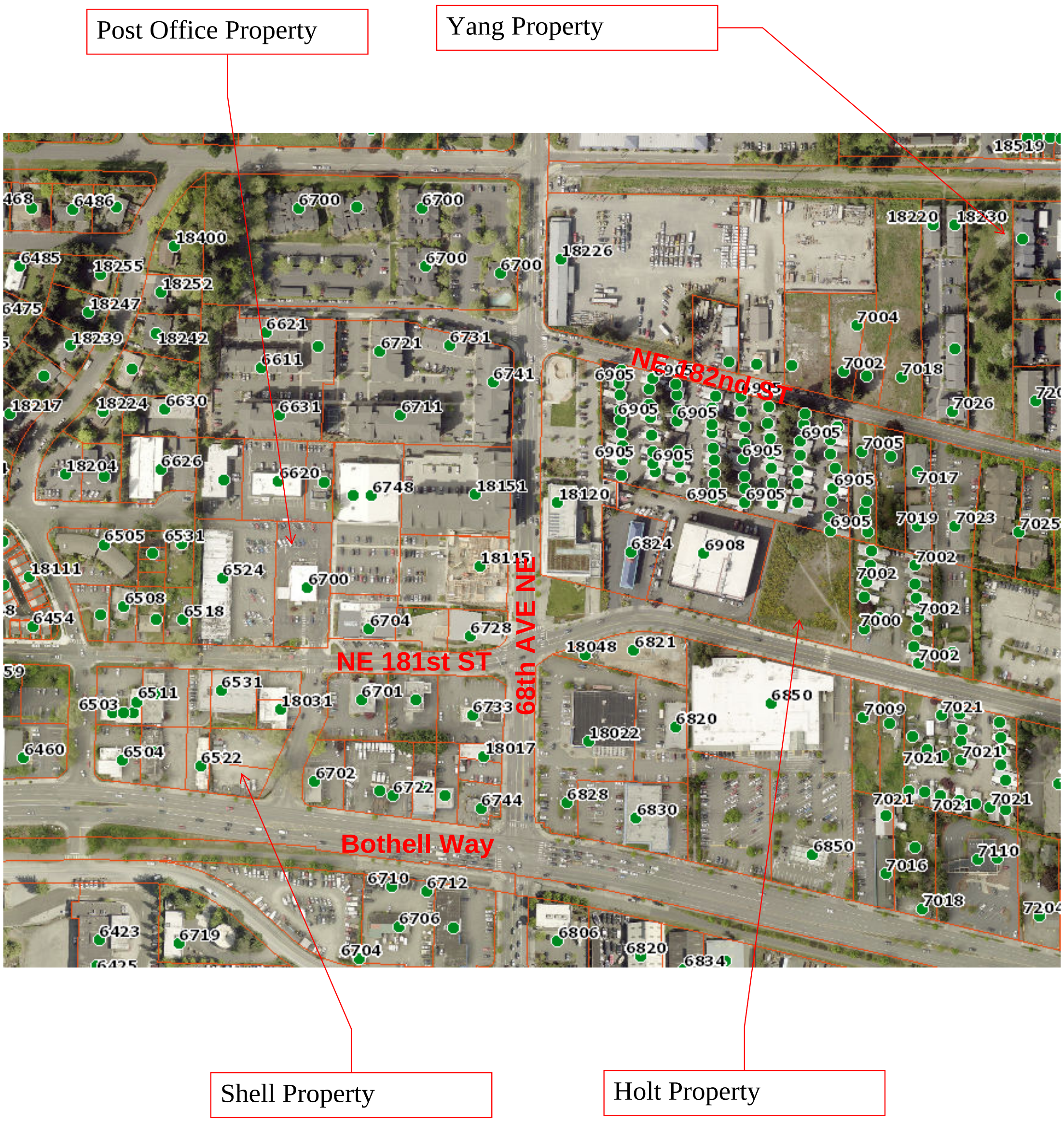
The Kenmore City Council's number one priority for 2021 is to *increase and preserve the options for affordable housing stock*. In support of this goal, an eight-member working group, consisting of six City employees and two employees from A Regional Coalition for Housing (ARCH), was formed; the group has been meeting for the last four months. The members of the working group are Stephanie Lucash, Bryan Hampson, Debbie Bent, Lauri Anderson, Nancy Ousley and John Vicente from the City and Lindsay Masters and Elsa Kings from ARCH. This group worked to identify possible affordable housing properties in Kenmore, create an affordable housing scoring rubric, score and rank a list of properties, and select a short list of properties for further analysis.

The working group presented an update to the City Council on October 25, 2021. This meeting is a follow up to that discussion to provide more information about the scoring and potential affordable housing properties being considered. The working group is seeking Council direction to move forward with further analysis on four selected properties and to proceed with one or more Request for Proposals to solicit proposals from affordable housing groups and developers for plans at each of the selected sites. The four properties on the short list are the Shell Property, the property currently housing the Kenmore branch of the U.S. Post Office, the Yang Property, and the Holt Property.

As discussed at the October 25, 2021 meeting, the City of Kenmore owns two of the properties on the working group's four parcel short list and city staff have requested appraisals on those properties: the Shell property and the property currently housing Kenmore's branch of the U.S. Post Office. We understand the U.S. Post Office is a valued community resource and we are committed to ensuring the post office stays in the City.

An American Rescue Plan Act (ARPA) community engagement effort to seek input from Kenmore residents will commence later this year, and we are planning to include an affordable housing project on the menu of options for public input. The analysis and RFP work proposed here will happen in tandem with the ARPA community engagement effort in December and into 2022, with the hope that we can come back to the City Council in the first quarter of 2022 with more details and a recommendation for moving forward with one or more affordable housing projects to submit in the September 2022 State and County affordable housing funding cycle.
FISCAL CONSIDERATION: As we consider ways to fund these projects, one possible source could be a portion of the City's ARPA allocation. Following tonight's Council direction on the candidate properties described herein, further analysis will produce project costs and sources of funding.
COUNCIL GOAL/BUDGET OBJECTIVE BEING ADDRESSED: **Goal #1: Affordable Housing.** This item supports the City Council's top priority: *Increase and preserve the options for affordable housing stock*.

Map of Potential Affordable Housing Properties



City Council Business Agenda Item
City of Kenmore, WA

Subject/Topic: Selecting Planning Commission Candidates for Interview **Proposed Council Action/Motion:** Motion identifying the selection of planning commission candidates for interview 11/30/21	**For Council Meeting Agenda of:** 11/15/21 **Department:** Community Development **Prepared by:** Debbie Bent, Community Development Director **Initial & Date** **Approved by Department Head:** DB 11/5/21 **Approved by City Attorney:** N/A **Approved by Finance Director:** N/A **Approved by City Manager:** RK 11/5/21 **Exhibits/Attachments:**

Council Action: At the 11/15/21 Council meeting, staff recommends that Council pass a motion identifying the selection of planning commission candidates for interview on 11/30/21. As 11/11/21 is the Veterans Day holiday, the City Clerk will provide councilmembers candidate application materials on 11/12/21.

Background: There are seven appointed Planning Commissioners. The 3-year terms of four Planning Commissioners end this December 31 (Suzanne Greathouse, Dennis Olson, Mark Ohrenschall, and Mike Vanderlinde). Mr. Vanderlinde has served on the Commission for 15 years. Mr. Ohrenschall has served on the Commission for 9 years. Mr. Olson has served on the Commission for 6 years. Ms. Greathouse has served on the Commission for 3 years. The 3-year terms of the three other Commissioners (Tracy Banaszynski, Nathan Loutsis, and Dwight Thompson) expire at the end of 2022.

Council direction 10/11/21 was to interview for vacant positions. The four Commissioners whose terms expire 12/31/21 would need to re-apply if interested in serving another term. The three back-up candidates interviewed in December 2020 selected as “alternates” (Mariel Torres Mehdipour, Carlos Gil, and Jon Culver) to be tapped in the event of unexpected vacancies (there have been no such vacancies) would also need to re-apply if interested in serving on the Commission.

The application period for Planning Commission applications closes 11/10/21. Interviews will be conducted 11/30/21. Council will appoint members either 11/30/21 or at a December meeting.

FISCAL CONSIDERATION:
None.

COUNCIL PRIORITY/BUDGET OBJECTIVE BEING ADDRESSED:
Municipal Code Chapter 2.30 creates the Planning Commission to provide guidance and recommendations to the City on policy matters relative to the amendment of the City’s Comprehensive Plan and related land use regulations.

City Council Business Agenda Item
City of Kenmore, WA

Subject/Topic: 2021 Salary Commission Proposed Council Action/Motion: No action required. Review the process schedule and background information.	For Council Meeting Agenda of: Nov. 15, 2021 Department: City Manager's Office Prepared by: Garrett Oppenheim Initial & Date Approved by Department Head: ________ Approved by City Attorney: ________ Approved by Finance Director: ________ Approved by City Manager: __RGK___ Exhibits/Attachments: Memo Re: Salary Commission Process

Background

Earlier this year, the City Council agreed to bring back a salary commission to update City Council compensation. The Kenmore City Council appointed its last salary commission at its regular council meeting in November 2015. This year's salary commission process schedule is outlined as follows:

1. Salary Commission update to Council on November 15.
2. Open a recruitment for salary commission candidates November 12-22.
3. Mayor reviews candidate applications the week of November 22.
4. At the special City Council meeting on Tuesday, November 30, the Mayor brings forward three names for the Council to confirm.
5. In the first half of December, the salary commission meets and makes a determination on adjustments (if any) to City Council compensation.
6. The salary commission's decision is filed with the City Clerk and is put on a consent agenda in December as a receive and file.
7. The new council salary change (if any) goes into effect on January 1, 2022.

More information on the salary commission process, including background on the process in 2015, is contained in the attached memorandum.

City of Kenmore, Washington

Memorandum

Date: October 7, 2021
To: Rob Karlinsey, City Manager
From: Garrett Oppenheim, Policy Analysis Intern
Regarding: Salary Commission Process

I. Legal Background

In the state of Washington, state law provides for salary commissions as one method to set the salaries of mayors and city councilmembers. RCW 35.21.015 governs the process and is codified into Kenmore's municipal code at KMC 2.40.

A. Appointment

RCW 35.21.015(2)(a) states that the members of a salary commission are to be appointed by the mayor with approval of the city council. KMC 2.40.010 sets the size of the commission at three members and incorporates the state statute, giving the mayor the power to appoint and city council the authority to approve.

B. Membership Qualifications

No one may be appointed to more than two terms as a member of a salary commission (RCW 35.21.015(2)(b); KMC 2.40.020(C)). Commissioners may only be removed from their position for cause of incapacity, incompetence, neglect of duty, or malfeasance in office (RCW 35.21.015(2)(c); KMC 2.40.050). Salary commission members may not be immediate family members, meaning parents, spouses, siblings, children, or dependent relatives, whether or not living in the same household, of city officers, officials, or employees (RCW 35.21.015(2)(d); KMC 2.40.020(D)).

C. Term and Compensation

A commission member's term of office begins upon city council's confirmation of their appointment and terminates upon the commission's filing of a statement of salaries with the city clerk (KMC 2.40.020(A)). Commission members receive no compensation (KMC 2.40.020(A)).

D. Duties

The duties of the salary commission are outlined in KMC 2.40.030(A). A. Every five years a salary commission reviews the salaries of the mayor and council members and determines what they should be paid for the following five years. The commission has 45 days from the time city council confirms its members to perform its duties.

KMC 2.40.030(B) requires that all of the commission's meetings must be open to the public, held in the same location as city council meetings, and be conducted according to Robert's Rules of Order, Newly Revised 10th Edition. Additionally, citizens must be given the opportunity to comment on the salaries before a final vote occurs.

E. Effect of Commission Determination

RCW 35.21.015(3) states that the decision of the salary commission requires no further action by the city council to be implemented; once it is filed by the commission with the city clerk it becomes effective and incorporated into the city budget. RCW 35.21.015(4) makes salary increases effective to all elected officials and RCW 35.21.015(5) makes salary decreases effective only at the commencement of the next term of office. Kenmore incorporates these provisions at KMC 2.40.030(C), directing the salary commission to file a statement with the city clerk and making new salaries effective upon the next employee payday if the determination of the commission is to provide for an increase in salary, or at the start of the next term of office if the salary change is to be a decrease.

II. 2015 Nominating Process

Kenmore's City Council appointed its last salary commission at its regular council meeting on November 16, 2015. This action appears on the agenda for that meeting as Item C. under VIII. Business Agenda and it began about 54 minutes into the meeting.[1]

Mayor Baker stated that an email had gone out to the council members about his power to appoint salary commission members and that if the council members did not like his choices, they were under no obligation to approve them. He announced the names of the three people he had selected to serve - Todd Baker, Char Crawford, Glenn Rogers – and asked for approval if there were no objections.

The mayor entertained a motion to approve appointing all three nominees to the salary commission and a council member immediately moved and another immediately seconded.

Mayor Baker then said "to be clear, they have full authority to do whatever they want to do – that's state law. There is no interference from us at all. If they want to give us zero, they give us zero, and we abide by their decision."

The deputy mayor asked him, "Have these individuals been contacted and are they willing to serve?" and Mayor Baker confirmed that they are all willing to serve.

The motion was then on the table for the three to be appointed until a decision is reached and commission dissolved. The clerk took the roll and the motion passed unanimously, seven to zero. Mayor Baker said that he will notify them and confirmed with City Manager Rob Karlinsey that salary information had been gathered from AWC regarding salaries of elected officials in comparable cities and that it would be made available to the salary commission.

The entire agenda item was completed within three and a half minutes.

III. 2015 Salary Commission Meetings

The 2015 salary commission met two times, first on Friday December 11, 2015 and then again on Thursday December 17, 2015. Both meetings occurred at 10:00 in the morning.

[1] A recording of the November 16, 2015 Kenmore City Council meeting is saved on Youtube at the following URL: https://youtu.be/M3Iah9KDLJU.

There is no surviving video archived of the first meeting but the minutes state that no citizens were present and that there were three items of commission business. First, Todd Baker was appointed Chairman of the Commission. Next, a review and discussion of city council compensation occurred, recorded as “After a review of salaries paid to mayors and council members in nearby municipalities, as well as comparisons to cities of similar population size in Washington State, and acknowledgement that no changes to current Councilmember salaries have been made since January 1, 2010, the Salary Committee (sic) unanimously made the following recommendation.” The recommendation, titled “Action” in the minutes, was the final item under Commission Business, and set the councilmembers’ salary at $800 per month and the mayor’s at $900 per month as of January 1, 2016, with a 2% annual increase. The motion was presented by commissioner Char Crawford, attending via telephone, seconded by Glenn Rogers, and passed unanimously.

The meeting adjourned at 10:15, fifteen minutes after its commencement.

There is video of the second salary commission meeting that occurred on December 17, 2015.[2] The second meeting had one citizen in attendance who made a public comment questioning the timing of the meeting, at ten A.M. on a weekday with only 24 hours’ notice to the public, as well as the lack of citizen participation in the process. It should be noted that RCW 35.21.015(6-7) speaks to salary increases and decreases being subject to referendum petitions within thirty days of the commission filings its determination, so in the case that a city is unhappy with the salary commission’s decision, it can be overturned in the next general or municipal election that occurs thirty or more days after the filing. In the case of a valid referendum petition, the salary change does not take effect until the people have voted to approve it.

The business of the second meeting was a revision of the previous meeting’s salary determination. The commission unanimously revised the previous recommendation to include a five-year limit to the 2% annual salary increase.

The meeting adjourned after about eight minutes.

[2] The archived video of the second meeting can be seen at https://youtu.be/J7pY09IWNd8.