City of Kenmore

City of Kenmore - 18120 68th Avenue NE - Kenmore, WA 98028
Phone: 425-398-8900 - Fax: 425-481-3236 - E-mail: cityhall@kenmorewa.gov

City of Kenmore
City Council Special Meeting Agenda
6:00 p.m., Monday, August 13, 2018
Kenmore City Hall, Council Chambers
18120 68th Ave. NE, Kenmore, WA 98028

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

I. 6:00 p.m. CALL MEETING TO ORDER

II. ROLL CALL

III. FLAG SALUTE

IV. CITIZEN COMMENTS

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

V. CONSENT AGENDA

A. Total Check #s 40267 Through 40386 in the Amount of $548,082.45. Total Payroll/Taxes/Flexible Spending & Health Savings Account Electronic Deposits Dated: 7/20/18 in the Amount of $100,785.17. Payroll Check #10098-10103 in the Amount of $3,602.81.
Checks

B. Authorize the City Manager to Execute the Amendment #2 to Contract 15-C1483 with PACE Engineers, Inc. for on-call surface water and engineering services, to increase the current budget from $720,000 to $1,053,500
Agenda Item

C. Authorize the City Manager to Execute the Amendment to Contract 18-C1852 with Huizenga Enterprises, LLC for the 2018 Crack Sealing Project
Agenda Item

VI. BUSINESS AGENDA

A. Lakepointe Update:
- Introduction - Rob Karlinsey, City Manager
- Lakepointe Feasibility & Benefits Study Report - HR&A Advisors

- Comments from Dean Weidner, President of Weidner Apartment Homes
- Public Comments
- City Council Discussion and Next Steps

Agenda Item

B. Public Works Operations In-House Transition - Rob Karlinsey, City Manager; Jennifer Gordon, Public Works Operations Manager; Richard Sawyer, Surface Water Manager and Ben Yazici, Muni Manage LLC
Public Works

VII. STAFF REPORT

VIII. COUNCILMEMBER REPORTS & COMMENTS

IX. ADJOURNMENT

Upcoming Meetings:

A. Monday, September 10, 2018 - Regular Council Meeting

Voucher Certification and Approval

City of Kenmore
DATE RANGE:
07/14/2018 - 07/27/2018

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

Total Check #s 40267 through 40386: $548,082.45

Total Payroll/Taxes/Flexible Spending & Health Savings Acct. Electronic Deposits Dated: 07/20/2018: $ 100,785.17

Payroll Check #s 10098-10103 totaling: $3,602.81

J Gregory for Rob Karlinsey 7/27/18
City Manager / Date

Joanne M Gregory 7/27/18
Finance Director / Date

Vendor Name	Check #	Date	Description	Amount
AFLAC	40267	07/20/2018	Employee Medical/Disability Plans	172.38
AFLAC	40267	07/20/2018	Employee Medical/Disability Plans	154.72
AMERICAN GENERAL LIFE GPO-400S	40268	07/20/2018	Life Insurance	203.27
AMERICAN GENERAL LIFE GPO-400S	40268	07/20/2018	Life Insurance	67.37
AMERICAN GENERAL LIFE GPO-400S	40268	07/20/2018	Life Insurance	37.63
AWC EMPLOYEE BENEFITS	40269	07/20/2018	Employee Health Insurance	13.24
AWC EMPLOYEE BENEFITS	40269	07/20/2018	Employee Health Ins Contributions	858.64
AWC EMPLOYEE BENEFITS	40269	07/20/2018	Employee Health Ins Contributions	108.74
AWC EMPLOYEE BENEFITS	40269	07/20/2018	Employee Health Ins Contributions	77.10
AWC EMPLOYEE BENEFITS	40269	07/20/2018	Employee Health Insurance	40.79
AWC EMPLOYEE BENEFITS	40269	07/20/2018	Employee Health Insurance	4.63
AWC EMPLOYEE BENEFITS	40269	07/20/2018	Employee Health Insurance	4.93
AWC EMPLOYEE BENEFITS	40269	07/20/2018	Employee Health Insurance	1.99
AWC EMPLOYEE BENEFITS	40269	07/20/2018	Employee Health Insurance	13.24
AWC EMPLOYEE BENEFITS	40269	07/20/2018	Employee Health Insurance	3,217.87
AWC EMPLOYEE BENEFITS	40269	07/20/2018	Employee Health Insurance	436.96
AWC EMPLOYEE BENEFITS	40269	07/20/2018	Employee Health Insurance	374.29
AWC EMPLOYEE BENEFITS	40269	07/20/2018	Employee Health Ins Contributions	786.05
AWC EMPLOYEE BENEFITS	40269	07/20/2018	Employee Health Ins Contributions	108.72
AWC EMPLOYEE BENEFITS	40269	07/20/2018	Employee Health Ins Contributions	77.15
AWC EMPLOYEE BENEFITS	40269	07/20/2018	Employee Health Insurance	3,247.39
AWC EMPLOYEE BENEFITS	40269	07/20/2018	Employee Health Insurance	28,031.26
AWC EMPLOYEE BENEFITS	40269	07/20/2018	Employee Health Insurance	3,683.55
AWC EMPLOYEE BENEFITS	40269	07/20/2018	Employee Health Insurance	3,256.92
AWC EMPLOYEE BENEFITS	40269	07/20/2018	Employee Health Insurance	39.39
AWC EMPLOYEE BENEFITS	40269	07/20/2018	Employee Health Insurance	4.63
AWC EMPLOYEE BENEFITS	40269	07/20/2018	Employee Health Insurance	4.93
AWC EMPLOYEE BENEFITS	40269	07/20/2018	Employee Health Insurance	1.99
AWC EMPLOYEE BENEFITS	40269	07/20/2018	Employee Health Insurance	(0.07)
AWC EMPLOYEE BENEFITS	40269	07/20/2018	Employee Health Insurance	417.11
AWC EMPLOYEE BENEFITS	40269	07/20/2018	Employee Health Insurance	54.13
AWC EMPLOYEE BENEFITS	40269	07/20/2018	Employee Health Insurance	50.14
DEPARTMENT OF LABOR AND INDUSTRIES	40271	07/20/2018	City of Kenmore	195.22
DEPARTMENT OF LABOR AND INDUSTRIES	40271	07/20/2018	City of Kenmore	36.42
DEPARTMENT OF LABOR AND INDUSTRIES	40271	07/20/2018	City of Kenmore	33.77
DEPARTMENT OF LABOR AND INDUSTRIES	40271	07/20/2018	City of Kenmore	752.39

DEPARTMENT OF LABOR AND INDUSTRIES	40271	07/20/2018	City of Kenmore	140.35
DEPARTMENT OF LABOR AND INDUSTRIES	40271	07/20/2018	City of Kenmore	130.12
DEPARTMENT OF LABOR AND INDUSTRIES	40271	07/20/2018	City of Kenmore	106.96
DEPARTMENT OF LABOR AND INDUSTRIES	40271	07/20/2018	City of Kenmore	0.92
DEPARTMENT OF LABOR AND INDUSTRIES	40271	07/20/2018	City of Kenmore	0.37
DEPARTMENT OF LABOR AND INDUSTRIES	40271	07/20/2018	City of Kenmore	194.94
DEPARTMENT OF LABOR AND INDUSTRIES	40271	07/20/2018	City of Kenmore	1.71
DEPARTMENT OF LABOR AND INDUSTRIES	40271	07/20/2018	City of Kenmore	0.61
DEPARTMENT OF LABOR AND INDUSTRIES	40271	07/20/2018	City of Kenmore	179.86
DEPARTMENT OF LABOR AND INDUSTRIES	40271	07/20/2018	City of Kenmore	33.93
DEPARTMENT OF LABOR AND INDUSTRIES	40271	07/20/2018	City of Kenmore	66.29
DEPARTMENT OF LABOR AND INDUSTRIES	40271	07/20/2018	City of Kenmore	693.10
DEPARTMENT OF LABOR AND INDUSTRIES	40271	07/20/2018	City of Kenmore	130.77
DEPARTMENT OF LABOR AND INDUSTRIES	40271	07/20/2018	City of Kenmore	255.43
DEPARTMENT OF LABOR AND INDUSTRIES	40271	07/20/2018	City of Kenmore	85.80
DEPARTMENT OF LABOR AND INDUSTRIES	40271	07/20/2018	City of Kenmore	2.09
DEPARTMENT OF LABOR AND INDUSTRIES	40271	07/20/2018	City of Kenmore	0.78
DEPARTMENT OF LABOR AND INDUSTRIES	40271	07/20/2018	City of Kenmore	156.35
DEPARTMENT OF LABOR AND INDUSTRIES	40271	07/20/2018	City of Kenmore	3.81
DEPARTMENT OF LABOR AND INDUSTRIES	40271	07/20/2018	City of Kenmore	1.43
DEPARTMENT OF RETIREMENT SYSTEMS	40273	07/20/2018	Public Employees Retirement	2,001.75
DEPARTMENT OF RETIREMENT SYSTEMS	40273	07/20/2018	Public Employees Retirement	15,248.41
DEPARTMENT OF RETIREMENT SYSTEMS	40273	07/20/2018	Public Employees Retirement	1,662.61
DEPARTMENT OF RETIREMENT SYSTEMS	40273	07/20/2018	Public Employees Retirement	1,436.47
DEPARTMENT OF RETIREMENT SYSTEMS	40273	07/20/2018	Public Employees Retirement	374.48
DEPARTMENT OF RETIREMENT SYSTEMS	40273	07/20/2018	Public Employees Retirement	135.36
DEPARTMENT OF RETIREMENT SYSTEMS	40273	07/20/2018	Public Employees Retirement	828.77
DEPARTMENT OF RETIREMENT SYSTEMS	40273	07/20/2018	Public Employees Retirement	1,220.49
DRS 457	40274	07/20/2018	DRS 457 Deferred Comp	755.00
ICMA RETIREMENT TRUST 457 - 304745	40275	07/20/2018	ICMA 457 Deferred Comp	3,428.80
ICMA RETIREMENT TRUST 457 - 304745	40275	07/20/2018	ICMA 457 Deferred Comp	692.08
LINCOLN NATIONAL LIFE INSURANCE	40276	07/20/2018	Life Ins/ADD & LTD	333.08
LINCOLN NATIONAL LIFE INSURANCE	40276	07/20/2018	Life Ins/ADD & LTD	32.46
LINCOLN NATIONAL LIFE INSURANCE	40276	07/20/2018	Life Ins/ADD & LTD	36.47
LINCOLN NATIONAL LIFE INSURANCE	40276	07/20/2018	Life Ins/ADD & LTD	(0.02)
LINCOLN NATIONAL LIFE INSURANCE	40276	07/20/2018	Life Ins/ADD & LTD	(0.01)
LINCOLN NATIONAL LIFE INSURANCE	40276	07/20/2018	Life Ins/ADD & LTD	509.58
LINCOLN NATIONAL LIFE INSURANCE	40276	07/20/2018	Life Ins/ADD & LTD	47.18
LINCOLN NATIONAL LIFE INSURANCE	40276	07/20/2018	Life Ins/ADD & LTD	52.81
NATIONAL LIFE OF VERMONT	40277	07/20/2018	Life Insurance	123.17
NATIONWIDE FINANCIAL 401a	40278	07/20/2018	City of Kenmore 401a Loan	240.68
NATIONWIDE FINANCIAL 401a	40278	07/20/2018	City of Kenmore 401a Loan	219.19
NATIONWIDE FINANCIAL 401a	40278	07/20/2018	City of Kenmore 401a	10,727.36
NATIONWIDE FINANCIAL 401a	40278	07/20/2018	City of Kenmore 401a	945.80
NATIONWIDE FINANCIAL 401a	40278	07/20/2018	City of Kenmore 401a	1,057.60
NATIONWIDE RETIREMENT SOLUTIONS 457	40279	07/20/2018	Nationwide 457 Deferred Comp	250.00
NATIONWIDE RETIREMENT SOLUTIONS 457	40279	07/20/2018	Nationwide 457 Deferred Comp	75.00
STATE OF FLORIDA DISBURSEMENT UNIT	40280	07/20/2018	Employee Deduction	275.00
UNITED WAY OF KING COUNTY	40281	07/20/2018	Employee Charitable Contribution	74.61
UNITED WAY OF KING COUNTY	40281	07/20/2018	Employee Charitable Contribution	74.61
WESTERN CENTURIES	40282	07/20/2018	18-C1880 7/12 Summer Concert Performer	1,250.00
DEPARTMENT OF LABOR AND INDUSTRIES	40283	07/24/2018	Payment for 153.5 Volunteer Hrs.	7.74
PUGET SOUND PLANTS	40284	07/24/2018	Bal Due for Plants - SR522/Pd Wrong Amt 7/13	7,098.85
A+ CONFERENCING	40285	07/27/2018	7/11 PSE Conference Call	53.11
A-1 LANDSCAPING & CONSTRUCTION, INC	40286	07/27/2018	17-C1650	43,298.71
AGORA NW LLC	40287	07/27/2018	Incubator Bldg. Water Filter Servicing	112.64

AM TEST, INC		40288	07/27/2018	May Swamp Creek Water Sample Testing	225.00
AM TEST, INC		40288	07/27/2018	June Swamp Creek Water Sample Testing	175.00
AMERICAN SOCIETY OF COMPOSERS		40289	07/27/2018	Licensing Fee for Concerts/Music	352.38
AMY'S ARTISTIC EXPRESSIONS		40290	07/27/2018	8/8 Movie at the Square/Face Painting	200.00
ASPECT CONSULTING LLC		40291	07/27/2018	1/1-5/25/18 Streams Monitoring	282.10
BANNER BANK	BAKER	40292	07/27/2018	Lodging/Parking	60.00
BANNER BANK	BAKER	40292	07/27/2018	Lodging/Parking	399.11
BANNER BANK	JGORDON	40293	07/27/2018	Gloves/Fertilizer/Acoustic Panels	128.05
BANNER BANK	JGORDON	40293	07/27/2018	Gloves/Fertilizer/Acoustic Panels	15.30
BANNER BANK	JGORDON	40293	07/27/2018	Gloves/Fertilizer/Acoustic Panels	159.37
BANNER BANK	JGORDON	40293	07/27/2018	Gloves/Fertilizer/Acoustic Panels	244.59
BANNER BANK	JGORDON	40293	07/27/2018	Gloves/Fertilizer/Acoustic Panels	43.90
BANNER BANK	KENMORE	40294	07/27/2018	Supplies/Tools/Rental Car/Nat'l Night Out	8.60
BANNER BANK	KENMORE	40294	07/27/2018	Supplies/Tools/Rental Car/Nat'l Night Out	6.45
BANNER BANK	KENMORE	40294	07/27/2018	Supplies/Tools/Rental Car/Nat'l Night Out	45.13
BANNER BANK	KENMORE	40294	07/27/2018	Supplies/Tools/Rental Car/Nat'l Night Out	19.35
BANNER BANK	KENMORE	40294	07/27/2018	Supplies/Tools/Rental Car/Nat'l Night Out	39.00
BANNER BANK	KENMORE	40294	07/27/2018	Supplies/Tools/Rental Car/Nat'l Night Out	1,039.37
BANNER BANK	KENMORE	40294	07/27/2018	Supplies/Tools/Rental Car/Nat'l Night Out	30.09
BANNER BANK	KENMORE	40294	07/27/2018	Supplies/Tools/Rental Car/Nat'l Night Out	25.00
BANNER BANK	KENMORE	40294	07/27/2018	Supplies/Tools/Rental Car/Nat'l Night Out	17.20
BANNER BANK	KENMORE	40294	07/27/2018	Supplies/Tools/Rental Car/Nat'l Night Out	75.07
BANNER BANK	KENMORE	40294	07/27/2018	Supplies/Tools/Rental Car/Nat'l Night Out	67.84
BANNER BANK	KENMORE	40294	07/27/2018	Supplies/Tools/Rental Car/Nat'l Night Out	876.06
BANNER BANK	KENMORE	40294	07/27/2018	Supplies/Tools/Rental Car/Nat'l Night Out	93.50
BANNER BANK	KENMORE	40294	07/27/2018	Supplies/Tools/Rental Car/Nat'l Night Out	133.17
BANNER BANK	KENMORE	40294	07/27/2018	Supplies/Tools/Rental Car/Nat'l Night Out	304.65
BANNER BANK	KENMORE	40294	07/27/2018	Supplies/Tools/Rental Car/Nat'l Night Out	540.35
BANNER BANK	KENMORE	40294	07/27/2018	Supplies/Tools/Rental Car/Nat'l Night Out	17.19
BANNER BANK	KENMORE	40294	07/27/2018	Supplies/Tools/Rental Car/Nat'l Night Out	12.90
BANNER BANK	KENMORE	40295	07/27/2018	Void	-
BANNER BANK	KENMORE	40296	07/27/2018	Supplies/Meals/Water& Sewer Availability	103.67
BANNER BANK	KENMORE	40296	07/27/2018	Supplies/Meals/Water& Sewer Availability	5.96
BANNER BANK	KENMORE	40296	07/27/2018	Supplies/Meals/Water& Sewer Availability	61.80
BANNER BANK	KENMORE	40296	07/27/2018	Supplies/Meals/Water& Sewer Availability	447.46
BANNER BANK	KENMORE	40296	07/27/2018	Supplies/Meals/Water& Sewer Availability	17.59
BANNER BANK	KENMORE	40296	07/27/2018	Supplies/Meals/Water& Sewer Availability	160.00
BANNER BANK	NO	40297	07/27/2018	KBI Expenses/Registration/Parking	126.38
BANNER BANK	NO	40297	07/27/2018	KBI Expenses/Registration/Parking	79.20
BANNER BANK	NO	40297	07/27/2018	KBI Expenses/Registration/Parking	233.89
BANNER BANK	RK	40298	07/27/2018	Meals/Registration/Parking	53.30
BANNER BANK	RK	40298	07/27/2018	Meals/Registration/Parking	1,032.00
BANNER BANK	SKROGH	40299	07/27/2018	Social Medial/Surveys/Signs/4th of July	54.20
BANNER BANK	SKROGH	40299	07/27/2018	Social Medial/Surveys/Signs/4th of July	59.28
BANNER BANK	SKROGH	40299	07/27/2018	Social Medial/Surveys/Signs/4th of July	185.00
BANNER BANK	SKROGH	40299	07/27/2018	Social Medial/Surveys/Signs/4th of July	699.89
BANNER BANK	SKROGH	40299	07/27/2018	Social Medial/Surveys/Signs/4th of July	6.60
BANNER BANK	SKROGH	40299	07/27/2018	Social Medial/Surveys/Signs/4th of July	117.60
BANNER BANK	SKROGH	40299	07/27/2018	Social Medial/Surveys/Signs/4th of July	632.50
BANNER BANK	SKROGH	40299	07/27/2018	Social Medial/Surveys/Signs/4th of July	34.24
BANNER BANK	SKROGH	40299	07/27/2018	Social Medial/Surveys/Signs/4th of July	136.54
BANNER BANK	SKROGH	40299	07/27/2018	Social Medial/Surveys/Signs/4th of July	69.90
BOTHELL KENMORE CHAMBER OF COMM.		40300	07/27/2018	Membership Dues	600.00
CADMAN MATERIALS, INC.		40301	07/27/2018	Asphalt for Raising Catch Basin	83.89
CITY OF BELLEVUE		40302	07/27/2018	2nd Qtr Pooled Human Svcs Program	17,775.00

CITY OF BELLEVUE	40303	07/27/2018	2nd Qtr My Building Permit Surcharge	4,198.25
CITY OF LAKE FOREST PARK	40304	07/27/2018	June Public Works Svcs/Equipment	18,387.00
CITY OF LAKE FOREST PARK	40304	07/27/2018	June Public Works Svcs/Equipment	19,122.48
CITY OF LAKE FOREST PARK	40304	07/27/2018	June Public Works Svcs/Equipment	587.18
CITY OF LAKE FOREST PARK	40304	07/27/2018	June Public Works Svcs/Equipment	36,038.52
CITY WIDE FENCE COMPANY, INC	40305	07/27/2018	Fence Repairs @ Retention Pond Facilities	2,552.00
COMCAST BUSINESS	40306	07/27/2018	7/14-8/13 City Hall Cable/Internet	152.13
COMCAST BUSINESS	40307	07/27/2018	7/19-8/18 Hangar Bldg. Cable	94.15
COMMUNITY ATTRIBUTES INC.	40308	07/27/2018	Economic Development Svcs.	7,588.62
COUSINEAU, NICK	40309	07/27/2018	Work Boot Reimbursement	131.63
CRAWFORD, KRISTIN	40310	07/27/2018	Work Boot Reimbursement	121.21
DEVRIES, DENIS	40311	07/27/2018	July Police Volunteer Mileage Reimbursement	40.33
DFR LAW GROUP, LLC	40312	07/27/2018	18-C1845 6/16-7/15 Conflict Defender Svcs.	300.00
DIGITAL REPROGRAPHICS SERVICES INC.	40313	07/27/2018	Land Use Posters	26.07
DITCH MAINTENANCE SERVICES	40314	07/27/2018	Ditch Maintenance/Cleaning 7/5-7/11/18	18,743.70
EMERSON, DEVIN	40315	07/27/2018	Work Boot Reimbursement	76.99
FIRE PROTECTION, INC	40316	07/27/2018	Front Desk Panic Button Repair Diagnosis	452.50
FRUHLING SAND & TOPSOIL	40317	07/27/2018	Ditch Cleaning Sod/Grass/Leaves Dump Fees	2,337.50
GRAINGER	40318	07/27/2018	Marking Paint	12.46
GRAPPONE, RAYMOND	40319	07/27/2018	August 9th Concert Performance	1,750.00
GREEN SOLUTIONS HEATING & COOLING	40320	07/27/2018	Cancelled Permit Refund Rec. #877195 MBP	243.00
GREEN SOLUTIONS HEATING & COOLING	40320	07/27/2018	Cancelled Permit Refund Rec. #877195 MBP	12.15
GRETTE ASSOCIATES LLC	40321	07/27/2018	Wetland Delineation/Potential Squire's PW Shop	2,177.64
HANSEN, COREY	40322	07/27/2018	July Incubator Consulting Svcs	4,180.00
HONEY BUCKET	40323	07/27/2018	July 4th Rentals	511.00
HONEY BUCKET	40324	07/27/2018	7/12 Concert Rentals	1,159.00
HOOPSMILES	40325	07/27/2018	Hula Hoop Performance on August 8th	237.00
HORIZON DISTRIBUTORS INC	40326	07/27/2018	Irrigation Parts for Moorlands Park	195.92
INNOVAC	40327	07/27/2018	6/11 Vactor Services	1,285.63
INSLEE, BEST, DOEZIE & RYDER, P.S.	40328	07/27/2018	May Legal Services	3,100.00
INSLEE, BEST, DOEZIE & RYDER, P.S.	40328	07/27/2018	May Legal Svcs - Executive	2,905.50
INSLEE, BEST, DOEZIE & RYDER, P.S.	40328	07/27/2018	May Legal Svcs - Public Works	1,729.61
INSLEE, BEST, DOEZIE & RYDER, P.S.	40328	07/27/2018	May Legal Svcs - Public Works	2,592.00
INSLEE, BEST, DOEZIE & RYDER, P.S.	40328	07/27/2018	May Legal Svcs - Community Development	1,787.50
INSLEE, BEST, DOEZIE & RYDER, P.S.	40328	07/27/2018	May Legal Svcs - Records Requests	46.00
INSLEE, BEST, DOEZIE & RYDER, P.S.	40328	07/27/2018	May Legal Svcs - LakePointe	69.00
INSLEE, BEST, DOEZIE & RYDER, P.S.	40328	07/27/2018	May Legal Svcs - Development Services	1,832.00
INSLEE, BEST, DOEZIE & RYDER, P.S.	40328	07/27/2018	May Legal Svcs - St. Edward Seminary	87.50
INSLEE, BEST, DOEZIE & RYDER, P.S.	40328	07/27/2018	May Legal Svcs - Town Green	312.00
INSLEE, BEST, DOEZIE & RYDER, P.S.	40328	07/27/2018	May Legal Svcs - D. Thompson IV	3,448.73
JAYMARC - AV	40329	07/27/2018	Hangar Bldg. Digital Signage	2,494.87
JET CITY PRINTING	40330	07/27/2018	Summer Concert/Party/Movie Fliers	490.60

KATO, CATHERINE	40331	07/27/2018	Work Boot Reimbursement	142.60
KENMORE COMMERCIAL LLC	40332	07/27/2018	August Incubator Bldg. Lease Payment	3,291.66
KING COUNTY FINANCE W.L.R.D.	40333	07/27/2018	Jan. - June 2018 SWM Fee Administration	14,757.75
KING COUNTY FINANCE W.L.R.D.	40334	07/27/2018	1st Trimester 2018 WRIA 8	7,526.00
KPFF CONSULTING ENGINEERS	40335	07/27/2018	15-C1484 June Prof. 68th Ave Ped/Bike Proj.	48,986.06
LANDEZA, PATRICK	40336	07/27/2018	August 2nd Concert Performance	2,200.00
LANGUAGE LINE SERVICES, INC.	40337	07/27/2018	Reception Desk Translation Svc.	4.24
MCNAMARA SIGNS	40338	07/27/2018	Movie Night Signage	220.20
MILLER STEPHENS, MARY	40339	07/27/2018	June Public Defense Svcs @ SCORE Jail	1,250.00
MSPT VI, LLC	40340	07/27/2018	Refund Cash Dep. PRJ2015-17/ENG2015-0384	7,500.00
NORTH COAST ELECTRIC COMPANY	40341	07/27/2018	City Hall Light Bulbs	198.44
NORTHSHORE SENIOR CENTER	40342	07/27/2018	2nd Qtr Human Svcs	6,250.00
NORTHSHORE UTILITY DIST	40343	07/27/2018	5/15-7/15 SR522/68th ROW Irrigation	428.50
NORTHSHORE UTILITY DIST	40344	07/27/2018	5/15-7/15 City Hall Irrigation	878.00
NORTHSHORE UTILITY DIST	40344	07/27/2018	5/15-7/15 City Hall Water/Sewer	583.93
NORTHSHORE UTILITY DIST	40344	07/27/2018	5/15-7/15 SR522/83rd ROW Irrigation	626.52
NORTHSHORE UTILITY DIST	40344	07/27/2018	5/15-7/15 7321 NE 192nd Water Fill Station	16.35
NORTHSHORE UTILITY DIST	40344	07/27/2018	5/15-7/15 Northshore Summit Park Irrigation	1,003.00
NORTHSHORE UTILITY DIST	40344	07/27/2018	5/15-7/15 67th/181st ROW Irrigation	226.00
NORTHSHORE UTILITY DIST	40344	07/27/2018	5/15-7/15 6728 181st Hangar Water/Sewer	801.16
NORTHSHORE UTILITY DIST	40344	07/27/2018	5/15-7/15 181st (68th-73rd) ROW Irrigation	273.10
NORTHSHORE UTILITY DIST	40344	07/27/2018	5/15-7/15 Town Square 6728 181st Irrigation	1,066.90
NORTHSHORE YOUTH & FAMILY SERVICES	40345	07/27/2018	17-C1699 2nd Qtr Human Svcs/Family Svcs	4,000.00
NORTHWEST ARBORICULTURE LLC	40346	07/27/2018	Rhododendron Park Hazardous Tree Removal	1,101.07
O'CONNOR CONSULTING GROUP, LLC	40347	07/27/2018	18-C1823 6/8-7/16 Lakepoint Consulting Svcs	2,500.00
OFFICE DEPOT	40348	07/27/2018	Office Supplies	17.81
OFFICE DEPOT	40348	07/27/2018	Office Supplies	9.01
OFFICE DEPOT	40348	07/27/2018	Office Supplies	11.54
OFFICE DEPOT	40348	07/27/2018	Office Supplies	4.95
OFFICE DEPOT	40348	07/27/2018	Office Supplies	2.20
OFFICE DEPOT	40348	07/27/2018	Office Supplies	19.42
OFFICE DEPOT	40348	07/27/2018	Office Supplies	4.40
OFFICE DEPOT	40348	07/27/2018	Office Supplies	9.34
OFFICE DEPOT	40348	07/27/2018	Office Supplies	3.30
OFFICE DEPOT	40348	07/27/2018	Office Supplies	4.40
OFFICE DEPOT	40348	07/27/2018	Office Supplies	3.29
OFFICE DEPOT	40349	07/27/2018	Office Supplies/Ink	38.49
OFFICE DEPOT	40350	07/27/2018	Office Supplies	12.10
OFFICE DEPOT	40350	07/27/2018	Office Supplies	17.89
OFFICE DEPOT	40350	07/27/2018	Office Supplies	257.46
OFFICE DEPOT	40350	07/27/2018	Office Supplies	27.23
OFFICE DEPOT	40350	07/27/2018	Office Supplies	12.10
OFFICE DEPOT	40350	07/27/2018	Office Supplies	45.97
OFFICE DEPOT	40350	07/27/2018	Office Supplies	24.20
OFFICE DEPOT	40350	07/27/2018	Office Supplies	143.81
OFFICE DEPOT	40350	07/27/2018	Office Supplies	18.15
OFFICE DEPOT	40350	07/27/2018	Office Supplies	24.20
OFFICE DEPOT	40350	07/27/2018	Office Supplies	18.16
OFFICE TEAM	40351	07/27/2018	Temporary Svcs Week Ending 7/13	638.75
OFFICE TEAM	40352	07/27/2018	Temporary Svcs Week Ending 7/20/18	383.25

OUSLEY, NANCY	40353	07/27/2018	Lodgin/Meals/Mileage Reimbursement	704.54
PACE ENGINEERS, INC.	40354	07/27/2018	15-C1483 May On-Call Services	27,756.62
PACE ENGINEERS, INC.	40354	07/27/2018	15-C1483 May On-Call Services	249.40
PACE ENGINEERS, INC.	40354	07/27/2018	15-C1483 May On-Call Services	224.87
PACE ENGINEERS, INC.	40354	07/27/2018	15-C1483 May On-Call Services	1,429.09
PACE ENGINEERS, INC.	40354	07/27/2018	15-C1483 May On-Call Services	449.73
PACE ENGINEERS, INC.	40354	07/27/2018	15-C1483 May On-Call Services	394.54
PHSI PURE HEALTH SOLUTIONS INC.	40355	07/27/2018	August City Hall Filtered Water Service	101.09
PUGET SOUND ENERGY	40356	07/27/2018	6/13-7/13 City Hall Gas Chgs	84.97
PUGET SOUND ENERGY	40356	07/27/2018	6/13-7/13 Incubator Bldg. Electric & Gas	502.06
PUGET SOUND ENERGY	40356	07/27/2018	6/13-7/13 Town Square & Hangar Electricity	590.26
PUGET SOUND ENERGY	40356	07/27/2018	6/13-7/13 Town Square & Hangar Gas Chgs	33.55
PUGET SOUND ENERGY	40356	07/27/2018	June Street Light Charges	9,163.71
PUGET SOUND ENERGY	40356	07/27/2018	6/13-7/13 Parks Electricity Charges	345.83
PUGET SOUND ENERGY	40356	07/27/2018	6/13-7/13 Traffic Signals	341.46
PUGET SOUND ENERGY	40356	07/27/2018	6/13-7/13 School/Crosswalk Collective	61.32
PUGET SOUND ENERGY	40356	07/27/2018	6/13-7/13 Radar Speed Sign Collective	83.86
PUGET SOUND ENERGY	40356	07/27/2018	6/13-7/13 Tree Receptacles	75.36
PUGET SOUND ENERGY	40356	07/27/2018	80th/196th Street Lighting Upgrade	1,771.11
QUALITY BUSINESS SYSTEMS INC.	40357	07/27/2018	1st Floor Copier Charges 4/1-6/30	2,467.18
RANDALL, BRIAN	40358	07/27/2018	Reimbursement for City I-Pads Purchased	916.58
RANDALL, BRIAN	40358	07/27/2018	Reimbursement for City I-Pads Purchased	313.48
REY TRANSLATIONS	40359	07/27/2018	Interpreter for 7/9 Meetings	545.26
SARAH ROBERTS	40360	07/27/2018	June Prosecution Services	11,161.17
SAWYER, RICHARD	40361	07/27/2018	Reimbursement for Purchase of City I-Pads	614.30
SCORE	40362	07/27/2018	May Inmate Housing	33,480.00
SCORE	40363	07/27/2018	April Outside Health Services	45.00
SEATTLE TIMES	40364	07/27/2018	7/9 Notice of Appl. Red Barn Engineering	191.78
SEATTLE TIMES	40365	07/27/2018	7/10 Public Hearing Notice Planning Comm.	84.74
SHRED-IT USA LLC	40366	07/27/2018	July Shredding Services	70.05
SOUND PUBLISHING, INC.	40367	07/27/2018	Bothell/Kenmore Reporter June Advertising	449.10
SOUND PUBLISHING, INC.	40367	07/27/2018	Bothell/Kenmore Reporter June Advertising	425.00
STAPLES ADVANTAGE	40368	07/27/2018	Soap/Tissue/Trash Bags/Disinfectant	178.40
STAPLES ADVANTAGE	40368	07/27/2018	Soap/Tissue/Trash Bags/Disinfectant	139.27
STAPLES ADVANTAGE	40368	07/27/2018	Can Liners/Bags/Gloves	68.22
STAPLES ADVANTAGE	40368	07/27/2018	Can Liners/Bags/Gloves	77.08
STAPLES ADVANTAGE	40368	07/27/2018	Trash Can Liners	55.02
STAPLES ADVANTAGE	40368	07/27/2018	Trash Can Liners	28.35
STAPLES ADVANTAGE	40368	07/27/2018	Disinfecting Wipes	72.59
STAPLES ADVANTAGE	40368	07/27/2018	Hand Sanitizer/Pens	42.44
STATE OF WA DEPT. OF LICENSING	40369	07/27/2018	June License Look Up Fee	0.04
STEWART TITLE COMPANY	40370	07/27/2018	W. Sammamish Bridge 17001 Inglewood Rd	550.00
THE CHEESE PIT	40371	07/27/2018	7/11 Movie Night Volunteer Meals	24.00
THE CHEESE PIT	40371	07/27/2018	7/12 Concert Volunteer Meals	24.00
THE VET CHEF LLC	40372	07/27/2018	7/19 Concert Volunteer Meals	48.00
THEO'S GYROS	40373	07/27/2018	Concert Volunteer Meals	72.00
TOTAL LANDSCAPE CORP	40374	07/27/2018	July City Hall & Parks Landscaping	880.00
TOTAL LANDSCAPE CORP	40374	07/27/2018	July City Hall & Parks Landscaping	4,145.45
TOTAL LANDSCAPE CORP	40375	07/27/2018	June Northshore Summit/Squire's Landscaping	1,820.50

TOTAL LANDSCAPE CORP	40376	07/27/2018	Retention Pond Cleaning	18,848.50
ULINE	40377	07/27/2018	Supplies for Concert Series Banner	192.58
UNITED RENTALS NW, INC	40378	07/27/2018	Lighting Towers for 4th of July Event	877.01
VAUGHAN, KENT	40379	07/27/2018	Mileage Reimbursement	17.44
VAUGHAN, KENT	40379	07/27/2018	Mileage Reimbursement	17.44
VERIZON WIRELESS	40380	07/27/2018	6/27-7/26 Cell Phones/Data	80.04
VERIZON WIRELESS	40380	07/27/2018	6/27-7/26 Cell Phones/Data	20.76
VERIZON WIRELESS	40380	07/27/2018	6/27-7/26 Cell Phones/Data	20.76
VERIZON WIRELESS	40380	07/27/2018	6/27-7/26 Cell Phones/Data	103.35
VERIZON WIRELESS	40380	07/27/2018	6/27-7/26 Cell Phones/Data	22.28
VERIZON WIRELESS	40380	07/27/2018	6/27-7/26 Cell Phones/Data	50.04
VERIZON WIRELESS	40380	07/27/2018	6/27-7/26 Cell Phones/Data	135.17
WA ASSOC OF CODE ENFORCEMENT	40381	07/27/2018	D. Hohnstein Fall Conference & Membership	40.00
WA ASSOC OF CODE ENFORCEMENT	40381	07/27/2018	D. Hohnstein Fall Conference & Membership	200.00
WA RECREATION & PARK ASSOC.	40382	07/27/2018	2018 Membership Dues	580.00
WA STATE DEPT OF TRANSPORTATION	40383	07/27/2018	June 68th/175th & 68th/181st Signal Maint.	165.11
WALTER E. NELSON CO.	40384	07/27/2018	Hangar Bldg. Maintenance Supplies	128.40
YUMMY BOX FOOD TRUCK LLC	40385	07/27/2018	July 19th Concert Volunteer Meal Reimbursement	72.00
ZUMAR	40386	07/27/2018	Log Boom Park Signs	120.98
NAVIA	DFT0000162	07/20/2018	Employee Flexible Spending Account	173.50
NAVIA	DFT0000162	07/20/2018	Employee Flexible Spending Account	153.85
NAVIA	DFT0000162	07/20/2018	Employee Flexible Spending Account	85.38
NAVIA	DFT0000162	07/20/2018	Employee Flexible Spending Account	96.15
BANK OF AMERICA 941	DFT0000163	07/20/2018	Federal Taxes	1,324.74
BANK OF AMERICA 941	DFT0000163	07/20/2018	Federal Taxes	3,038.68
BANK OF AMERICA 941	DFT0000163	07/20/2018	Federal Taxes	9,161.40
BANK OF AMERICA 941	DFT0000163	07/20/2018	Federal Taxes	256.70
BANK OF AMERICA 941	DFT0000163	07/20/2018	Federal Taxes	634.84
BANK OF AMERICA 941	DFT0000163	07/20/2018	Federal Taxes	68.96
BANK OF AMERICA 941	DFT0000163	07/20/2018	Federal Taxes	232.12
BANK OF AMERICA 941	DFT0000163	07/20/2018	Federal Taxes	341.90
BANK OF AMERICA 941	DFT0000163	07/20/2018	Federal Taxes	954.79
NICHOLAS COUSINEAU	10098	7/20/2018	Payroll	529.59
KRISTIN CRAWFORD	10099	7/20/2018	Payroll	603.82
DEVIN EMERSON	10100	7/20/2018	Payroll	548.18
CATHERINE KATO	10101	7/20/2018	Payroll	525.30
SANDRA TUPLING	10102	7/20/2018	Payroll	474.84
TYLER WILLIAMS	10103	7/20/2018	Payroll	921.08
PAYROLL		7/20/2018	Direct Deposit	84,262.16
				$ 652,470.43

City of Kenmore

Vendor Purchasing Report

For Date Range 01/01/2018 - 12/31/2018

Vendor Set: Vendor Set 01

Vendor	Name	Volume
0002	ACTION ENTERTAINMENT	500.00
0014	AMERICAN PLANNING ASSOCIATION	1,778.00
0022	ASSOCIATION OF WA CITIES	17,739.07
0024	BAKER, DAVID	3,122.69
0025	BAKER, SHERI	12,000.00
0037	BASTYR UNIVERSITY	200.00
0047	BRAVO ENVIRONMENTAL , NW INC.	96.00
0054	BULGER SAFE & LOCK, INC.	748.96
0064	CASCADE PEST CONTROL	858.00
0067	CENTER FOR HUMAN SERVICES	15,750.00
0076	CITY OF BELLEVUE	104,979.75
0083	CITY OF LAKE FOREST PARK	563,738.53
0092	CODE PUBLISHING COMPANY	2,767.69
0099	CONSOLIDATED PRESS	11,406.74
0106	CROWN PRODUCTS LLC	2,106.12
0111	DEPARTMENT OF ECOLOGY	190.00
0121	REPUBLIC SERVICES	7,480.19
0137	FERGUSON ENTERPRISES INC #1539	1,946.93
0145	FRUHLING SAND & TOPSOIL	3,682.50
0151	CALPORTLAND COMPANY	1,002.93
0152	GOVERNMENT FINANCE OFFICERS ASSOC	190.00
0173	HOME DEPOT CREDIT SERVICES	877.55
0184	INSLEE, BEST, DOEZIE & RYDER, P.S.	108,404.81
0197	JET CITY PRINTING	2,399.66
0201	KCDA PURCHASING COOP	16,919.77
0206	KENMORE MIDDLE SCHOOL	7,463.62
0212	KING COUNTY FINANCE W.L.R.D.	22,283.75
0213	KING COUNTY ANIMAL SVCS	1,945.00
0218	KING COUNTY FINANCE	3,019.71
0219	KING COUNTY FINANCE	148,908.70
0224	SOUND PUBLISHING, INC.	4,261.90
0229	KING COUNTY OFFICE OF FINANCE	2,370.19
0230	KING COUNTY RADIO COMM SERVICES	600.60
0233	KING COUNTY SHERIFF	1,763,062.67
0235	KING COUNTY TREASURY	24,269.72
0237	FEDEX OFFICE	71.47
0246	LAKE CITY PICTURE FRAMING	257.85
0251	LIGHTHOUSE CONSULTING INC	37,588.20
0261	MICHAEL PENDLETON	6,038.50
0265	MORGAN SOUND INC	1,741.85
0267	MR. T'S TROPHIES	278.92
0285	NORTHSHORE FIRE DEPT	5,314.96
0287	NORTHSHORE SENIOR CENTER	22,050.00
0288	NORTHSHORE UTILITY DIST	75,651.09
0289	NORTHSHORE YMCA	3,250.00
0290	NORTHSHORE YOUTH & FAMILY SERVICES	12,000.00
0292	HONEY BUCKET	2,960.30
0299	EBIX, INC./ TOPHEALTH	118.27
0300	OFFICE DEPOT	4,804.81
0302	OFFICE TEAM	15,274.47
0304	OLYMPIC ENVIRONMENTAL RESOURCES INC	13,793.47
0310	PACIFIC TOPSOILS	2,131.21

Vendor Purchasing Report **For Date Range 01/01/2018 - 12/31/2018**

Vendor Set: Vendor Set 01

Vendor	Name	Volume
0314	PETTY CASH CUSTODIAN	766.98
0327	PUGET SOUND CLEAN AIR AGENCY	18,341.00
0328	PUGET SOUND ENERGY	108,457.54
0329	PUGET SOUND FINANCE OFFICERS ASSOC	50.00
0345	SEATTLE TIMES	4,752.34
0355	STAPLES ADVANTAGE	5,118.72
0356	STATE AUDITOR'S OFFICE	673.20
0357	STEWART MACNICHOLS HARMELL, INC.	35,000.00
0359	SOUND CITIES ASSOC	45.00
0365	TOTAL LANDSCAPE CORP	62,364.65
0370	UNITED RENTALS NW, INC	877.01
0371	UNITED STATES POSTMASTER	8,233.79
0374	URBAN LAND INSTITUTE	440.00
0375	US POSTAL SERVICE (HASLER)	5,008.86
0386	WA ASSOC OF CODE ENFORCEMENT	280.00
0387	WA CITIES INSURANCE AUTHORITY	274,278.00
0389	WASHINGTON CITY/COUNTY MGMT ASSOC	630.00
0390	WA FINANCE OFFICERS ASSOCIATION	150.00
0391	WASHINGTON MUNICIPAL CLERKS ASSOC	75.00
0401	WA STATE DEPT OF TRANSPORTATION	2,363.95
0412	COLUMBIA RIDGE LANDFILL	3,201.15
0419	WONDERLAND DEVELOPMENT	3,750.00
0422	NATIONWIDE FINANCIAL 401a	200,587.23
0423	NATIONWIDE RETIREMENT SOLUTIONS 457	4,875.00
0424	ICMA RETIREMENT TRUST 457 - 304745	63,183.38
0425	DRS 457	8,510.00
0426	AFLAC	2,289.70
0428	BANK OF AMERICA 941	236,789.24
0429	AWC EMPLOYEE BENEFITS	322,572.02
0431	DEPARTMENT OF RETIREMENT SYSTEMS	342,257.17
0432	DEPARTMENT OF LABOR AND INDUSTRIES	22,285.75
0434	UNITED WAY OF KING COUNTY	1,119.15
0436	NATIONAL LIFE OF VERMONT	862.19
0448	UPS STORE	167.34
0449	ACF WEST INC	1,113.75
0450	AURORA RENTS	259.35
0473	ARTS OF KENMORE	5,900.00
0484	CITY WIDE FENCE COMPANY, INC	3,724.60
0494	SECRETARY OF STATE	3,818.83
0497	DAY WIRELESS SYSTEMS	76.79
0501	MACLEOD RECKORD	12,332.49
0542	AMERICAN SOCIETY OF COMPOSERS	352.38
0550	KING COUNTY RECORDER'S OFFICE	39.00
0558	SNOHOMISH COUNTY	4,179.00
0564	AMERICAN PUBLIC WORKS ASSOCIATION	120.00
0586	MAIL FINANCE	1,412.40
0588	ENVIRONMENTAL SYSTEMS RESEARCH INST	5,720.00
0594	RANDALL, BRIAN	2,041.11
0617	KING COUNTY FINANCE	210.82
0639	KONICA MINOLTA BUSINESS SOLUTIONS	1,581.31
0641	TELESYSTEMS WEST	137.51
0675	BANNER BANK CS	612.44
0685	PACE ENGINEERS, INC.	243,486.41
0689	DIGITAL REPROGRAPHICS SERVICES INC.	267.25
0690	BUILDERS EXCHANGE OF WASHINGTON INC	90.00
0692	HDR ENGINEERING, INC	438,974.65
0696	AMERICAN GENERAL LIFE GPO-400S	2,339.53
0699	BANNER BANK DB	716.03

Vendor Purchasing Report **For Date Range 01/01/2018 - 12/31/2018**

Vendor Set: Vendor Set 01

Vendor	Name	Volume
0743	BANNER BANK NO	7,974.59
0764	OUSLEY, NANCY	1,676.18
0781	QUALITY BUSINESS SYSTEMS INC.	8,924.71
0788	CURTIS, DR. MILTON	59.43
0791	NORTHSHORE ROTARY CLUB	220.00
0800	BANNER BANK JG	10,326.39
0817	GRAINGER	884.47
0833	VAUGHAN, KENT	34.88
0834	BANNER BANK KENMORE	21,252.61
0852	GREGORY, JOANNE	404.60
0858	A+ CONFERENCING	328.30
0868	JAYMARC - AV	11,485.16
0869	BANNER BANK JGORDON	5,989.13
0892	JACOBS ENGINEERING GROUP	607,996.73
0898	ZONAR SYSTEMS	527.73
0899	SHRED-IT USA LLC	765.87
0912	ALCALDE & FAY	25,387.11
0913	KENMORE ELEMENTARY PTA	2,500.00
0937	ZUMAR	508.99
0981	COMCAST BUSINESS	17,402.79
0983	PASSPORT TRAVEL AND TOURS	1,832.60
0994	GORDON THOMAS HONEYWELL	23,866.74
1000	JRW ENTERPRISES	3,017.43
1003	iWORQ SYSTEMS	2,800.00
1010	TOWN CENTER HARDWARE	884.78
1032	SAWYER, RICHARD	614.30
1034	EMERALD FIRE LLC	393.80
1045	HORIZON DISTRIBUTORS INC	1,170.78
1047	SARAH ROBERTS	66,967.02
1052	FIRE PROTECTION, INC	5,815.28
1068	WA STATE DEPT OF LABOR & INDUSTRIES	141.60
1114	PHSI PURE HEALTH SOLUTIONS INC.	716.82
1116	FRONTIER	6,363.52
1123	AM TEST, INC	1,300.00
1131	SUSSMAN/PREJZA & CO, INC	1,350.00
1140	PAWS	2,418.00
1148	AGORA NW LLC	112.64
1152	WASHINGTON ENERGY SERVICES CO. LLC	36.75
1161	INDEPENDENT STATIONERS	166.01
1168	SCHINDLER ELEVATOR CORPORATION	3,715.82
1177	WELLS FARGO FINANCIAL	3,845.62
1181	BANNER BANK BH	4,026.62
1192	HOPKINS, CRAIG	327.57
1193	DEVRIES, DENIS	226.20
1197	MILLER STEPHENS, MARY	8,750.00
1215	STATE OF FLORIDA DISBURSEMENT UNIT	4,125.00
1216	ADVANCE TESTING & SERVICE INC	1,188.00
1222	OLSON BROTHERS PRO-VAC	9,681.10
1259	PERTEET INC.	69,750.28
1266	AAA FLAG & BANNER MFG. CO., INC.	3,022.34
1269	KAMINS CONSTRUCTION INC.	8,802.72
1291	SCHNEE, CARLA	661.96
1299	VERIZON WIRELESS	3,203.61
1309	BANNER BANK BAKER	9,883.66
1311	WASHINGTON STATE PATROL	1,528.25
1313	BOTHELL KENMORE CHAMBER OF COMMERCE	3,800.00
1322	AABCO BARRICADE COMPANY INC.	1,848.00
1326	JOYCE ZIKER PARKINSON	692.50

Vendor Purchasing Report **For Date Range 01/01/2018 - 12/31/2018**

Vendor Set: Vendor Set 01

Vendor	Name	Volume
1327	HWA GEOSCIENCES INC.	1,120.44
1331	KBA INC.	12,687.03
1333	WELWEST CONSTRUCTION INC.	2,148.81
1337	STATE OF WA DEPT. OF LICENSING	7.56
1339	STATE OF WA DEPARTMENT OF LICENSING	30.00
1342	PETERSON, JANET	350.00
1357	KENMORE COMMERCIAL LLC	23,120.03
1358	ALPHAGRAPHICS	1,149.78
1360	GOODSELL POWER EQUIPMENT #2 INC.	1,018.39
1363	INNOVAC	22,429.41
1370	WINTERBOURNE LANDSCAPE	1,206.99
1377	D.R. HORTON	7,500.00
1383	CHICAGO TITLE	50,000.00
1385	CITYWORKS/ AZTECA SYSTEMS INC.	22,000.00
1390	UTILITIES UNDERGROUND LOCATION CTR	1,335.15
1402	NORTHWEST MARINE TRADE ASSOCIATION	450.00
1403	OSBORN CONSULTING INC.	23,206.58
1411	INTERNATIONAL BUSINESS INNOVATION	525.00
1412	SKAGIT GARDENS	3,159.97
1416	MOBILE MINI, INC.	959.75
1420	SAUVE, GAYLEN	400.00
1431	BRIEN, GAYLYNN	350.00
1437	VOLGISTICS, INC	540.00
1452	CITY OF KENT	500.00
1456	HESTON VISUAL ARTS	863.50
1457	LANGUAGE LINE SERVICES, INC.	22.61
1459	FLEMINGS HOLIDAY LIGHTING LLC	5,768.62
1478	HERBIG, NIGEL	64.25
1479	A V CAPTURE ALL	4,740.12
1480	VERTICAL VISUAL SOLUTIONS INC.	11,811.25
1485	WA ASSOC OF PUBLIC RECORDS OFFICERS	175.00
1500	MARINE FLOATS CORPORATION	4,074.40
1504	SCORE	170,283.11
1521	SPOT HOT DOG & BRATS	12.00
1533	314 PIE	48.00
1540	A-1 LANDSCAPING AND CONSTRUCTION, INC	133,658.53
1541	HEWITT	2,255.00
1544	METROPOLITAN TRANS. COMMISSION	1,500.00
1550	HANSEN, COREY	36,960.00
1552	DENUSKI, STACEY	46.70
1555	LINCOLN NATIONAL LIFE INSURANCE	7,241.50
1577	MUMMA, RYAN	459.15
1580	NORTHWEST TROPHY	361.59
1581	STARDOM SERVICES, INC.	3,060.00
1590	HERMANSON COMPANY, LLP	5,916.90
1591	ULINE	192.58
1596	NW ENVIRONMENTAL TRAINING CENTER	700.00
1598	HELMETS R US INC	208.97
1606	GALLATIN PUBLIC AFFAIRS	23,160.00
1607	SCHOCK, BRETT	829.47
1609	MARSHBANK CONSTRUCTION	31,952.47
1634	SREBNIK, DEBRA	314.42
1657	STEWART TITLE COMPANY	8,405.10
1661	WHITEMAN, TELA	400.43
1673	KPFF CONSULTING ENGINEERS	191,275.80
1678	VICENTE, JOHN	522.07
1689	MOTT MACDONALD GROUP, INC.	273,547.04
1690	SITTS & HILL ENGINEERS, INC.	5,756.47

Vendor Purchasing Report **For Date Range 01/01/2018 - 12/31/2018**

Vendor Set: Vendor Set 01

Vendor	Name	Volume
1704	BANNER BANK RK	7,436.22
1711	SOFTWAREONE, INC.	8,925.18
1715	THE WIDE FORMAT COMPANY	770.00
1718	RESOURCE EXPLORATION, LLC	20,000.00
1719	SALTER, JON	333.50
1721	GOOD TO GO	50.80
1726	UNITED STATES TREASURY	30.30
1731	NORTHWEST ARBORICULTURE LLC	17,221.01
1732	PERFORMANCE SYSTEMS INTEGRATION LLC	407.00
1733	BELMARK, LLC	7,832.80
1734	TOP TO BOTTOM JANITORIAL, INC.	21,447.00
1738	MUNIMANAGE, LLC	94,110.00
1739	FIX AUTO	2,875.38
1754	RFI ENTERPRISES INC.	8,984.25
1759	CORT PARTY RENTAL	541.87
1762	BAKER, BRIDGIT	149.16
1774	OWEN EQUIPMENT COMPANY	1,591.70
1782	SWANK MOTION PICTURES, INC.	1,128.60
1785	ECOSS	5,963.06
1786	TYLER TECHNOLOGIES, INC.	137.50
1795	CABOT DOW ASSOCIATES, INC.	1,691.25
1796	EXPONENT, INC.	6,027.50
1798	OLBRECHTS & ASSOCIATES, PLLC	1,072.50
1806	RYCO EQUIPMENT, INC.	1,155.00
1810	ABBEY PARTY RENTS OF WA, INC.	885.49
1814	YSI INCORPORATED, A XYLEM BRAND	1,417.82
1816	NAVIA	13,058.20
1819	COSTTREE, LLC	3,000.00
1822	ECO-COUNTER	840.00
1824	URBAN FORESTRY SERVICES, INC.	842.47
1826	MCCLURE AND SONS, INC.	5,794.00
1828	QUALITY BUSINESS SYSTEMS - WELLS FARGO	4,237.91
1829	SHI INTERNATIONAL CORP.	351.81
1843	TUFF SHED, INC	6,046.70
1848	STANLEY PATRICK STRIPING COMPANY	23,417.50
1852	STANTON, ANN	57.77
1859	IRON CREEK CONSTRUCTION LLC	1,820.63
1863	HAULAWAY STORAGE CONTAINERS, INC.	653.40
1864	INTERNATIONAL SOC. OF ARBORICULTURE	185.00
1873	ENGINEERING/REMEDIATION RES. GROUP	12,276.05
1879	HOLMBERG COMPANY	12,575.10
1884	CADMAN MATERIALS, INC.	2,192.32
1889	WILLIAMS, KASTNER & GIBBS PLLC	13,457.89
1900	ASPECT CONSULTING LLC	3,619.57
1901	NORTH COAST ELECTRIC COMPANY	1,119.15
1908	VAUGHAN, KENT	300.00
1914	MCNAMARA SIGNS	220.20
1920	BERGER PARTNERSHIP	12,270.82
1926	GUARDIAN SECURITY SYSTEMS, INC.	339.91
1930	T-MOBILE USA, INC.	471.85
1932	U.S. BANK N.A. - CUSTODY	272.00
1935	YUMMY BOX FOOD TRUCK LLC	348.00
1936	SUPERION, LLC	2,249.21
1942	THE VET CHEF LLC	48.00
1944	OHNO CONSTRUCTION	18,305.98
1946	FALL PROZ INC	3,886.00
1960	WALTER E. NELSON CO.	554.75
1961	WESTERN ENTRANCE TECHNOLOGY, LLC	605.00

Vendor Purchasing Report **For Date Range 01/01/2018 - 12/31/2018**

Vendor Set: Vendor Set 01

Vendor	Name	Volume
1962	BANNER BANK SKROGH	6,428.90
1964	EARTHWORKS	33,057.85
1969	CAPITOL ASSET & PAVEMENT SERVICES INC.	3,460.00
1970	CROSSROAD SIGN	1,516.90
1975	COMMUNITY ATTRIBUTES INC.	32,645.12
1979	MSPT VI, LLC	7,500.00
1980	HRA VEBA TRUST	27,675.00
1982	CRAWFORD ELECTRIC	366.55
1985	CONTRACT LAND STAFF LLC	4,511.23
1987	KITSAP CONFERENCE CENTER	124.69
1989	WA TRAFFIC SAFETY COMMISION	103.49
1990	GLOCK PROFESSIONAL, INC.	500.00
1991	WASHINGTON STATE TREASURER	6,570.28
1994	LAKE CITY PARTNERS ENDING HOMELESSNESS	2,000.00
1995	REY TRANSLATIONS	4,752.79
1996	SEQUOYAH ELECTRIC LLC	7,477.80
1997	BARCLAY DEAN ARCHITECTURAL PRODUCTS, LLC	115.50
1998	JOHNSTON GROUP, LLC	15,717.50
1999	KING COUNTY POLICE CHIEFS ASSOCIATION	20.00
2000	WILLIAMS MECHANICAL, INC.	2,931.50
2001	PETERSEN BROTHERS, INC.	1,994.16
2002	GHORBANI, FARIBA	472.00
2003	INNOVATIVE COMFORT SYSTEMS, INC.	255.15
2004	RED BARN ENGINEERING, INC.	291.77
2005	VAN DYK, JOE	850.00
2006	SOMOL HAMASAKI, KRIS	36.75
2007	HYDROPOINT DATA SYSTEMS, INC.	517.01
2008	MEAD GILMAN & ASSOCIATES	40.00
2009	O'CONNOR CONSULTING GROUP, LLC	22,500.00
2010	JUDHA OF LION LANDSCAPING	356,378.27
2011	PLAN TO PERMIT, LLC	3,932.50
2012	DDK DESIGNS, LLC	35.38
2013	THE POTTING SHED	1,787.50
2015	INGLEWOOD VILLAGE III CONDOMINIUMS	3,047.20
2017	DARRELL THOMSON	5,781.00
2018	LAKE HARRISON ESTATES	7,500.00
2019	EMERALD CITY STATEWIDE	2,046.00
2020	KELLY ATKINSON	1,180.00
2021	GEOTERRA, INC.	2,024.00
2022	JA BRENNAN ASSOCIATES, PLLC	2,274.00
2023	HR&A ADVISORS, INC	129,925.00
2024	DFR LAW GROUP, LLC	3,600.00
2025	LOCAL PROS PAINTING	8,789.00
2026	HEAT FLOW MECHANICAL LLC	113.40
2027	MERIT HOMES, INC.	7,747.90
2028	PRIDE ELECTRIC INC.	4,292.48
2029	HAWTHORNE GLEN 12, LLC	7,500.00
2030	ZEP SALES & SERVICE	869.44
2031	ANDREW POGUE PHOTOGRAPHY LLC	2,050.00
2032	DOOR PROS INC.	971.85
2033	DUGAN, GERALD & GAIL	3,000.00
2034	GEO GROUP NORTHWEST INC.	10.60
2035	JURASSIC PARLIAMENT	1,458.35
2037	PRO-LONG ROOF CARE & GUTTERS	1,097.80
2038	SKEFFINGTON, ELAINE	300.00
2039	ATTORNEY & NOTARY SUPPLY, INC.	80.30
2040	SEAPLANE LLC	96.25
2041	LAKE UNION SEA RAY	14,740.15

Vendor Purchasing Report **For Date Range 01/01/2018 - 12/31/2018**

Vendor Set: Vendor Set 01

Vendor	Name	Volume
2042	CRITERION PICTURES USA	940.00
2043	LIGHTING GROUP NORTHWEST	2,431.19
2044	THE PART WORKS, INC.	67.12
2045	PERFORMANCE JOURNEYS, INC.	9,000.00
2047	PUGET SOUND PLANTS	34,832.05
2048	SMS CLEANING, INC.	11,400.00
2049	SUNBELT RENTALS	952.39
2050	NORCAN-OSINT	280.00
2051	PANTAC, LLC	128.57
2052	J. A. BRENNAN ASSOCIATES, PLLC	18,098.75
2053	WINDOW COVERINGS USA	1,463.00
2054	BLUE FLAME HEATING, AIR & ELECTRIC	255.15
2055	WESTERN CENTURIES	1,250.00
2056	J3 ARCHITECTS LLC	850.00
2057	WIRTHLIN CONSULTING GROUP LLC	4,489.00
2058	FLAMENCO SEATTLE LLC	500.00
2059	JARRETT, WINSTON	1,300.00
2060	LEVA, VIVIAN	1,750.00
2061	SQUIRREL BUTTER LLC	250.00
2062	YOGOMAN	1,000.00
2065	AMY'S ARTISTIC EXPRESSIONS	200.00
2066	COUSINEAU, NICK	131.63
2067	CRAWFORD, KRISTIN	121.21
2068	DITCH MAINTENANCE SERVICES	18,743.70
2069	EMERSON, DEVIN	76.99
2070	GREEN SOLUTIONS HEATING & COOLING	255.15
2071	GRETTE ASSOCIATES LLC	2,177.64
2072	GRAPPONE, RAYMOND	1,750.00
2073	HOOPSMILES	237.00
2074	KATO, CATHERINE	142.60
2075	LANDEZA, PATRICK	2,200.00
2076	THE CHEESE PIT	48.00
2077	THEO'S GYROS	72.00
2078	WA RECREATION & PARK ASSOC.	580.00
	Vendor Set Vendor Set 01 Total:	**8,851,372.59**

City Council Business Agenda Item
City of Kenmore, WA

Subject/Topic: Budget amendment for Contract 15-C1483 with PACE Engineers, Inc., which provides on-call surface water and engineering services to the City.

For Council Meeting Agenda of: August 13, 2018

Department: Public Works

Prepared by: Richard Sawyer

	Initial & Date
Approved by Department Head:	7/31/18
Approved by City Attorney:	
Approved by Finance Director:	7/27/18
Approved by City Manager:	8/3/18

Proposed Council Action/Motion: Authorize City Manager to execute Contract 15-C1483 Amendment #2 to increase the current budget of $720,000 to $1,053,500.

Exhibits/Attachments: Contract 15-C1843 Amendment #2

INFORMATION/BACKGROUND:

The City contracted with PACE Engineers, Inc. on February 26, 2016 to provide on-call surface water management and engineering services through 2017. On January 26th, 2018, the contract was amended to extend through December 31, 2018. The contract provides a variety of engineering related services to the Public Works, Development Services and Planning Departments. The schedule and scope of the contract was originally planned through 2017 and an amendment is needed to increase the original budget to pay for services through 2018.

FISCAL CONSIDERATION:

The contract provides services to multiple departments, therefore, costs are managed and tracked at the task level by a project manager designated from each department. Task costs are tracked and approved through existing programs in the approved 2017/2018 budget.

COUNCIL GOAL/BUDGET OBJECTIVE BEING ADDRESSED:

Council Goal #8 – To protect and enhance the water, air and forest environment.

CITY OF KENMORE CONTRACT NO. 15-C1483
AMENDMENT NO. 2

The following section of the Consultant Services contract dated February 26, 2016, between the City of Kenmore and PACE Engineers, Inc., 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.

Section 2, titled "Compensation and Method of Payment", is amended to read as follows:

2. Compensation and Method of Payment. The Consultant shall request payment for work performed using the billing invoice form - 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 $_1,053,500_____

____ Other (describe): ____

____

DATED this 13th day of August, 2018.

CONSULTANT:

BY: ______________________________
Ken Nilsen

Title: _Vice President________________

CITY OF KENMORE:

BY: ______________________________
Rob Karlinsey

Title: City Manager__________________

City Council Business Agenda Item
City of Kenmore, WA

Subject/Topic:
Contract amendment to contract no. 18-C1852 with Huizenga Enterprises, LLC for the 2018 Crack Sealing Project

For Council Meeting Agenda of: August 13, 2018

Department: Public Works/Engineering

Prepared by: John Vicente, PE

	Initial & Date
Approved by Department Head:	Ø 8/3/18
Approved by City Attorney:	NA
Approved by Finance Director:	
Approved by City Manager:	OD for RK 8/3/18

Proposed Council Action/Motion:

Authorize the City Manager to execute a change order to Contract No. 18-C1852 with Huizenga Enterprises, LLC for Construction Services in the amount of $50,000.

Exhibits/Attachments:
Attachment 1: 2018 Crack Seal Map

INFORMATION/BACKGROUND:

On February 26 and May 14, 2018, staff presented the Pavement Management update to Council. The discussion covered the condition of the City's paved road network and identified locations that would benefit from crack sealing and a slurry seal to extend the life of the City's roads. A $100,000 budget was proposed to provide crack and slurry sealing for 2018 and each subsequent year. In March, staff advertised for a contractor to provide crack sealing services throughout the City up to $50,000. The crack sealing would then be follow-up with slurry sealing up to $50,000. This plan was to be repeated in 2019.

Given the late timing in getting a contractor to provide the crack sealing work, the slurry seal would have to be performed next year as crack sealing needs approximately 6 months to cure. With crack sealing being completed in August of this year, slurry sealing wouldn't occur until January of next year. Slurry sealing should be done in more favorable weather so the slurry seal would be postponed until summer of 2019.

Staff is proposing to utilize the 2018 $50,000 slurry seal budget to do additional crack sealing in 2018. Slurry seal of these cracks would occur in 2019 utilizing the full 2019 crack seal/slurry seal budget of $100,000.

RECOMMENDATION:
City staff recommends Council authorize the City Manager to execute a change order to Contract No. 18-C1852 with Huizenga Enterprises, LLC for Construction Services in the amount of $50,000 for a total contract amount of $100,000.

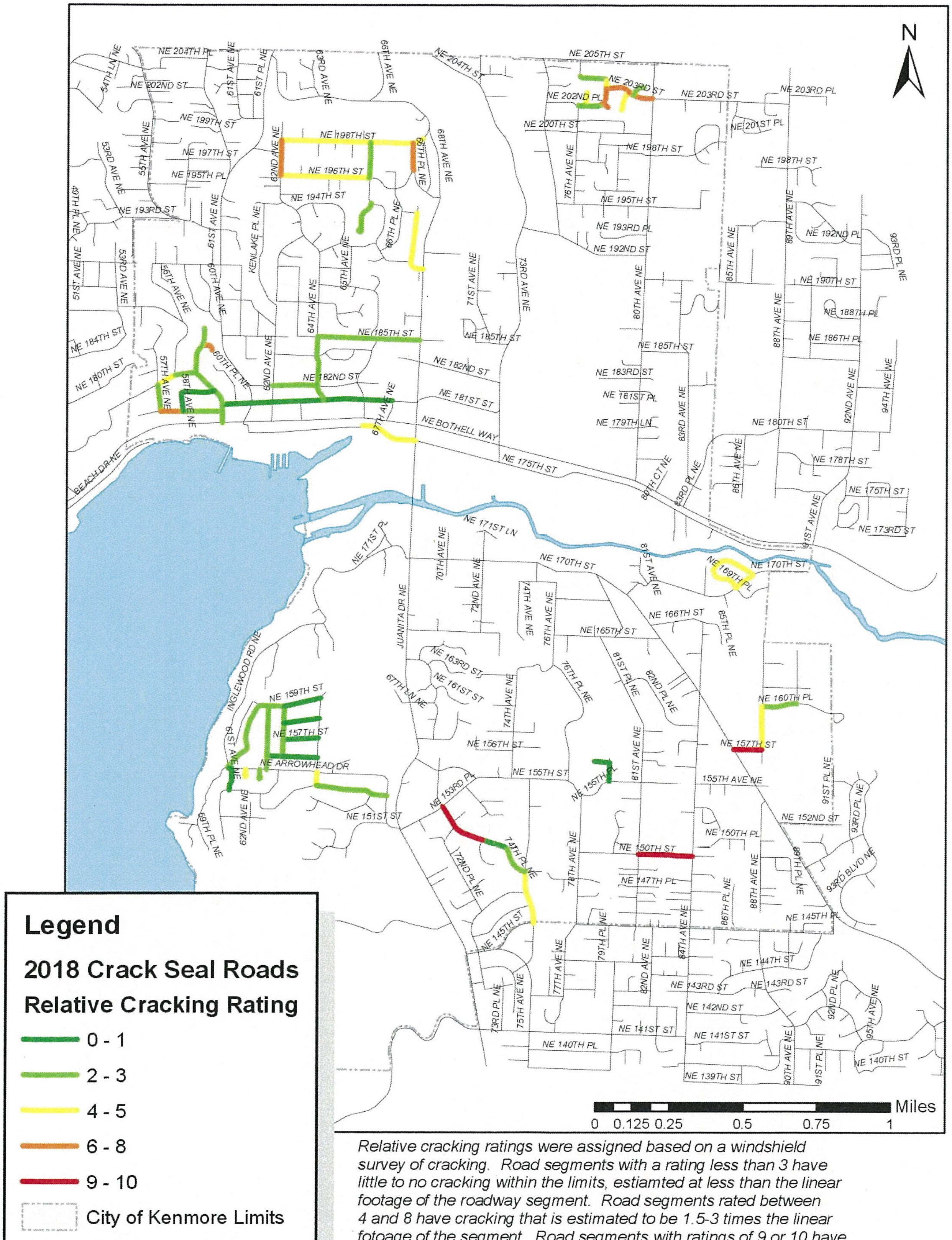
FISCAL CONSIDERATION:

There is sufficient funding in the current budget to cover the $100,000 contract amount.

COUNCIL GOAL/BUDGET OBJECTIVE BEING ADDRESSED:

Council Goal 1: To 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 2018 Crack Sealing Program



Relative cracking ratings were assigned based on a windshield survey of cracking. Road segments with a rating less than 3 have little to no cracking within the limits, estiamted at less than the linear footage of the roadway segment. Road segments rated between 4 and 8 have cracking that is estimated to be 1.5-3 times the linear fotoage of the segment. Road segments with ratings of 9 or 10 have extensive cracking in multiple directions.

ge 10 City of Kenmore 2018 Crack Sealing Program Map

City Council Business Agenda Item
City of Kenmore, WA

Subject/Topic:
Lakepointe Update from Dean Weidner, President of Weidner Apartment Homes and HR&A Advisors Presentation of the Lakepointe Feasibility & Benefits Study

Proposed Council Action/Motion:
No action requested at this meeting.

For Council Meeting Agenda of: August 13, 2018

Department: Development Services

Prepared by: Bryan Hampson

	Initial & Date
Approved by Department Head:	BH 8/3/18
Approved by City Attorney:	N/A.
Approved by Finance Director:	
Approved by City Manager:	RK for RK 8/3/18.

Exhibits/Attachments:
Exhibit A: HR&A's Feasibility Analysis Findings Memo
Exhibit B: HR&A's Lakepointe Feasibility & Benefits Study, July 2018

INFORMATION/BACKGROUND:

HR&A Advisors (HR &A) has prepared a memo that gives a summary of the Feasibility & Benefits Findings (Exhibit A). HR&A will give an update on the Feasibility & Benefits Study (Exhibit B) at the August 13, 2018 Council meeting. The developer, Weidner Apartment Homes, will also be at the August 13th Council meeting to give an update on the Lakepointe project.

As authorized by Council and the Extension and Funding agreement pertaining to the Lakepointe site Commercial Site Development Permit (CSDP), the City contracted with HR&A Advisors (HR&A) to analyze the economic, impacts that may result from the proposed Lakepointe project, The City consulted with other experts to review, analyze and provide additional input on the materials and study prepared by HR&A. Brian O'Connor, with O'Connor Consulting Group, LLC,, assisted with the market analyses, valuations and rates. Adam Wirthlin, with Wirthlin Consulting Group, assisted with the horizontal and infrastructure costs.

The Feasibility & Benefits Study (Exhibit B) analyzed three development scenarios:

1. The existing CSDP project with 1,200 residential units, 175,000 sf of office, 277,000 sf of retail, 150 room hotel, marina and 3,532 parking spaces;

2. Weidner's proposed project with 2,000 residential units, 600,000 sf office, 126,000 sf retail, 150 room hotel, and 5,003 parking spaces, includes three 25-story high rise buildings;

3. HR&A Alternative with 1,650 residential units, 357,000 sf office, 126,000 retail, no hotel, and 3,284 parking spaces, with only one 25-story high rise building for office.

With the exception of the undercrossing of SR-522 at 67th Ave the analyses did not include off-site transportation mitigation costs.

The Feasibility & Benefits Study conducted by HR&A demonstrated a financial gap. The next steps for both the City and the developer is to continue working on the general agreement and evaluate ways to potentially reduce

the financial gap. For example, the developer can review alternative phasing, or the City could investigate financial tools available to help reduce the gap. City staff and the Weidner team will be bringing this topic back to Council for possible direction and acceptance of the Feasibility & Benefits Study in the next month or two.
FISCAL CONSIDERATION: The Lakepointe project's fiscal considerations are still being determined.
COUNCIL GOAL/BUDGET OBJECTIVE BEING ADDRESSED: Goal #3: To continue to seek opportunities to complete a successful Lakepointe project.

EXHIBIT A

HR&A
Analyze. Advise. Act.
99 Hudson Street, 3rd Floor, New York, NY 10013-2815
T: 212-977-5597 | F: 212-977-6202 | www.hraadvisors.com

MEMORANDUM

To:	Dean Weidner, President, Weidner Apartment Homes Rob Karlinsey, City Manager, City of Kenmore
Cc:	Kyran Hynes, Acquisitions & Land Development Director, Weidner Apartment Homes Don Bowzer, Development Solutions, Inc. Bryan Hampson, Development Services Director, City of Kenmore Ben Yazici, Muni Manage Brian O'Connor, O'Connor Consulting Group, LLC
From:	HR&A Advisors, Inc.
Date:	August 2, 2018
Re:	Kenmore Lakepointe Feasibility & Benefits Analysis Findings and Next Steps

HR&A Advisors, Inc. (HR&A) is pleased to transmit our final deliverable for the assignment for which you contracted with us approximately six months ago -- an analysis of the financial feasibility and economic and fiscal impacts associated with the proposed development project known as Lakepointe. Over the course of this engagement, we have worked with the City of Kenmore (the City) and the Weidner Apartment Homes team (Weidner) to test three program alternatives: the development as permitted by the Commercial Site Development Plan (CSDP) in the late 1990s, the current Weidner-proposed program, and an alternative program defined by HR&A based on the findings of our market analysis and ability to alter the program tested without substantially changing the Weidner site plan or phasing. Weidner has envisioned a dense, mixed-use, high-end program on the approximately 50-acre waterfront site, and the City, Weidner, and HR&A believe that such a project has the potential to lead a market shift in Kenmore, capitalizing on the strength and pace of recent development in the region.

However, as summarized in the attached briefing book and detailed in the financial model provided on June 27th, ***our findings suggest that all three program alternatives analyzed result in a significant feasibility gap, larger than can reasonably be filled or significant narrowed by direct financial assistance from the City, exercising key policy levers, or making additional minor modifications to the building program.*** Moreover, the program as contemplated does not yet take into consideration a final set of the City's priorities for any publicly-supported development, which may include the size and character of open space provided, the level of affordable housing included within the program, and other public benefits frequently associated with public-private development.

Based on these findings, HR&A recommends that the City and Weidner revisit the project's phasing and program more fully, in a final effort to create an achievable plan for development of Lakepointe. Alternatively, and/or in addition, Weidner may choose to revisit some of the standard assumptions underlying our analysis, notably including its tolerance for risk and the projected internal rate of return (IRR) we have assumed is required to undertake development. This memo summarizes our findings, describes the rationale for our recommendation, and requests Weidner's participation in next steps.

I. Summary of HR&A Findings

HR&A tested the feasibility of the three development alternatives described above using a discounted cash flow model, which assumes that feasible development requires a 16% to 20% project-wide IRR, which is consistent with the results of our market research and outreach, considering the size and complexity of this project. HR&A then calculated the amount of subsidy that would be required over the length of the project to allow a master developer to achieve this return. The resulting gap is described in the attached briefing book as both a nominal value and net present value (NPV), assuming an annual discount rate of 6% for the City of Kenmore. In estimating this gap, we considered the impact of the anticipated value of vertical development, the cost of sitewide preparation and horizontal improvements, and changes to key policies, such as parking ratios, affordable housing requirements, and property taxes.

HR&A's analysis concluded that all the three development scenarios described above result in a substantial feasibility gap. For the developer proposed program, the gap ranges from $123M to $155M in NPV terms. For the HR&A alternative, the gap is comparable, at $125M to $151M in NPV terms. For the CSDP program, the gap reaches an amount that cannot be calculated while requiring the assumed IRR, and therefore assumed to be significantly greater than the other programs tested. At this level of feasibility gap, the policy tools and levers analyzed are not sufficient to narrow the gap such that the remaining gap can be filled by direct City contribution. For instance, were the City and Weidner to agree on a subsidy program that required Weidner to deliver a 1.6-acre, first-class park, while also reducing parking requirements, abating property taxes, and waiving impact fees, the gap is only narrowed to $67M to $101M on an NPV basis (for the developer-proposed program).

Three key factors have significant effects on the program's feasibility and the resulting gap:

- **Proposed land acquisition price.** Weidner has acquired an option to purchase the land to complete the project for approximately $49M, which is substantial for a property requiring this level of enabling infrastructure and remediation. Indeed, our analysis clearly establishes that, under reasonably foreseeable market conditions, given site conditions, and based on the contemplated program and phasing, current land value associated with the proposed development is negative. Certainly, it is reasonable to assume that land value will be positive in the future, but only after significant upfront investment in site preparation and placemaking, the passage of time, and successful partnership with the City.

- **Cost of site preparation.** The physical condition of the site (as fill) and history of contamination requires a significant investment in advance of more usual horizontal expenses. Site stabilization costs alone are estimated to be $115 M (inclusive of soft costs and contingency). The total cost of capping, stabilization and pilings, transportation and utility improvements, and open space and shoreline restoration improvements of the site are 69-87% of the feasibility gap on an NPV basis. As discussed more fully below, we believe these costs require a review of proposed site parcelization and phasing to determine whether development of the entirety of the site is economically rational and, if so, in what order.

- **Phasing associated with delivery of the program, as envisioned by Weidner.** The current site plan places the first phase of development at the tip of the peninsula, requiring the completion of a significant amount of site preparation and horizontal improvements in advance of any revenue generation. It also makes what is likely the most valuable location on the site the earliest development site, in advance of realizing any upside from placemaking or additional background regional growth. HR&A recommends an analysis to understand the potential benefits associated with revising the location and timing of phases and different uses and densities. We believe that there is an opportunity to begin with phases that can more easily build on existing infrastructure and development in Downtown Kenmore and build up to the most valuable area and program on the site.

At present, there is a high risk that this important and potentially transformative project will not be delivered. Therefore, HR&A recommends that the City and Weidner teams engage in a refreshed, focused planning effort to revisit the proposed plan for development of Lakepointe, seeking to affect the three variables described above to find the appropriate program and define a public-private development partnership structure that can balance narrowing the project's feasibility gap and achieving the important public benefits associated with this project.

II. Recommended Next Steps

The City and Weidner, with HR&A's assistance if desired, should work with a technical team to quickly and intensively re-examine the site and program with the objective of identifying a program that balances the City's goals and priorities for the project and Weidner's vision and ability and appetite to take on development risk. Given the familiarity of the parties with each other, their objectives, and the site, 30 days should be sufficient to conclude the task. The technical team involved in this study should include:

- An urban planner or designer. HR&A recommends working with a visionary but proven-to-be-practical designer such as Ken Greenberg, potentially alongside a team to execute site planning work (perhaps re-engaging GGLO);
- An experienced local cost estimator and/or engineer to provide updated phasing and estimates for site preparation and horizontal improvements (potentially the City's cost estimator consultant or KPFF, or a combination);
- A traffic engineer to provide insight into transportation mitigations (potentially the City's engineer or Transpo, or a combination).

This task could be undertaken as follows:

- A first session with the City and Weidner teams to discuss goals, priorities, and potential considerations around partnership structure, to shape revised findings and recommendations.
- A second work session with the technical team to work through the planning process and the analysis of key variables, including sitewide phasing, the relationship between development scale and density and the level of required horizontal improvements, the City's priorities and key public benefits to be delivered with the development, and the project's potential to deliver on Weidner's vision for Lakepointe and deliver a transformative development in Kenmore.
- Revision of the financial feasibility and impacts model to reflect the program and phasing generated by this planning exercise.
- Presentation of results to the City and Weidner teams to discuss findings and determine a path forward to a development agreement.

****

We welcome discussion with your teams about the above recommendation, and hope to collaborate with you in this effort moving forward. Should you have any questions about the above, we are happy to discuss with you at your convenience.

LAKEPOINTE FEASIBILITY & BENEFITS STUDY

JULY 2018

HR&A Analyze. Advise. Act.

EXHIBIT B

Executive Summary | Project Scope and Objectives

The City of Kenmore engaged HR&A Advisors to analyze project feasibility and economic and fiscal impacts of the proposed Lakepointe project.

Project Objectives:

1. Test the feasibility of the currently-permitted and developer-proposed development programs for Lakepointe, and explore program alternatives that may narrow any resulting project feasibility gap.
2. For each development program tested, estimate the annual economic and fiscal impacts to the City of Kenmore and relevant taxing entities.
3. Based on the calculated project feasibility gap, economic and fiscal benefits, and fiscal costs, identify options for a public-private partnership to advance the project.

HR&A Scope:

Executive Summary | Project Overview

HR&A tested the feasibility of potential development at the Lakepointe site to inform the future development program and partnership structure between the City and Weidner.

HR&A tested the feasibility of three development programs at Lakepointe, ranging in density and share of program uses:

- **CSDP**: The development as permitted by the Commercial Site Development Plan (CSDP), produced in the late 1990s. This program envisioned an entertainment and retail-driven hub at Lakepointe, with low overall density (relative to the Weidner program), a larger retail component, and higher parking ratios.
- **Developer-proposed program**: The development plan proposed by Weidner. The Weidner team envisions a high-end, fitness and health-centered residential program and hotel, followed by a substantial office component. The program is intended to lead a market shift in Kenmore, capitalizing on the strength, and pace, of recent development in the region.
- **HR&A alternative:** The "HR&A Alternative" program modifies the developer-proposed program based on HR&A's market findings and recommendations.

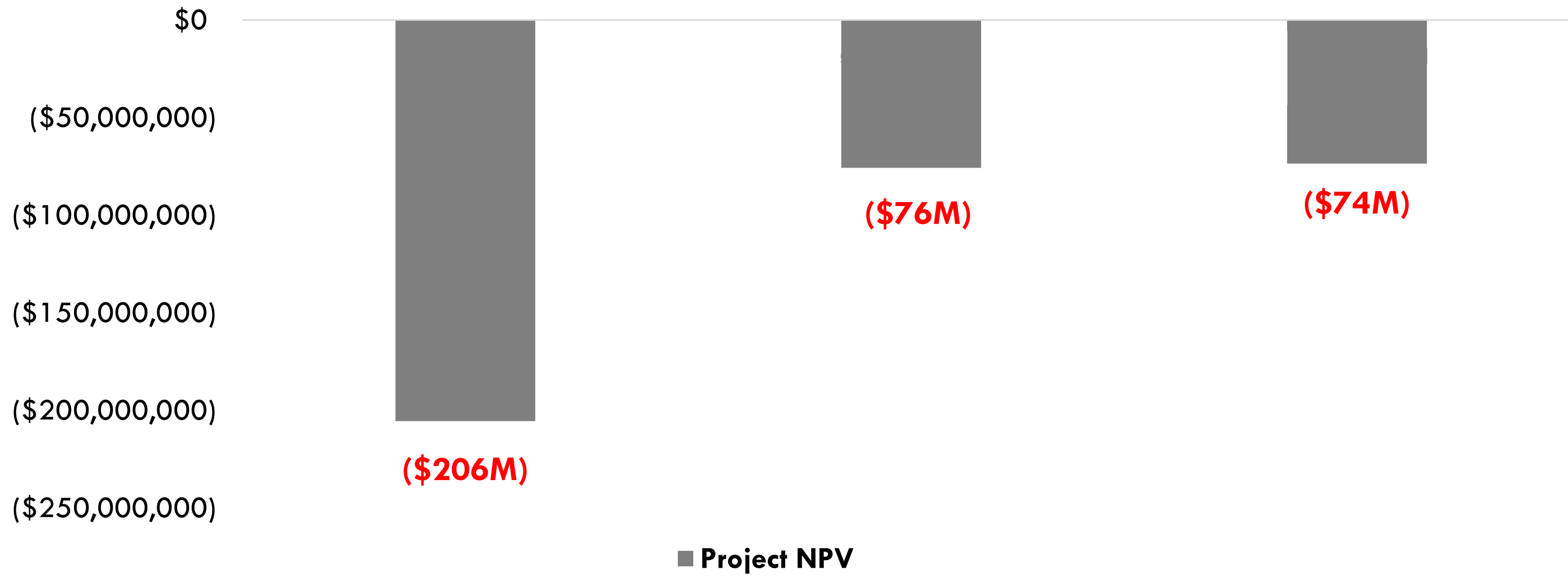
PROGRAM	RESIDENTIAL	OFFICE	RETAIL	HOTEL	PARKING
CSDP	1,200 units	175,000 NSF	277,000 GSF	150 Keys	3,532 spaces
Developer-proposed	2,000 units	600,000 NSF	126,000 GSF	150 Keys	5,003 spaces
HR&A Alternative	1,650 units	357,000 NSF	126,000 GSF	0 Keys	3,284 spaces

Executive Summary | Financial Feasibility

For all scenarios tested, a significant project gap remains after accounting for the full horizontal improvement costs, given the required market return.

HR&A compared development net revenues and costs in an overall cash flow to assess project-wide value and feasibility. In all scenarios there is a significant project gap, driven largely by the cost of horizontal improvements (including remediation) required to support vertical development on the site, and exacerbated by certain elements of the vertical program (such as lower-revenue affordable housing and higher-cost high-rise development).

	CSDP	DEVELOPER-PROPOSED	HR&A ALTERNATIVE
Feasibility Gap, NPV (16%-20% IRR)	*Unable to calculate*	$123M - $155M	$125 - $151M



Executive Summary | Economic & Fiscal Impacts Key Findings

Construction of any of the programs, especially the developer-proposed program, will create substantial one-time fiscal and economic benefit for Kenmore.

HR&A also assessed the economic impacts and fiscal revenues generated by each program.

- **The CSDP program's** scale of infrastructure requirements (and subsequently, investment) generates significant economic activity. The high infrastructure costs also generate sales tax revenue, which results in large one-time fiscal revenues, though the program generates the lowest ongoing economic impact and fiscal revenues.
- **The developer-proposed program** generates the highest one-time and ongoing economic activity and fiscal revenues out of the three programs, due to the scale of the program's combined horizontal investments and proposed vertical improvements.
- **The HR&A alternative program** generates lower one-time economic activity and fiscal revenues than the other proposed programs. This is due to the reduced scale of required horizontal improvements, which generates less in sales tax revenues, and generates less construction and labor spending. The program generates moderate ongoing impacts relative to the others.

ONE-TIME ECONOMIC ACTIVITY	CSDP	DEVELOPER-PROPOSED	HR&A ALTERNATIVE
Economic Impact (NPV)	$1,490,000,000	$1,911,000,000	$1,249,000,000
Job-Years Supported (FTE)	9,635	12,655	8,370
Labor Income (NPV)	$664,000,000	$852,000,000	$557,000,000
Net Fiscal Revenues (2018$)	$11,439,532	$16,483,162	$10,560,812
ONGOING ECONOMIC ACTIVITY	**CSDP**	**DEVELOPER-PROPOSED**	**HR&A ALTERNATIVE**
Economic Impact (Stabilized Year)	$507,000,000	$1,462,000,000	$888,000,000
Job-Years Supported (FTE)	1,855	4,360	2,720
Labor Income (Stabilized Year)	$110,000,000	$266,000,000	$166,000,000
New Residents	2,275	3,750	3,170
Annual Fiscal Impact, City of Kenmore	$3,090,889	$3,680,542	$2,818,970

Executive Summary | Next Steps

The City and the developer should enter into a partnership structure that takes into account future fiscal end economic benefits, site constraints, and limited public resources.

Defining City goals and identifying aligned funding and financing tools will support negotiations and progress toward implementation. Next steps to advance implementation include:

1. Clearly **define City objectives** and priorities to ensure that the City and developer clearly understand their respective expectations as the project advances towards implementation..

2. Explore all **opportunities to reduce the gap** including: i) making of a direct public-sector commitment to items of high community priority, consistent with local resources, ii) phasing and program planning that maximize value and minimize upfront costs, which may include developing a revised site plan, and iii) deployment of funding and financing tools that can be applied to the remaining gap.

3. Working with project partners, **negotiate a development agreement** that maintains project flexibility, which can be achieved by establishing development minima or guidelines that allow for future program adjustments based on market trends.

To reduce the feasibility gap, the City and developer can consider pulling the following levers:

Size the plausible direct **municipal support** based on potential to achieve public priorities and current funding resources which could reduce the feasibility gap by

$3-5M*

Revisit the site plan to maximize potential for transformative revenue growth, and minimize upfront infrastructure investment, which could reduce the feasibility gap by

TBD

Use **existing local policies and programs** to reduce the feasibility gap by

$5-60M

**Initial estimate of public support is equivalent to the projected investment in a public park within the currently-proposed site plan, assuming $2.4 million per acre for 1.5 acres of open space.*

Project Overview

Market Overview

Feasibility & Impact Analysis

Implementation Recommendations

Appendix

Project Overview

The subject property is an approximately 50-acre site located on the northern edge of Lake Washington, known as Lakepointe.

- **Weidner Apartment Homes (Weidner) has proposed a significant, long-term redevelopment plan** for the site that would result in a transformative, mixed-use development known as Lakepointe.
- Prior to Weidner's securing an option, the site was entitled under a **Commercial Site Development Plan** (CSDP), proposed and designed by CallisonRTKL. Development; the project as permitted was abandoned in the late 1990s.
- Any development on-site will require a significant investment in infrastructure to address environmental conditions, stabilize the site for construction, connect the site to the existing road network, bring utilities to new buildings, and deliver important site elements for public use (such as waterfront access and open space).
- The City of Kenmore (the City) and Weidner are coordinating efforts to determine whether there is a viable public-private partnership to enable development of the site.

Project Overview

The City of Kenmore engaged HR&A Advisors to analyze project feasibility and impacts.

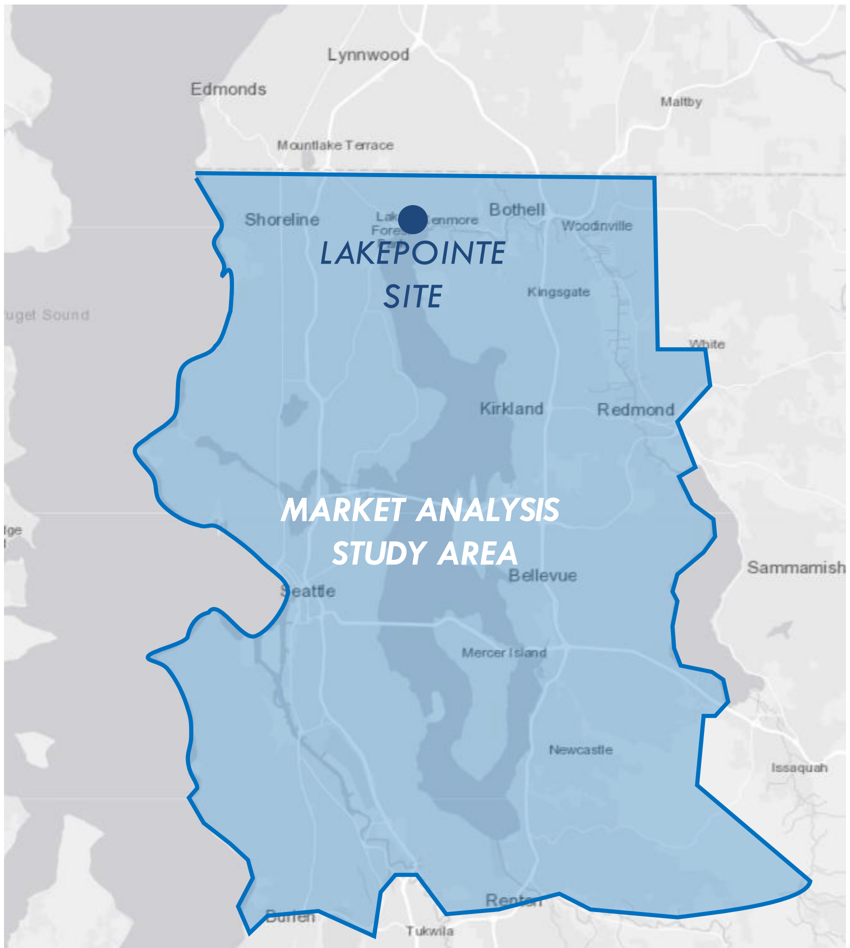
Project Objectives:

1. Test the feasibility of the currently-permitted and developer-proposed development programs for Lakepointe, and explore program alternatives that may narrow any resulting project feasibility gap.
2. For each development program tested, estimate the annual economic and fiscal impacts to the City of Kenmore and relevant taxing entities.
3. Based on the calculated project feasibility gap, economic and fiscal benefits, and fiscal costs, identify options for a public-private partnership to advance the project.

HR&A Scope:

Market Overview

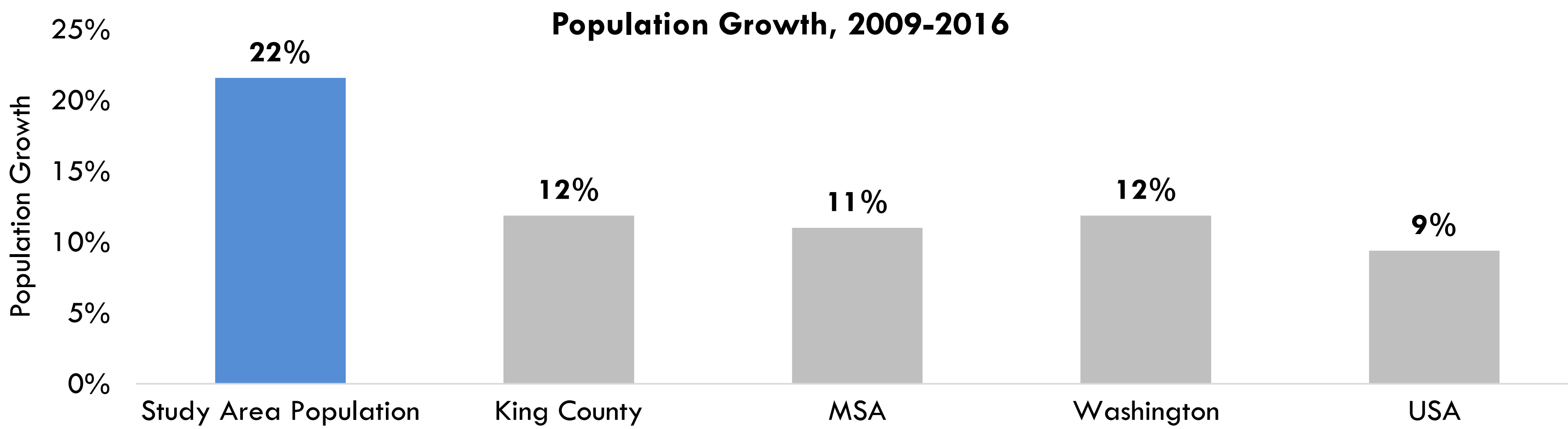
HR&A's market analysis provided inputs for the feasibility analysis and informed analysis of program alternatives.



- The **proposed Lakepointe development** is approximately 15 miles from both Seattle and Bellevue, the region's two major markets, making it **well-positioned to capture existing and future demand.**
- **HR&A defined a market analysis study area around Lake Washington** to understand regional trends. The study area encompasses both Seattle and Bellevue, in addition to other rapidly changing markets, including Redmond, Kirkland, and Renton.
- Results from the market analysis, described below, informed assumptions used in the feasibility analysis and supported the creation of **assumptions for an HR&A-proposed alternative development program.**

Market Overview | Residential

The study area has seen significant population growth in recent years, outpacing regional growth.

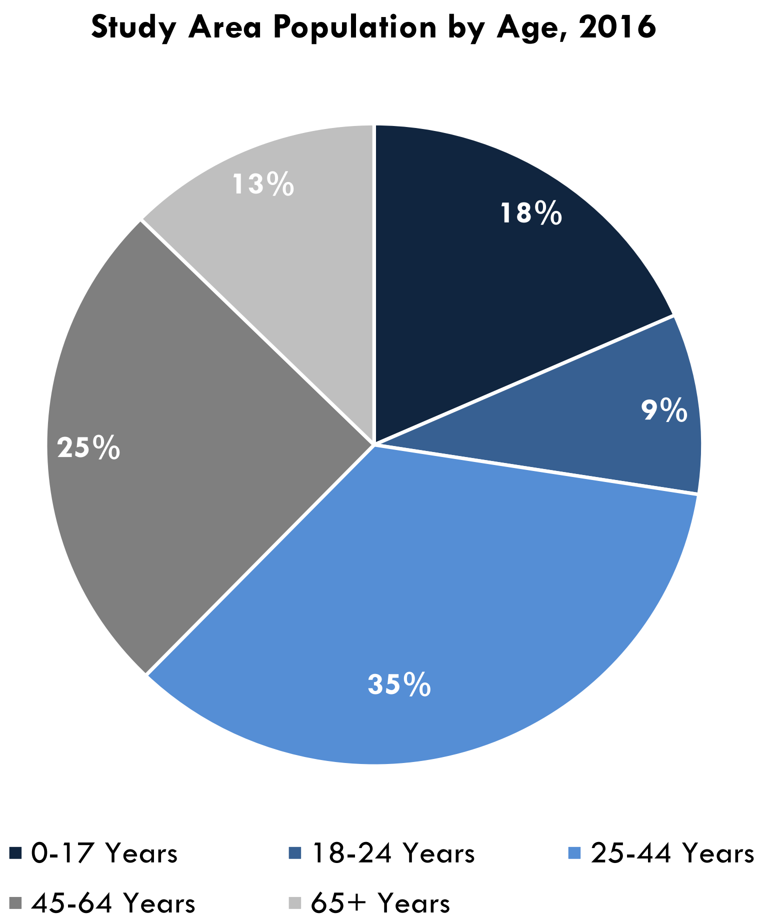


- The **study area population increased by 225,000 between 2009 and 2016,** bringing the total area population to 1.3 million and accounting for the majority of growth within King County during this period.
- Surrounding geographies are also growing, but not as fast as the study area. In fact, the study area's growth accounts for over 35% of the State's population growth during the period between 2009 and 2016.

Source: ACS 5-Year

Market Overview | Residential

Demographics in the study area are also shifting, with higher-income renters and more families in the area as of 2016.

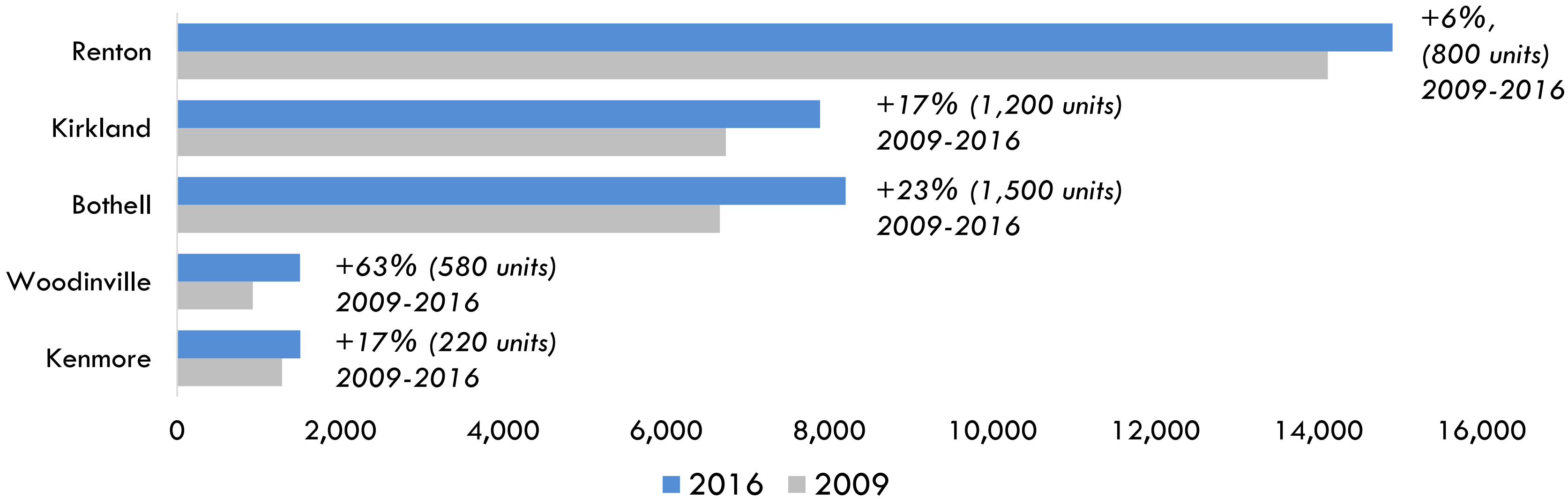


- The study area's population is predominantly young adults and adults, with **more than 60% of the population aged 44 or younger.**
- Strong population growth in the study area has contributed to shifting study area demographics, with a **37% increase in renter-occupied households** from 2009-2016.
- In the same period, **median household incomes have increased by 7%.**
- In addition to a higher share of renters and rising incomes throughout the study area, **35% of the study area's population growth is driven by 25-44 year-olds,** with family households increasing by 8% between 2009-2016.
- This population growth, coupled with changing demographics, is driving demand for multifamily development throughout the study area. Between 2009 and 2016, **the share of housing units with two or more units increased from 43% to 46%,** signaling growing interest in multifamily housing options.

Market Overview | Residential

In recent years, the suburban real estate market on the North and East sides of Lake Washington has seen substantial residential development momentum.

Multifamily Rental Housing Supply by Units, 2009-2016



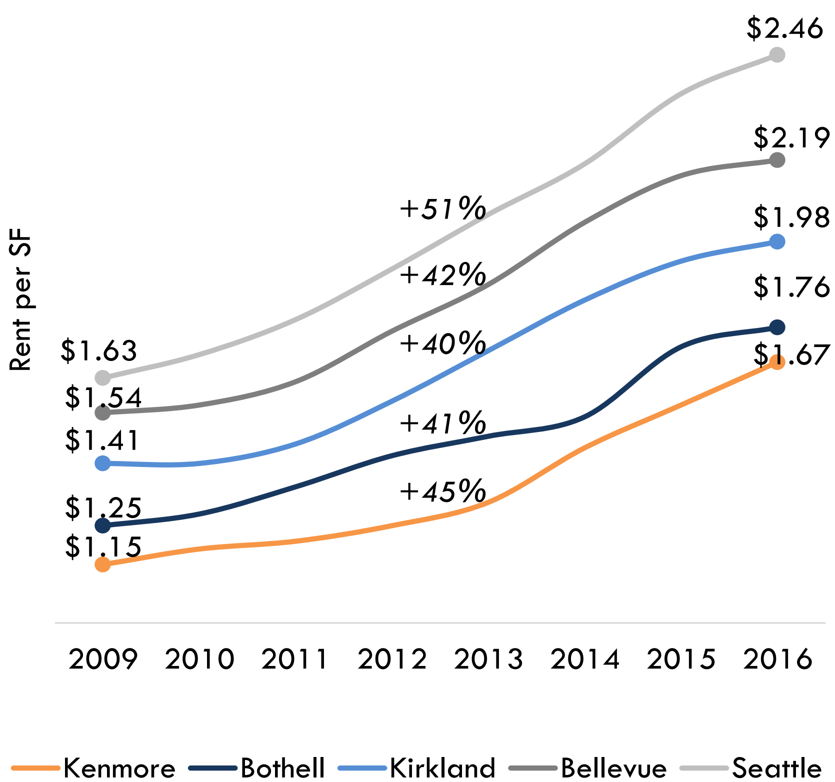
- Within the study area, **80% of new multifamily rental product has been delivered in Seattle** since 2009.
- Though not at the same volume as within Seattle, in key submarkets such as Kirkland and Bothell, **multifamily rental supply has increased by approximately 20% from 2009 to 2016.**
- Across a range of markets, **highly-amenitized rental product has proven successful,** as evidenced by projects such as Kirkland Urban in Kirkland and Newcastle Commons in Bellevue.

Source: CoStar

Market Overview | Residential

Substantial demand has driven an overall increase in rents. Rents in the northeast suburbs, however, remain reasonable relative to Seattle or Bellevue.

Average Residential Rents PSF, 2009-2016



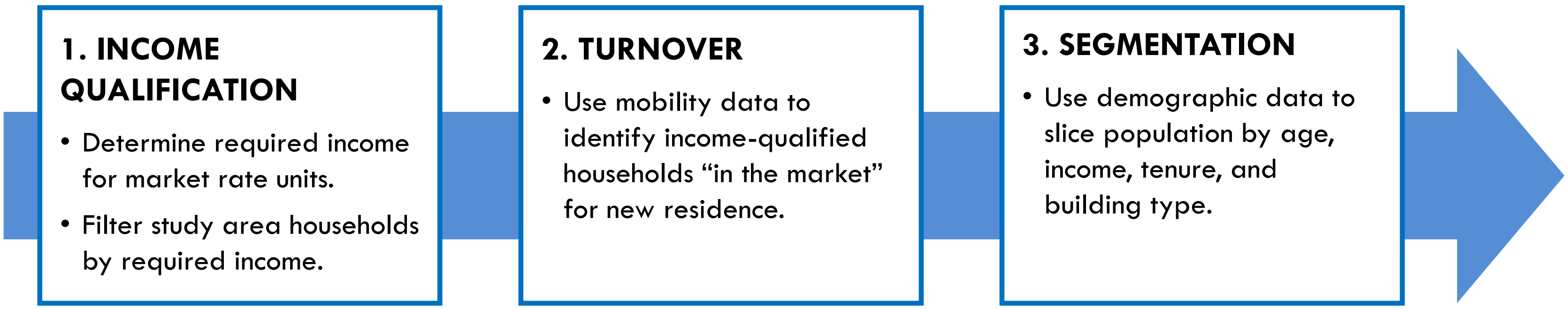
Source: CoStar

- Average residential **rents in the study area rose by 52%** between 2009 to 2016, from $1.51 PSF to $2.29 PSF.
- **Kenmore rents increased by 45% during the same period, to an average of $1.67 PSF.** Relative to average rents in the study area, Kenmore is less expensive and more closely aligned with Bothell, at $1.76 PSF, than the study area overall.
- In the Seattle-Tacoma-Bellevue MSA, **condo prices (not shown) have increased by 42% since 2013**, due in large part to constricted supply.

Market Overview | Residential

HR&A assessed market demand for residential product at Lakepointe to test the proposed program and generate inputs for the HR&A alternative program.

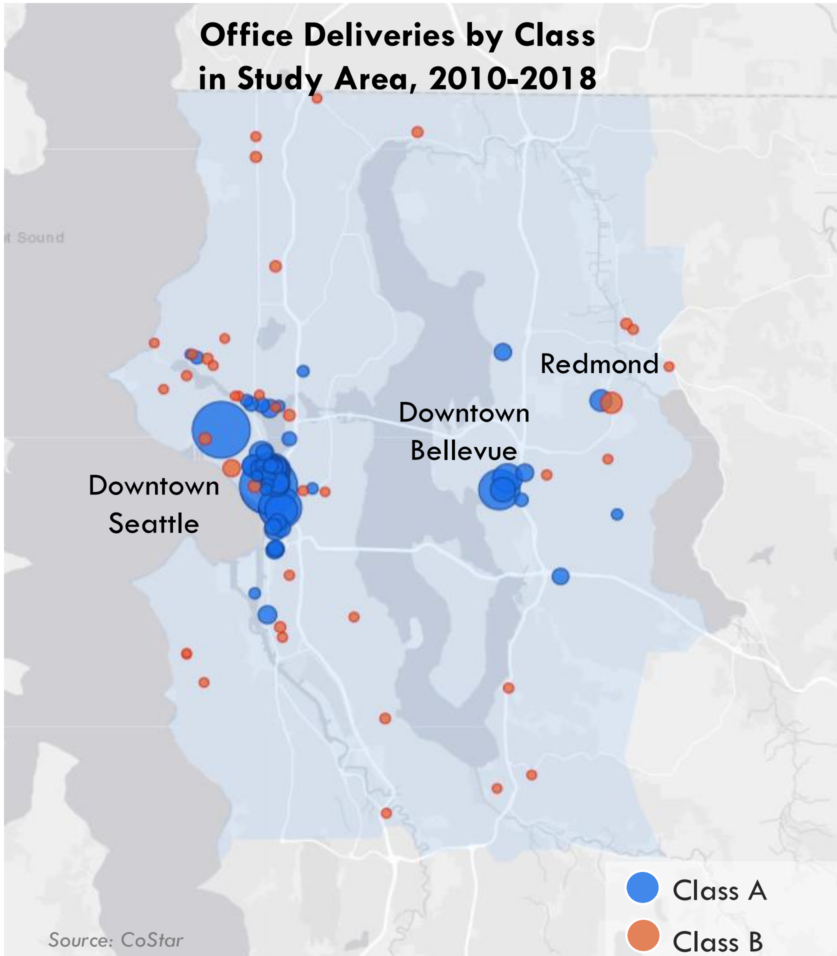
HR&A Methodology:



- Using the above methodology, HR&A determined that there are a significant number of households "in the market" for new multifamily product in the study area. **Demand for rental product exceeds demand for condo product in the study area, with 10,900 households "in the market" for new rental and 1,800 households "in the market" for new for-sale product.**
- Excluding downtown Bellevue, **there are no high-rise towers on the Eastside that are comparable** to the developer-proposed program at Lakepointe, positioning Lakepointe to be an early mover for this product type and to capture a sizeable share of the region's demand.
- HR&A's demand analysis concluded that **Weidner's program aligns with market demand.** Given the strength of the multifamily market, HR&A's alternative program tested the impacts of replacing other uses (including the hotel program) with multifamily product.

Market Overview | Office

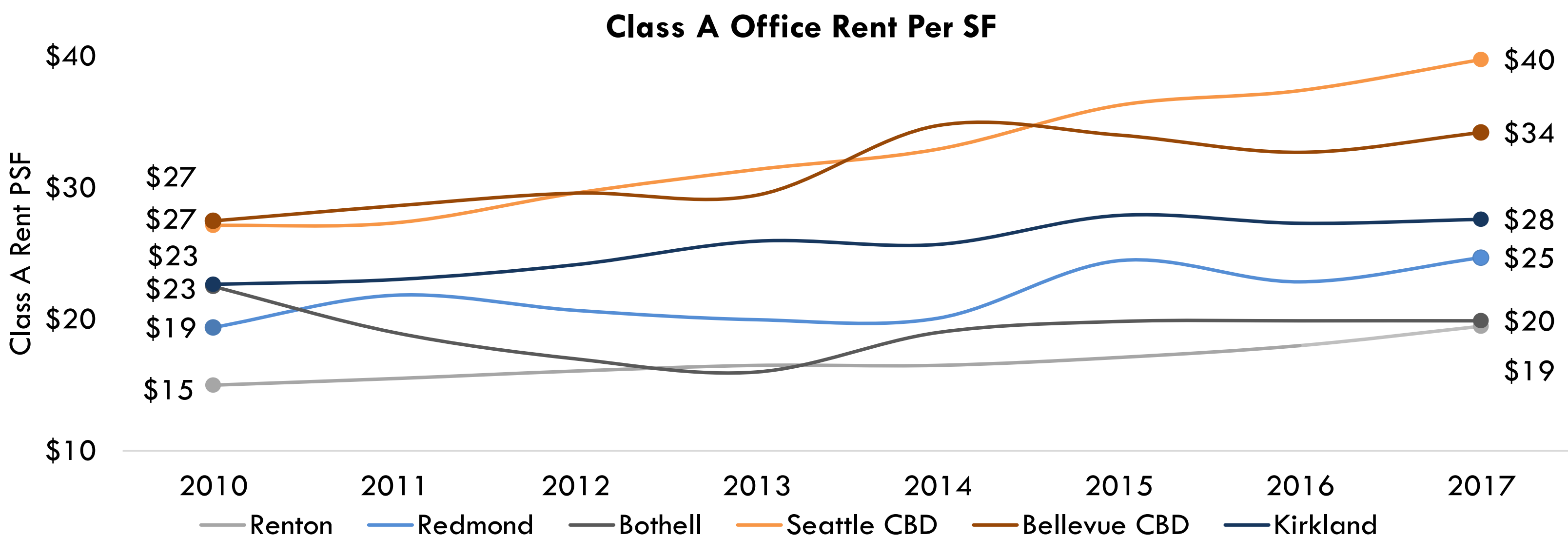
The study area's office market has seen continued growth since 2010, concentrated in the expansion of space for the tech and life sciences sectors.



- **More than 17.1 million square feet of office space has been delivered** in the study area since 2010, with over 3 million delivered around South Lake Union, primarily for Amazon. There is an equal amount of pipeline product.
- **New deliveries of Class A office product are primarily clustered within downtown Seattle and Bellevue,** with a share of new product in Redmond. There have been few new deliveries in the study area's smaller submarkets, such as Kirkland, Renton, or Bothell.
- **Tech and life sciences are the dominant office tenants in the study area,** with both Amazon and Microsoft owning or leasing more than 8 million square feet each. In addition to tech, there is a growing life sciences cluster adjacent to the University of Washington Bothell.

Market Overview | Office

While the market has seen office rent increases, growth has been much slower in areas outside of Seattle and Bellevue CBDs.

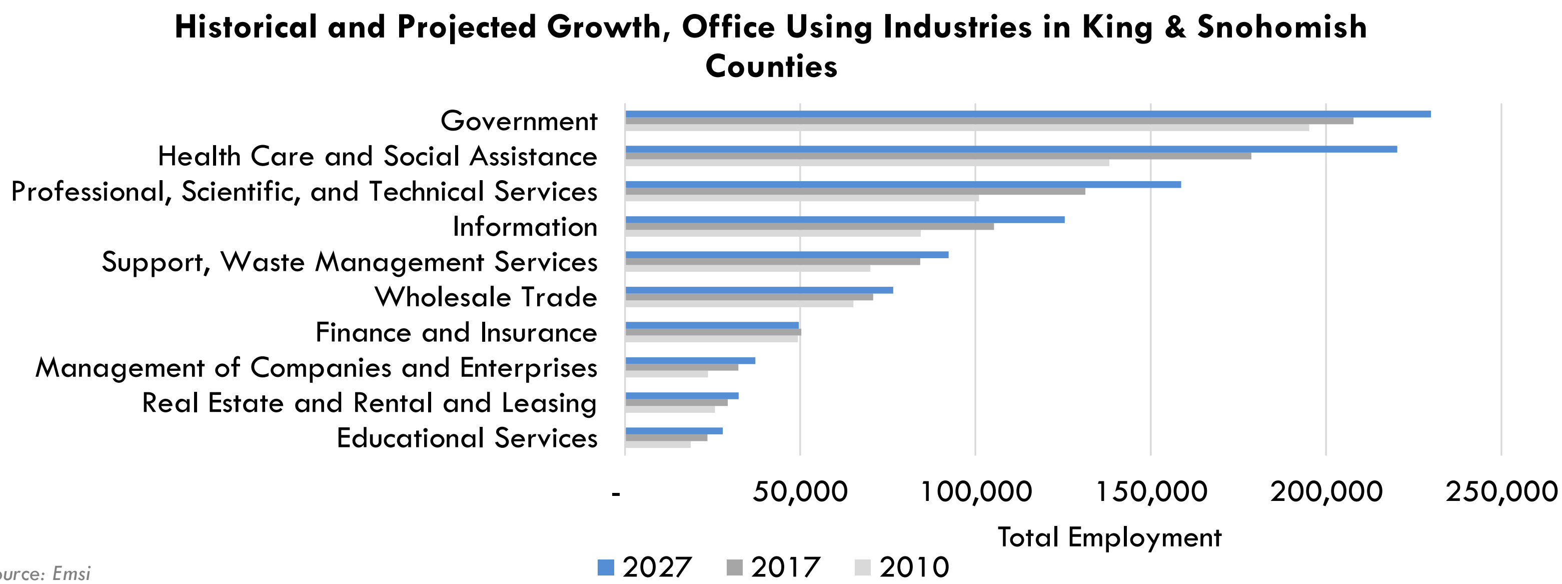


Source: CoStar

- **Office rents in the study area have steadily increased since 2010,** with rents in the Seattle and Bellevue CBDs leading the market by nearly $10 PSF compared to smaller submarkets, such as Redmond and Bothell.
- **Increasing rents in the Seattle and Bellevue CBDs are pushing some industries to expand to suburban markets.** In particular, life science office users have established a submarket in Bothell and Canyon Park. Suburban markets offer more affordable rents than South Lake Union, the industry's premier office sub-market.
- **For the life sciences industry, the vacancy rate of rentable lab stock in South Lake Union is very low, at 2.6%, and rents are twice as expensive in South Lake Union than in Bothell,** positioning the Bothell, Woodinville, and Kenmore markets well to capture tenants seeking more affordable lab space.

Market Overview | Office

Office-using industries are growing in the study area, and are projected to continue to grow, generating demand for new space over the next 10 years.



Source: Emsi

- Based on projected job growth between 2018 to 2026, HR&A estimated that office-using industries are anticipated to require approximately 25 million square feet of office space.
- After accounting for churn in office space and absorption of the currently-known pipeline product, **demand will exceed projected supply by approximately 13 million square feet.**
- **HR&A projects that approximately 4 million square feet of this excess demand could be delivered outside of the Seattle and Bellevue CBDs, a share of which could be captured at Lakepointe.** Given that Kenmore is not currently perceived as a strong office market, an anchor tenant will be critical to the success of the office program at Lakepointe.

Market Overview | Retail

There is existing demand for new retail offerings in the study area, which would increase with an influx of new residents and workers at Lakepointe.

10-Minute Drive Time Trade Area Retail Gap

Convenience Goods	Spending Potential	Current Sales	Unmet Spending Potential	Sales per SF	Supportable SF
Specialty Food Stores	$34M	$10M	$24M	*$822*	**29,000**
Beer, Wine & Liquor Stores	$14M	$7M	$7M	*$396*	**16,000**
Food Services & Drinking Places	$240M	$134M	$106M	*$535*	**196,000**
Sporting Goods, Hobby, Book & Music Stores	$80M	$48M	$32M	*$297*	**102,000**
Restaurants/Other Eating Places	$228M	$126M	$102M	*$534*	**191,000**
Special Food Services	$4M	$1M	$3M	*$534*	**6,000**
Total	**$600M**	**$326M**	**$274M**	***$536***	**812,000**

- Existing retail corridors in the study area often include a similar mix of locally-oriented retail, **typically including a café, mid-scale dining option, grocer, and a liquor store**. These strip-style centers are **supplemented by regional shopping centers,** which provide consumers with access to major brands.
- **Residents living within 10 minutes of the Lakepointe site are currently underserved by retail** offerings in the immediate area, as illustrated by HR&A's retail gap analysis (see table above).
- With an influx of new residents and workers associated with development at Lakepointe, on-site retail at Lakepointe is an important amenity for the project and will bring new spending power to the area, with the Weidner-proposed residential program estimated to **generate approximately $34 million in new resident spending potential.**[1]

[1] *Household spending power derived from existing spending potential in a 10-minute drive-time from Lakepointe per household ($17,000); Esri.*

Market Overview | Hotel

Tourism and annual visitation to the Seattle-Tacoma-Bellevue region is booming, and the market has responded to growing demand with a large hotel pipeline.

- **New deliveries amid a strong tourism and visitation market have led to substantial hotel revenue growth** over the last five years, increasing by 29% since 2012. As the market has already begun to respond to growing demand with a large pipeline, **occupancy, and ADR throughout the region are anticipated to decline.**

- **Hotels with targeted positions in the regional market have been successful,** especially when tied to office clusters or to unique visitor experiences. Some examples of such successful hotel products are shown to the right.

- **A hotel at Lakepointe is likely not supported by current market demand,** given the current pipeline and existing tourism trends. However, **a hotel tied to strong performance of the office component or with a unique identity and brand may be successful** as the site gains identity and recognition (likely in a later phase of the project's development).


ANDERSON SCHOOL, Bothell (72 Rooms)
A boutique hotel that creates a destination for locals and visitors through signature beer and food and numerous events


HEATHMAN HOTEL, Kirkland (91 Rooms)
A waterfront-adjacent luxury independent hotel in a former hospital, offering farm-to-table dining options


SOUTHPORT HYATT, Renton (347 Rooms)
A large hotel, conference, and event center located near SeaTac and with access to I-405 and SR-167

Source: HVS, Kidder Matthews

Market Overview | Conclusions

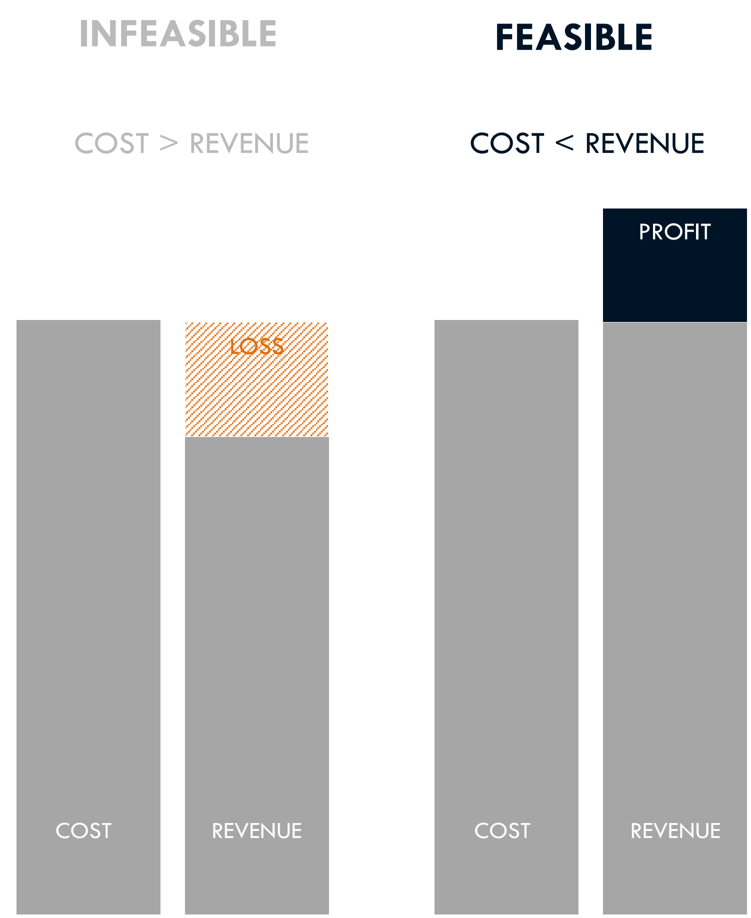
Findings from the market analysis informed HR&A's recommendations for an alternative program for testing.

Program Use	Conclusions	Recommendation
Residential	Demand for rental product in the study area is particularly high, which Lakepointe can capture a share of.	HR&A recommends testing a program that **maximizes multifamily rental density** on the site consistent with underlying market dynamics.
Office	The project's transformational impact over time, and the success of the residential and retail phases, will create a sense of place that makes office more feasible in the long term, which will be benefitted by attracting an anchor tenant.	The Weidner-proposed office program assumes an aggressive capture of the study area's supportable space, of 16%; **HR&A recommends testing a slightly reduced office program,** capturing 10% of the study area's supportable space.
Retail	Retail at Lakepointe will serve two key purposes: • Amenitize the residential and office programs, and • Establish Lakepointe as a destination for retail activity.	HR&A recommends **maintaining the currently-proposed amount of retail** for the site.
Hotel	A hotel at Lakepointe is likely not supported by current market demand, given the current pipeline and existing tourism trends.	HR&A recommends **testing a scenario with no hotel program** and a larger residential program.

Methodology | Financial Feasibility

HR&A assessed the financial feasibility of development alternatives from the standpoint of a future master developer using a discounted cash flow model.

- HR&A tested the **feasibility of potential development at the Lakepointe site** to inform the future **development program** and potential **partnership structure between the City and Weidner.**
- **HR&A used a discounted cash flow model that calculates the feasibility gap** of the proposed project assuming a 16-20% internal rate of return threshold for development.[2]
- The model tests **key elements of the development program** to gauge their impact on project feasibility and value, including:
    - The anticipated **vertical development** program;
    - Changes to **horizontal improvements** required for development and associated costs; and
    - Changes to key policies, including **parking ratios, affordable housing** requirements, City-required **impact fees; property taxes; State sales tax.**
- HR&A gathered **key revenue and cost inputs** from the market analysis described above and in the technical appendix, supplemented by inputs from the City and Weidner teams where necessary.



[2] *This range of expected return thresholds is based on interviews with local and national developers active in the Seattle area, and other fast-growing markets, as described in HR&A's 3.16.2018 memo.*

Methodology | Economic and Fiscal Impacts

For each program analyzed, HR&A assessed the economic and fiscal impacts of new development at Lakepointe.

- HR&A examined both **one-time impacts (construction)** and **ongoing impacts (operations and activity driven by development)**, which will occur each year, to estimate total economic and fiscal impacts.
- HR&A's economic impact analysis takes into account **direct spending and employment as well as the indirect and induced** impacts of business and household spending.
- HR&A considered a range of the most commonly assessed local and State taxes to evaluate one-time and ongoing fiscal impacts associated with construction and operation.

ONE-TIME IMPACTS

- Hard and soft construction costs, which generate the following economic activity and fiscal revenues:
  - **Economic Impacts** (NPV) of hard and soft construction costs
  - **Job-Years Supported** (FTEs) from project construction
  - **Wages** (NPV) from construction employment
  - **Fiscal Revenues** (2018$), generated from sales tax on construction materials

ONGOING IMPACTS

- Activity driven by ongoing operation of the development, which generates the following economic activity and fiscal costs and revenues:
  - **Economic Impacts** (stabilized year) of the project, including all program components, in operation
  - **Job-Years Supported** (FTEs) from operating program uses
  - **Wages** (stabilized year) from operating program uses
  - **Fiscal Costs and Revenues** (2018$), generated from sales tax levied on goods sold on-site, property taxes on assessed land value, and other municipal revenues, less costs to the City of Kenmore and Northshore School District for new residents and children

Key Inputs | Vertical Program

HR&A tested the feasibility of three development programs at Lakepointe.

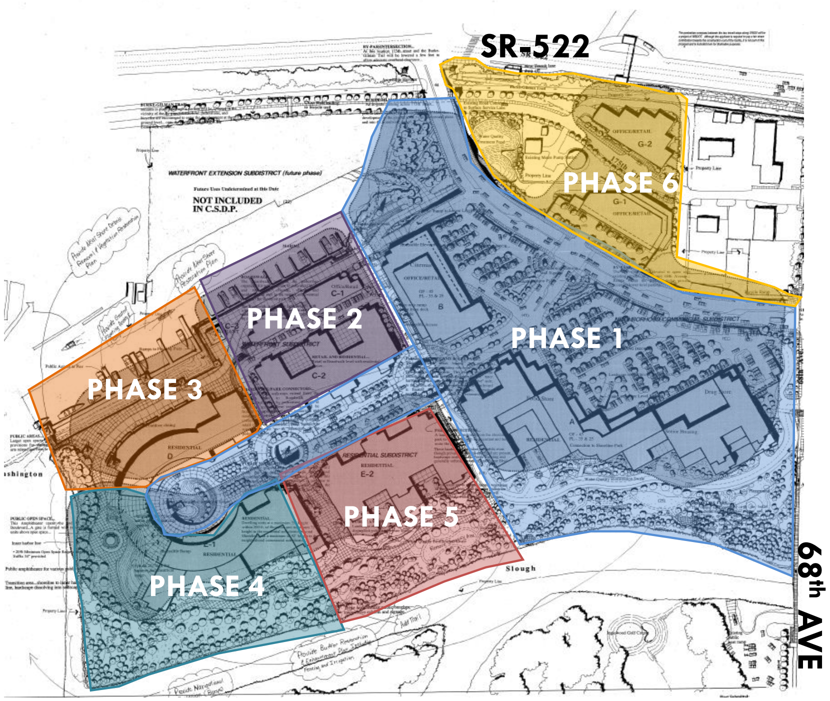
PROGRAM	RESIDENTIAL	OFFICE	RETAIL	HOTEL	PARKING
CSDP	1,200 units	175,000 NSF	277,000 GSF	150 Keys	3,532 spaces
Developer-proposed	2,000 units	600,000 NSF	126,000 GSF	150 Keys	5,003 spaces
HR&A Alternative	1,650 units	357,000 NSF	126,000 GSF	0 Keys	3,284 spaces

- **CSDP**: The development as permitted by the Commercial Site Development Plan (CSDP), per the Callison plans produced in the late 1990s. This program envisioned an entertainment and retail-driven hub at Lakepointe, with low overall density (relative to the Weidner program), a larger retail component, and higher parking ratios.
- **Developer-proposed program**: The development plan proposed by Weidner. The Weidner team envisions a high-end, fitness and health-centered residential program and hotel, followed by a substantial office component. The program is intended to lead a market shift in Kenmore, capitalizing on the strength, and pace, of recent development in the region.
- **HR&A alternative:** The "HR&A Alternative" program modifies the developer-proposed program based on HR&A's market findings, as described in the section above.

Key Inputs | Vertical Program

The CSDP allows for a blend of residential and commercial uses, with residential and retail development concentrated in a large first phase.

CSDP – PHASING & SITE PLAN



Source: Commercial Site Development Permit, City of Kenmore, Exhibit A.2.1

The CSDP program foresaw a **front-loaded program,** with the bulk of infrastructure and development delivered within the first phase of the project.

	RESIDENTIAL	OFFICE	RETAIL	HOTEL
Phase 1	640 Units	51,000 NSF	187,000 GSF	
Phase 2	240 Units	34,000 NSF	54,000 GSF	
Phase 3			36,000 GSF	150 Keys
Phase 4	100 Units			
Phase 5	220 Units			
Phase 6		90,000 NSF		
TOTAL	1,200 Units	175,000 NSF	277,000 GSF	**150 Keys**

Figures above are rounded for clarity

Key Inputs | Vertical Program

The developer-proposed program anticipates a mixed-use first phase, including varied residential product and a waterfront hotel, to lead the development.

DEVELOPER PROPOSED – PHASING & SITE PLAN

Source: Weidner Apartment Homes, Masterplan Design Proposal; August 2017

Weidner's program features **a phased development** that leads with residential and hotel uses on the western edge of the peninsula. Office uses are proposed in the last phase.

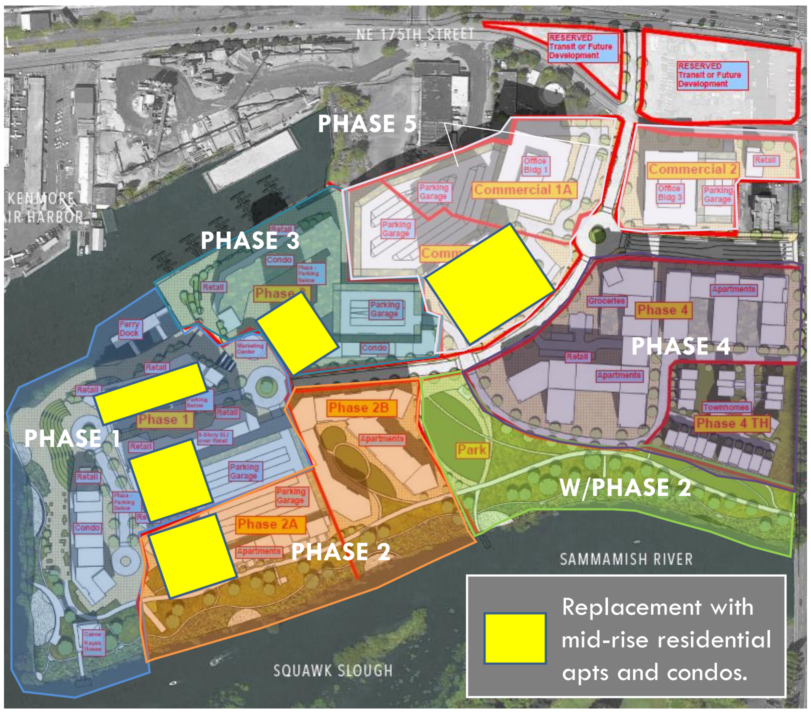
	RESIDENTIAL	OFFICE	RETAIL	HOTEL
Phase 1	398 Units		50,000 GSF	150 Keys
Phase 2	547 Units		12,000 GSF	
Phase 3	440 Units		32,000 GSF	
Phase 4	615 Units		27,000 GSF	
Phase 5		600,000 NSF	5,000 GSF	
TOTAL	**2,000 Units**	**600,000 NSF**	**126,000 GSF**	**150 Keys**

Figures above are rounded for clarity

Key Inputs | Vertical Program

The HR&A alternative largely follows the developer-proposed phasing, accounting for a modified vertical program on a few parcels.

HR&A ALTERNATIVE – PHASING & SITE PLAN



Note: Site plan is for illustrative purposes only. The HR&A alternative has not been designed as a revised site plan or vetted by an engineering team. There may be site plan implications associated with this program that are not illustrated here.

The HR&A alternative eliminates the Weidner-proposed hotel program, reduces the office program, and replaces high-rise development with market-feasible mid-rise product.

	RESIDENTIAL	OFFICE	RETAIL	HOTEL
Phase 1	304 Units		50,000 GSF	
Phase 2	363 Units		12,000 GSF	
Phase 3	256 Units		32,000 GSF	
Phase 4	615 Units		27,000 GSF	
Phase 5	107 Units	357,000 NSF	5,000 GSF	
TOTAL	**1,645 Units**	**357,000 NSF**	**126,000 GSF**	**0 Keys**

Figures above are rounded for clarity

Key Inputs | Horizontal Program

HR&A accounted for the varying levels of horizontal improvements envisioned in the development alternatives, as well as their relative phasing.

PROGRAM	HORIZONTAL IMPROVEMENTS[3]
CSDP	Over $312M of investment (hard costs), including extensive roadway improvements[3]
Developer-proposed	Approximately $170M of investment (hard costs), primarily to account for significant site stabilization costs[3]
HR&A Alternative	Same as developer-proposed, plus ~$5M of new horizontal costs (hard costs) to account for shifts in program uses

- The **CSDP** requires that a significant portion of the **horizontal improvements be completed prior to any vertical development**, which has major ramifications in terms of overall feasibility.

- The **HR&A Alternative** program assumes that the vertical development program can be altered, as described in the preceding slides, with only minimal impacts to horizontal and vertical costs, and that these changes **do not trigger a significant need to redesign or revisit the full site layout.**

  Where a change in construction costs was indicated as necessary by Weidner, HR&A shows that increased cost within the horizontal infrastructure costs on-site. HR&A also increased the cost assumptions associated with delivery of recreational open space on the site, to align with national precedents for high-quality open space.

  However, **careful consideration would need to be given to any changes to program** that are reflected in a future site permit or program, which may result in the need for additional planning. Indeed, the HR&A team believes that **revisiting the developer-proposed phasing, particularly of horizontal costs, in collaboration with an urban design firm with experience in transformative development, has the potential to significantly improve project feasibility.**

[3] *Cost estimates for all three programs represent the hard costs only, based on inputs from the Weidner team.*

Key Inputs | Financial Feasibility

HR&A analyzed the relative net present value of the programs by assessing the value of each use, parcel, and phase and discounting the overall value by the required IRR.

PROGRAM	CSDP	DEVELOPER-PROPOSED	HR&A ALTERNATIVE
Net Revenues (NPV)			
Land Sales	$30,488,254	$54,450,799	$40,584,863
Assets Under Management	$29,215,231	$2,373,286	$22,608,664
TOTAL NET REVENUES	**$59,703,485**	**$56,824,085**	**$63,193,526**

- HR&A **calculated the value** for each use within the intended Lakepointe vertical development program, and then applied these values to the anticipated size of the program for each use. Figures above assume a 20% internal rate of return and discount rate.
- High parking ratios and the lack of transformative product produce low anticipated values for the CSDP program, which shows **significant obstacles to its feasibility**, even without accounting for substantial horizontal costs associated with the program.
- The inclusion of **high-rise rental development product in the developer-proposed** program has significant negative impacts on the overall value of the vertical development program. Such a use is not currently feasible given anticipated market conditions in the short and medium term.[4]
- The HR&A alternative reflects **the replacement of uses for which there is not currently strong market demand** with valuable mid-rise residential product that produces substantially higher anticipated revenues in the HR&A alternative, and assumes a reduced parking ratio, appropriate for denser, more urban development.

[4] Further information on vertical development assumptions and relative value of each use can be found in the appendix.

Key Inputs | Financial Feasibility

Net revenues are compared to the project's required costs, as described below.

PROGRAM	CSDP	DEVELOPER-PROPOSED	HR&A ALTERNATIVE
Net Revenues (NPV)	**$59,703,485**	**$56,824,085**	**$63,193,526**
Costs (NPV)			
Entitlements, Land, and Infrastructure (incl. financing)	($265,207,998)	($132,529,055)	($136,748,151)
TOTAL COSTS	**($265,207,998)**	**($132,529,055)**	**($136,748,151)**

- All three development alternatives are **weighed down substantially by significant infrastructure investments** required on-site (figures above assume a 20% internal rate of return and discount rate).
- High horizontal infrastructure costs are driven by the need for substantial site stabilization measures, including capping and piling, as well as the need for construction of new roads that will connect the site to the surrounding road network.
- In particular, the CSDP envisions over $312M (nominal hard costs) of horizontal improvements on-site, much of which is concentrated in the early phases of the project.

Key Outputs | Financial Feasibility

Development net revenues and initial costs are compared in an overall cash flow to assess project-wide value.

PROGRAM	CSDP	DEVELOPER-PROPOSED	HR&A ALTERNATIVE
Net Revenues (NPV)	**$59,703,485**	**$56,824,085**	**$63,193,526**
Costs (NPV)	**($265,207,998)**	**($132,529,055)**	**($136,748,151)**
Total Project Value (NPV)	**($205,504,513)**	**($75,704,970)**	**($73,554,624)**
Master Developer IRR	Unable to calculate	**-8.7%**	**-8.4%**
FEASIBILITY GAP (NPV) 16%-20% IRR	Unable to calculate	$123M - $155M	$125M - $151M

- In all scenarios, there remains a **significant project gap** after accounting for the full horizontal improvement costs. The internal rate of return for each program is well below the 16-20% threshold for a market return. Note that for the CSDP program, the program is weighed down by front-loaded infrastructure costs, representing such a large expenditure that future revenues are never able to "catch up" with the costs of debt service. As such, the model cannot calculate the resulting IRR.
- The project feasibility gap represents the subsidy that would be required to reduce the project gap to zero, assuming a 16-20% internal rate of return. For the developer-proposed program, the gap is about $123-$155 million in net present value terms, assuming a City discount rate of 6%.

Key Outputs | Economic & Fiscal Impacts

Construction at Lakepointe will generate a range of economic activities, in addition to fiscal revenues.

ONE-TIME ECONOMIC ACTIVITY	CSDP	DEVELOPER-PROPOSED	HR&A ALTERNATIVE
Economic Impact (NPV)	**$1,490,000,000**	**$1,911,000,000**	**$1,249,000,000**
Job-Years Supported (FTE)	**9,635**	**12,655**	**8,370**
Labor Income (NPV)	**$664,000,000**	**$852,000,000**	**$557,000,000**
Net Fiscal Revenues (2018$)	**$11,439,532**	**$16,483,162**	**$10,560,812**

- **The CSDP program's** scale of infrastructure requirements generates significant economic activity. The high infrastructure costs also generate sales tax revenue, which results in large one-time fiscal revenues for the program.
- **The developer-proposed program** generates the highest one-time economic activity and fiscal revenues out of the three programs, due to the scale of the program's proposed horizontal and vertical improvements.
- **The HR&A alternative program** generates lower one-time economic activity and fiscal revenues than the other proposed programs. This is due to the reduced scale of the program as well as a smaller office footprint, which generates less in sales tax revenues and less construction spending and labor.
- However, it is unlikely that the level of benefit to the City described here (through any of the development scenarios tested) would be realized without significant public support for the project.

Key Outputs | Economic & Fiscal Impacts

Once the Lakepointe project is developed, it will continue to generate a range of ongoing economic activities.

ONGOING ECONOMIC ACTIVITY	CSDP	DEVELOPER-PROPOSED	HR&A ALTERNATIVE
Economic Impact (Stabilized Year)	**$507,000,000**	**$1,462,000,000**	**$888,000,000**
Job-Years Supported (FTE)	**1,855**	**4,360**	**2,720**
Labor Income (Stabilized Year)	**$110,000,000**	**$266,000,000**	**$166,000,000**
New Residents	**2,275**	**3,750**	**3,170**

- **The CSDP program's** smaller scale results in lower ongoing economic activity relative to the other programs. With smaller office and residential programs compared to both the developer-proposed and HR&A alternative programs, this program supports a lower number of both workers and residents, which results in lower ongoing labor income, at $110 million, and lower ongoing economic impacts, at $507 million.
- **The developer-proposed program** generates the highest ongoing annual economic activity, due to the scale of the program's uses. With the largest residential program, which drives up the number of residents, and the largest office program, which generates the highest worker ratios, this program's ongoing annual economic activity is valued at more than $1.4 billion, with more than $260 million in labor income generated each year.
- **The HR&A alternative program** generates fewer workers and residents than the developer-proposed program, due to the reduced office and residential programs. This reduction results in lower ongoing annual economic activity, though the activity generated by this program is higher than that generated by the CSDP program.

Key Outputs | Economic & Fiscal Impacts

Lakepointe will generate a range of ongoing fiscal costs and benefits, in addition to economic activity.

ONGOING FISCAL COSTS & REVENUES	CSDP	DEVELOPER-PROPOSED	HR&A ALTERNATIVE
City of Kenmore			
Cost	($1,087,993)	($1,167,254)	($1,129,648)
Revenue	$3,090,889	$3,680,542	$2,818,970
Net Fiscal Revenue	$2,002,896	$2,513,288	$1,689,322
Northshore School District			
Cost	($1,556,857)	($2,542,867)	($2,231,495)
Revenue	$2,907,625	$5,120,055	$3,526,947
Net Fiscal Revenue	$1,350,768	$2,577,188	$1,295,452

- **The CSDP program's** ongoing fiscal costs to the City of Kenmore and the Northshore School District are lower than other programs due its reduced residential program (and program overall). The program does not deliver a transformative program and therefore results in lower property tax revenues to both taxing entities, a major driver of fiscal revenues.
- **The developer-proposed program** generates substantial fiscal revenues for the City of Kenmore and the Northshore School District, driven by the program's higher density, raising property values and therefore a higher property tax benefit to both taxing entities.
- **The HR&A alternative program** generates substantial fiscal revenues for the City of Kenmore and the Northshore School District. School district costs are substantively similar to that of the developer-proposed program, due largely to the replacement of high-rise towers with mid-rise apartments and condos, which generate a higher ratio of school children per unit.

Key Outputs | Overall Scenario Evaluation

HR&A evaluated the three program scenarios to inform its recommendations regarding the overall final development agreement.

SCENARIO EVALUATION SUMMARY	CSDP	DEVELOPER-PROPOSED	HR&A ALTERNATIVE
NPV	**($205,504,513)**	**($75,704,970)**	**($73,554,624)**
Required Subsidy	**Unable to calculate**	**$123M - $155M**	**$125M - $150M**
One-time Economic Impact	**$1,490,000,000**	**$1,911,000,000**	**$1,249,000,000**
Ongoing Economic Impact	**$507,000,000**	**$1,462,000,000**	**$888,000,000**
Fiscal Benefit (City of Kenmore)	**$2,002,896**	**$2,513,288**	**$1,689,322**

- The **developer-proposed and HR&A alternative programs return more favorable results than the CSDP.** The developer-proposed scenario results in the greatest one-time and ongoing economic impacts, driven by the scale of resident- and worker-generating uses (specifically, residential and office). This program also generates the highest net fiscal revenues to the City of Kenmore, driven by the program's density and high property values.
- **All scenarios are burdened by high horizontal infrastructure costs and result in a feasibility gap and need for public support.** The HR&A alternative narrows this gap at the high end of the return range by reducing the risk associated with the development program (associated with high-rise development), but additional strategies may be required for a developer to move forward with the project. Assuming that both the City and Weidner are motivated to see the project move forward, public-private partnership and coordination will be required to narrow the feasibility gap for any development scenario chosen.
- **A successful agreement for future development of the site must balance public- and private-sector risks and responsibilities.** To achieve this balance, the development agreement can include a range of measures, including limits on public-sector financial support, the establishment of development minima, or ensuring future program flexibility. These measures are discussed in greater detail in the following section.

Findings | Public-Private Partnership Structure

Public-private coordination will be required to implement the project.

To balance risks and responsibilities of the public and private sectors, the City and Weidner can consider:

- **Limiting public-sector financial support to the program that maximizes value under currently-projected market conditions**, minimizes impacts, and accomplishes the City's goals;
- **Requiring completion of a minimum program on a set schedule**, that ensures that development proceeds as planned; and,
- **Allowing flexibility for development to adapt to changing market conditions.**

PUBLIC SECTOR GOALS & OBJECTIVES	PRIVATE SECTOR RISK & RETURN
CONNECT TO DOWNTOWN	MARKET RATE RETURNS
CATALYZE NEW DEVELOPMENT	MAXIMIZE FLEXIBILITY
NEW OPEN SPACE	MINIMIZE RISK
REDUCE PUBLIC SECTOR SUPPORT	
CLEAR DEVELOPMENT MILESTONES	

Findings | Public-Private Partnership Structure

The current feasibility gap creates significant challenges, and the partnership structure should take into account site strengths and weaknesses and limited public resources.

The projected feasibility gap before public-private partnership is high, and unlikely to be filled by direct City of Kenmore support. However, given the substantial economic, fiscal, and community benefits that the City stands to gain from the project, the City and Weidner should work closely to establish a public-private partnership that can **reduce the gap** and increase the likelihood of implementation.

$123M - $155M
Current feasibility gap

Next steps:

1. **Size plausible direct municipal support based on potential to achieve public priorities and current funding resources.** The City has limited resources to directly support large-scale development, with an $11m annual budget and a debt capacity of ~$59m. Further, direct support is most often linked to a direct public benefit, such as delivery of transportation infrastructure or a public park, so is likely not an appropriate source to address the full gap.
2. **Rethink site plan to maximize feasibility of a standalone first phase, while creating the potential for transformative revenue growth.** Revisit the site planning and phasing to determine the optimal location of the first phase and subsequent phases given current market and feasibility constraints. The current site plan places the first phase at the tip of the peninsula, creating significant horizontal cost burdens. In this scenario, the developer also uses up its most valuable parcel up-front with premium hotel and residential product, including high-rise, that may be constrained by current market forces in the short term.
3. **Use existing local policies and programs,** such as altering affordable housing requirements, parking requirements, impact fees, and property tax abatements or creating a Local Improvement District for Downtown that would support Lakepointe and other development.

$3-5M
Potential City contribution*

TBD
Potential reduction in feasibility gap

$5-60M
Potential reduction in feasibility gap

**Initial estimate of public support is equivalent to the projected investment in a public park within the currently-proposed site plan, assuming $2.4 million per acre for 1.5 acres of open space (rounded to the nearest million).*

Findings | Public-Private Partnership

The City of Kenmore can consider a number of local policies and programs to help minimize the financial gap for the program.

The local policies and programs that public-sector support could potentially undertake to reduce the feasibility gap for development at Lakepointe include:

- **Supporting the construction of enabling infrastructure or public amenities.** The site's substantial horizontal improvement needs drive the project's feasibility gap, and are concentrated in site piling and stabilization work required to support building on-site (for any vertical program). Direct public-sector participation in this infrastructure cost would reduce the burden on a developer.
- **Altering affordable housing requirements.** The CSDP calls for 10% of all residential uses to be targeted to households making 50% AMI or below. Reducing this requirement (for example, by changing the income thresholds to 80% AMI, or exempting Lakepointe from such a requirement) would help mitigate impacts to project feasibility. This lever is subject to City Council approval, however, and must align with broader policy goals.
- **Reducing parking requirements.** Parking requirements make up a substantial cost for dense development at Lakepointe. As regional transit investments are introduced in Kenmore, notably BRT along SR-522, and user behaviors shift, there is strong potential to reduce parking requirements, especially for the residential portion of the development. For example, a reduction in parking requirements for residential program components to 1 space per unit (currently reflected in the HR&A alternative program) would substantially reduce the feasibility gap and be consistent with transformative development elsewhere in the country.

Continued on next page.

Impact on Feasibility Gap[5]:

48-61%
Currently supportable vertical costs

~$15M
Potential reduction in feasibility gap

$17-18M
Potential reduction in feasibility gap

[5] *All figures shown are for the developer-proposed program. Given the financial model's calculations, these may not be additive. Ranges are presented based on a 16-20% IRR.*

Findings | Public-Private Partnership

The City of Kenmore can consider a number of levers to narrow the feasibility gap.

- **Reducing or exempting impact fees.** Exempting Lakepointe from transportation or park impact fees, or allowing for Lakepointe to account for these impact fees through in-kind contributions (such as the transportation and park improvements assumed in the horizontal improvements), subject to City regulations, would reduce the feasibility gap.
- **Abating property taxes.** It is common practice across the Puget Sound area to abate property taxes to incentivize multifamily construction containing affordable. Abating property taxes may reduce the feasibility gap but limit the City's fiscal revenues in the near-term.

If the above local policy levers and exploration of the appropriate site plan and phasing are exhausted, the City could potentially explore more radical alternative development strategies, including potential for a land swap.

Impact on Feasibility Gap[5]:

~$5M

Potential reduction in feasibility gap[5]

$18-$19M

Potential reduction in feasibility gap[5,6]

TBD

Potential impact to be determined, if of interest

[5] All figures shown are for the developer-proposed program. Given the financial model's calculations, these may not be additive. Ranges are presented based on a 16-20% IRR.

[6] Total net present value of 8-year residential property tax abatement for the developer-proposed program is $59.4M. Only a portion of this value is captured by the financial feasibility model, which runs through project stabilization only.

Findings | Public-Private Partnership Structure

Defining City goals and identifying aligned funding and financing tools will support negotiations and progress toward implementation.

Defining City goals and identifying aligned funding and financing tools will support negotiations and progress toward implementation. Next steps to advance implementation include:

1. Clearly **define City objectives** and priorities to ensure that the City and developer clearly understand their respective expectations as the project advances towards implementation.

2. Explore all **opportunities to reduce the gap, while still delivering important benefits for the City and community** including: i) making a direct public-sector commitment to items of high community priority, consistent with local resources, ii) phasing and program planning that maximize value and minimize upfront costs, which may include developing a revised site plan, and iii) deployment of funding and financing tools that can be applied to the remaining gap.

3. Working with project partners, **negotiate a development agreement** that maintains project flexibility, which can be achieved by establishing development minima or guidelines that allow for future program adjustments based on market trends.

Appendix: Financial Feasibility

Financial Feasibility

Development Cost Assumptions

DEVELOPMENT COST ASSUMPTIONS

	Multifamily Midrise	Multifamily Highrise	Condo Midrise	Office Midrise	Office Highrise	Hotel	Retail (Ground Floor)	Retail (Stand-Alone)	Townhomes	Condo Highrise
Hard Costs (per GSF)[6]	$197	$352	$207	$131	$188	$405	$175	$175	$215	$370
Soft Costs (Excl. Fin. & Loan Fees (%)) [6]	21%	21%	21%	21%	21%	21%	21%	21%	21%	21%
Hard & Soft Costs (per GSF)	$238.42	$426.37	$250.34	$158.81	$226.88	$490.05	$211.75	$211.75	$260.15	$447.69
Washington State Sales Tax	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%
Cost of Structured Parking (per space) [7]	$30,830	$30,830	$30,830	$30,830	$30,830	$30,830	$30,830	$30,830	$0	$30,830

[6] *Weidner Apartment Homes, Local Cost Estimator, Local Hotel and Townhome Developer*
[7] *Weidner Apartment Homes*

Financial Feasibility
Financing Assumptions

FINANCING ASSUMPTIONS	
Construction Loan	
Loan-to-Cost Ratio (%, incl. fees and interest)	75%
Lender's Points (%)	1.00%
Loan Closing Costs (%)	1.00%
Interest Rate (%)	4.00%
Permanent Loan	
Loan-to-Value Ratio (%)	80%
Lender's Points (%)	1.00%
Loan Closing Costs (%)	1.00%
Interest Rate (%)	4.25%
Amortization Period (Yr.)	30 Yr.
Debt Service Coverage Ratio	1.20

GROWTH / DISCOUNT RATE ASSUMPTIONS	
General	
Inflation	3.0%
Inflation - Infrastructure	3.0%
Discount Rate / Target IRR	20.0%
Infrastructure Construction Loan	
Horizontal Loan - Interest	6%
Horizontal Loan - Equity Share	30%
City of Kenmore	
Discount Rate	6.00%

Financial Feasibility

Revenue Assumptions

RENT REVENUE ASSUMPTIONS[9]

	Multifamily Midrise[8]	Multifamily Highrise[8]	Office Midrise	Office Highrise	Retail (Ground Floor)	Retail (Stand-Alone)
Base Rent (per NSF per Yr.)[9]	$32.40	$36.00	$33.00	$38.50	$35.00	$35.00
Rent (per NSF per Mo.)	$2.70	$3.00	$2.75	$3.21	$2.92	$2.92
Property Taxes (per NSF per Mo.) [10]	$0.43	$0.48				
Total OpEx (as % of Revenue, incl. RE Taxes)	33%	33%				
CapEx Reserves (per NSF per Yo.) [11]	$0.10	$0.10	$0.10	$0.10	$0.10	$0.10
Leasing Commissions as % of Lease [11]			6.00%	6.00%	8.00%	8.00%
Tenant Improvements per NSF [11]			$80.00	$80.00	$20.00	$20.00
Average Cap Rate [13]	4.40%	4.40%	5.25%	5.25%	6.00%	6.00%

HOTEL REVENUE ASSUMPTIONS[13]

	Hotel
ADR (per key)[13]	$175.00
Occupancy Rate	75%
Revenue Per Available Room (Rev PAR)	$131.25
Non-room Revenue as % of Room Revenue	20%
Total OpEx (as % of Revenue, incl. RE Taxes)	55.00%
Average Cap Rate	5.00%

CONDO REVENUE ASSUMPTIONS[9]

	Townhomes	Condo Midrise[8]	Condo Highrise[8]
Sale Period	12 Mo.	12 Mo.	12 Mo.
Construction + Sale Period	36 Mo.	36 Mo.	36 Mo.
Presold	50%	50%	50%
Marketing Costs Per Unit	$4,000	$4,000	$4,000
Transaction Costs	7%	7%	7%
Market Sale Price PSF	$515.00	$680.00	$850.00

[8] Benefits from Transformative Growth over lifespan of the project
[9] Market comparables on the Eastside, O'Connor Consulting Group
[10] Based on current property taxes on comparable buildings in Kenmore
[11] HR&A Assumption

[12] Weidner Apartment Homes
[13] Market reports, including CBRE, JLL, STR; when calculating the feasibility gap with the property tax abatement, adjusted cap rate to 5.2% to reflect the value of the abatement.

Financial Feasibility

Parking Assumptions

PARKING RATIOS	CSDP	DEVELOPER- PROPOSED	HR&A ALTERNATIVE
Residential	1.50 per unit	1.35 per unit	1.00 per unit
Hotel	0.80 per key	0.80 per key	0.80 per key
Office	3.333 per 1000 NSF	3.0 per 1000 NSF	3.0 per 1000 NSF
Retail	3.333 per 1000 GSF	3.0 per 1000 GSF	3.0 per 1000 GSF

The approved CSDP provides the current parking standards on the site. For a developer to construct less parking – as is the case in both the Weidner plan and HR&A alternative – the City would need to approve lower requirements in a future development agreement.

Financial Feasibility

Horizontal Infrastructure Costs

INFRASTRUCTURE IMPROVEMENTS	CSDP	DEVELOPER-PROPOSED	HR&A ALTERNATIVE[14]
Transportation Improvements	$194,360,379	$50,271,300	$50,271,300
Off-site and Utility Extension Improvements	$7,256,700	$10,829,630	$10,829,630
Site Stabilization	$105,085,231	$82,475,648	$86,659,060
Shoreline Improvements	$2,720,483	$22,117,500	$22,117,500
Public Recreation Space Improvements	$2,720,483	$5,099,773	$5,200,000
TOTAL HARD COSTS	**$312,143,275**	**$170,793,851**	**$175,077,490**
Soft Costs	$62,428,655	$34,158,770	$35,015,498
Contingency	$62,428,655	$34,158,770	$35,015,498
Total Costs	***$437,000,585***	***$239,111,392***	***$245,108,486***

LAND ACQUISITION COSTS	AMOUNT
All parcels	**$49,350,000**

ENTITLEMENTS	AMOUNT
Entitlements	**$6,045,930**

HR&A assumed that the all horizontal improvements would be paid for with a 50/50 equity and debt split. Costs above do not include WSST, at 10.00%. Soft costs and contingency are estimated at 20.00% of hard costs each. All figures above are in 2018$.

[14] *Given the timeline and resources available for this study, HR&A did not undertake a wholesale redesign of the project site plan, and rather reassigned product within existing development pads to the modified program. Where increased building costs were to ensue (as determined by Weidner), HR&A assigned the increased costs to an increase in horizontal infrastructure costs on-site*

Financial Feasibility

Residual Land Values by Use

TYPOLOGY	RESIDUAL LAND VALUE PER NSF[15]	RESIDUAL LAND VALUE PER UNIT[15]
Multifamily Mid-Rise[16]	\$21 - \$30	\$17,800-\$25,400
Multifamily High-Rise[16]	(\$110) - (\$119)	
Condo Mid-Rise[16]	\$138 - \$169	\$117,000-\$143,300
Condo High-Rise[16]	\$52 - \$69	\$44,700 \$58,700
Office Mid-Rise	\$92	
Office High-Rise	\$92	
Hotel	\$338	\$83,716
Retail	\$49	
Townhomes	\$115	\$160,749

[15] *Residual land values do not include horizontal improvements and land basis. Residential uses include 10% affordable housing at 50% AMI.*
[16] *Value includes the anticipated benefit of transformative growth over the lifetime of the project. Range represents the range of potential for the first and last phase, respectively. It is expected that the last phase will be more valuable than earlier phases given the transformative growth envisioned at the site.*

Appendix: Economic & Fiscal Impact

Economic & Fiscal Impact Analysis

Economic Impact Methodology

Economic impact analysis is predicated on the concept of the "multiplier effect," where direct new economic activity in an area's economy, such as new spending or new jobs, creates further spending and job creation because businesses in a regional economy are interdependent and purchase goods and services from each other. For instance, construction spending from the Lakepointe project would stimulate additional spending by construction contractors who must purchase materials to meet new demand, which stimulates additional spending by the contractor's suppliers, and so forth. Economic impact analysis measures the ripple effect of initial economic changes owing to a new investment or policy change.

Economic impacts are measured in terms of employment, labor income, and economic output (spending) generated.

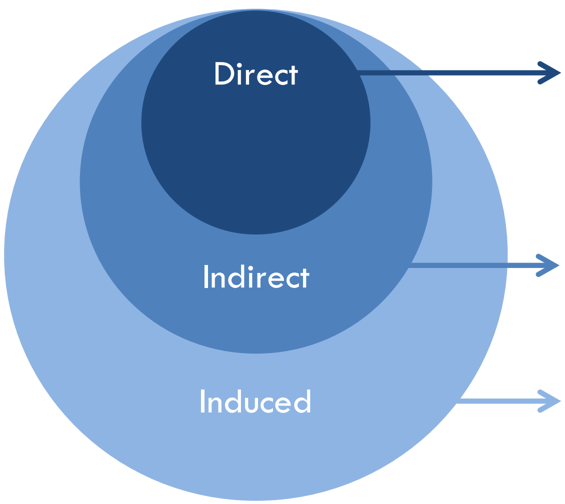
- **Economic impact (output)** is the total value of production across all industries. It is equivalent to the aggregate spending in the study area.
- **Jobs,** which are defined differently for one-time construction and ongoing activities. One-time construction jobs are calculated as job-years and represent the amount of work completed by one person in one year. Ongoing jobs represent full-time equivalent employees on an annual basis.
- **Labor income** includes wages and benefits received by employees and income received by independent proprietors in the study area.

Economic & Fiscal Impact Analysis

Economic Impact Methodology

HR&A's economic impact analysis considers the one-time impact of Project construction and the ongoing impact from Project operations each year. Economic inputs are disaggregated into direct, indirect, and induced effects.

- The **Direct effect** is the initial change in spending or employment attributable to new investment (e.g. construction of a new residential building)
- The **Indirect effect** is the change in spending or employment by businesses that supply the directly affected industry (e.g. construction material suppliers)
- The **Induced effect** is the change in household spending of employees who are compensated for working in the directly and indirectly affected industries. (e.g. food and beverage spending by construction workers)



Initial change in spending or employment attributable to new investment (e.g. construction of a new residential building)

Change in spending or employment by businesses that supply the directly affected industry (e.g. construction material suppliers)

Change in household spending of employees who are compensated for working in the directly and indirectly affected industries. (e.g. food and beverage spending by construction workers)

Multiplier Impacts

Economic & Fiscal Impact Analysis

Economic Impact Methodology

HR&A used IMPLAN to estimate the economic impacts of the development and operation of the proposed project on the local economy. IMPLAN, created by IMPLAN Group, LLC (formerly MIG, Inc. and the Minnesota IMPLAN Group, Inc.), is an industry standard input-output model used to conduct economic impact analyses by leading public and private sector organizations across the United States. It also has been used to monitor job creation for a range of Federal government initiatives, including the economic impacts of the American Recovery and Reinvestment Act of 2009 on state economies.

HR&A conducted its analysis using the IMPLAN input-output model for the King County, WA economy. For economic spending, IMPLAN traces the pattern of commodity purchases and sales between industries that are associated with each dollar's worth of a product or service sold to a customer, analyzing interactions among 536 industrial sectors, with assumptions about spending that takes place outside of the study area. The model generates estimates of direct economic impacts as well as indirect and induced impacts based on a series of inputs. Estimates are derived from the Bureau of Economic Analysis' Annual Industry Accounts and Annual Survey of Manufacturers and the Census Bureau's Annual Census of Retail Trade.

In addition to overall economic spending, the IMPLAN input-output model also produces estimates of the number of jobs supported and labor income. Labor income generated by the IMPLAN input-output model is based on a nationally recognized econometric model, customized for conditions in Davidson County and Tennessee. It includes wage and salary income plus benefits and employer paid taxes, in addition to income earned by independent proprietors. The estimates of jobs and labor income are based on the Bureau of Labor Statistics' Quarterly Census of Employment and Wages (QCEW), data from the Census Bureau's County Business Patterns data, and data from the Bureau of Economic Analysis' Regional Economic Accounts. A full description of IMPLAN and its data methods and sources can be found here.

Economic & Fiscal Impact Analysis

Economic Impact Methodology

Glossary of terms:

- **Direct Impact**
  - The initial change in spending or employment in the study area attributable to new investment (e.g. construction of a new residential building).
- **Economic Impact (Output)**
  - The total value of production across all industries. It is equivalent to the aggregate spending in the City or State.
- **Employment**
  - Number of full-time equivalent (FTE) employees supported by the Project. An FTE employee is assumed to work 2,080 hours in one year based on a 40-hour work week and 52 weeks per year.
- **Indirect Impact**
  - The change in spending or employment in the study area by businesses that supply the directly affected industry (e.g. construction material suppliers).
- **Induced Impact**
  - The change in household spending of employees who are compensated for working in the directly and indirectly affected industries (e.g. food and beverage spending by construction workers).
- **Job-Year**
  - Amount of work completed by one full-time equivalent (FTE) employee in one year. An FTE employee is assumed to work 2,080 hours in one year based on a 40-hour work week and 52 weeks per year.
- **Labor Income**
  - Total income received by labor, includes wages received by employees (excluding benefits) and income received by independent proprietors.
- **Multiplier Impact**
  - Combination of indirect and induced impacts.

Economic & Fiscal Impact Analysis

Economic Impact Assumptions

HR&A categorized one-time and permanent spending assumptions, generated by the financial feasibility analysis, into the following IMPLAN codes:

IMPLAN CODE	INDUSTRY NAME
57	Construction
63	Maintenance and Repair of Residential Structures
405	Retail – General Merchandise Stores
499	Hotels and Motels, Including Casino Hotels
537	HR&A Blended Office[17]

[17] *Weighted average of IMPLAN codes 440, Real Estate, and 460, Marketing research and all other miscellaneous professional, scientific, and technical services, based on the mix of employees in a precedent office area in Bothell.*

Economic & Fiscal Impact Analysis

Fiscal Impact Assumptions

HR&A used the following assumptions to determine net new property tax revenues to both the City of Kenmore and the Northshore School District, applying both taxing authorities' mill rates to the development's terminal value by use.

PROPERTY TAX ASSUMPTIONS		SOURCE
City of Kenmore Mill Rate	$1.54 per $1,000	*King County Assessor*
Northshore School District Mill Rate	$4.01 per $1,000	*King County Assessor*
UTGO Bond Fund 2016	$0.34 per $1,000	*City of Kenmore Biennial Budget*
Inflation	3%	*HR&A Assumption*
Equalization Rate	100%	*King County Assessor*
Assessor's Capitalization Rates		
Residential	4.12%-4.50%	*King County Assessor*
Office, Retail	7.50%	*King County Assessor*
Hotel	7.40%	*King County Assessor*

Economic & Fiscal Impact Analysis

Fiscal Impact Assumptions

HR&A used the following assumptions to determine net new sales tax and other revenues to the City of Kenmore from development at Lakepointe, applying the City's tax rates to both construction and ongoing spending.

SALES TAX & OTHER REVENUE ASSUMPTIONS		SOURCE
City of Kenmore share of WA State & King County Sales Tax (per dollar)	0.84%	*King County Assessor*
Local Criminal Justice Sales Tax	$52.58 per capita	*City of Kenmore Biennial Budget*
Intergovernment (collected by the State on gas and liquor related receipts)	$21.46 per capita	*City of Kenmore Biennial Budget*
Utility (telephone, gas and electric)	$60.93 per capita	*City of Kenmore Biennial Budget*

Economic & Fiscal Impact Analysis

Fiscal Impact Assumptions

HR&A used the following assumptions to assess additional costs to the city, driven by new residents and workers as a result of development at Lakepointe.[18]

LOCAL SERVICES SPENDING	SPENDING TYPE	COST PER FTE	COST PER CAPITA
Finance and Administration Cost Center	1 FTE	$92,300	
Legal	Per Capita		$8.88
Police Service Contract	4 FTEs	$150,000	
Prosecution & Defense	Per Capita		$9.45
Jail	Per Capita		$24.96
Court	Per Capita		$6.04
Development Services	0.5 FTE	$47,210	
Public Works Parks & Facilities Maintenance	1 FTE	$97,500	
Street Fund Expenses	1 FTE	$200,000	
Surface Water Program	1 FTE	$90,558	
Human Services Contracts	Per Capita		$7.46

[18] *Biennial budget, confirmed in discussion with City representatives; City of Kenmore*

Economic & Fiscal Impact Analysis

Key Economic & Fiscal Outputs

Using the above assumptions, HR&A found the following economic and fiscal impacts for each program scenario:

CSDP SCENARIO		INFRASTRUCTURE	VERTICAL	TOTAL
Construction period spending ($2018)		$437,000,585	$693,865,508	$1,130,866,093
	DIRECT	**INDIRECT**	**INDUCED**	**TOTAL**
Economic Impacts				
Construction period jobs	7,159	713	1,764	9,636
Construction period labor income	$543,386,588	$60,969,708	$106,100,173	$710,456,468
Construction period economic output	$1,130,866,093	$164,144,854	$297,438,409	$1,592,449,356
One-time fiscal impacts				$11,439,532
Ongoing jobs	1,431	160	267	1,858
Ongoing labor income	$81,414,843	$12,664,488	$16,771,214	$110,850,546
Ongoing economic output	$210,992,633	$131,720,827	$164,393,939	$507,107,399
Fiscal Impacts				
Ongoing local sales tax				$1,354,342
Ongoing other taxes (intergovernment, utility, local criminal justice)				$307,349
Ongoing local property tax (City and School District)				$5,998,514
Ongoing cost of local services (City and School District)				($2,644,850)

Economic & Fiscal Impact Analysis

Key Economic & Fiscal Outputs

Using the above assumptions, HR&A found the following economic and fiscal impacts for each program scenario:

DEVELOPER-PROPOSED SCENARIO		**INFRASTRUCTURE**	**HORIZONTAL**	**TOTAL**
Construction period spending ($2018)		$239,111,392	$1,246,096,001	$1,485,207,393
	Direct	**Indirect**	**Induced**	**Total**
Economic Impacts				
Construction period jobs	9,402	936	2,317	12,655
Construction period labor income	$713,649,284	$80,073,725	$139,345,200	$933,068,208
Construction period economic output	$1,485,207,393	$215,577,380	$390,636,634	$2,091,421,408
One-time fiscal impacts				$16,483,162
Ongoing jobs	3,320	379	661	4,359
Ongoing labor income	$196,782,186	$28,841,442	$40,535,912	$266,159,540
Ongoing economic output	$532,000,412	$413,591,968	$516,665,681	$1,462,258,062
Fiscal Impacts				
Ongoing local sales tax				$657,572
Ongoing other taxes (intergovernment, utility, local criminal justice)				$506,286
Ongoing local property tax (City and School District)				$8,800,597
Ongoing cost of local services (City and School District)				($3,710,121)

Economic & Fiscal Impact Analysis

Key Economic & Fiscal Outputs

Using the above assumptions, HR&A found the following economic and fiscal impacts for each program scenario:

HR&A ALTERNATIVE SCENARIO		INFRASTRUCTURE	HORIZONTAL	TOTAL
Construction period spending ($2018)		$245,108,486	$737,149,586	$982,258,072
	Direct	Indirect	Induced	Total
Economic Impacts				
Construction period jobs	6,218	619	1,532	8,369
Construction period labor income	$471,979,720	$52,957,629	$92,157,464	$617,094,814
Construction period economic output	$982,258,072	$142,574,447	$258,351,789	$1,383,184,308
One-time fiscal impacts				$10,560,812
Ongoing jobs	2,070	238	411	2,719
Ongoing labor income	$122,592,946	$18,174,839	$25,261,074	$166,028,859
Ongoing economic output	$328,653,382	$248,418,930	$310,308,587	$887,380,899
Fiscal Impacts				
Ongoing local sales tax				$657,572
Ongoing other taxes (intergovernment, utility, local criminal justice)				$427,781
Ongoing local property tax (City and School District)				$6,345,918
Ongoing cost of local services (City and School District)				($3,361,143)

LAKEPOINTE FEASIBILITY & BENEFITS STUDY

JULY 2018

HR&A Analyze. Advise. Act.

City Council Business Agenda Item
City of Kenmore, WA

Subject/Topic:	For Council Meeting Agenda of: August 13, 2018
Public Works In-House Transition	Department: City Manager's Office Prepared by: Rob Karlinsey
Proposed Council Action/Motion: No Action Required. Information Only	Initial & Date Approved by Department Head: ________ Approved by City Attorney: ________ Approved by Finance Director: ________ Approved by City Manager: RK / RK 8/9/18 Exhibits/Attachments: Presentation

INFORMATION/BACKGROUND:

The City of Kenmore recently received notice that the City of Lake Forest Park will no longer be providing public works operations services to the City of Kenmore after 2018. As a result, the City of Kenmore will need to provide "in-house" public works operations services in 2019.

The public works partnership with Lake Forest Park worked well while Kenmore was a new city. However, as workload needs and demands changed over the years and as competing priorities for shared resources increased, it made sense for Kenmore to begin transitioning from contracting for public works services to providing those services "in-house."

We are optimistic about this change and believe it will result in improved local control of public works services for the same or less cost, especially over the long term.

FISCAL CONSIDERATION:

Startup costs in 2018 are estimated to be $847,000, and, as shown in the attached presentation, those startup costs should be recovered over time.

Funding sources for the startup costs can come from budget savings in the current biennium. The General Fund expenditures are projected to be approximately $800,000 lower than budgeted for the 2017-2018 biennium. Surface Water Management (SWM) Fund expenditures are expected to be $160,000 lower than budgeted for this year, and approximately $200,000 can be used from the $500,000 projected balance in the Equipment Replacement Fund. The combined budget savings of the General, SWM, and Equipment Replacement funds will more than cover the startup costs needed for public works in-house operations.

CITY OF KENMORE

KENMORE
BY THE LAKE

PUBLIC WORKS CONTRACTS REVIEW & IN-HOUSE TRANSITION

August 2018

Presented by Munimanage

KENMORE PUBLIC WORKS DEPARTMENT SERVICES

- **Street Maintenance**
  - ROW Vegetation Management
  - Street Maintenance
  - Misc. Work Orders
  - Sign Maintenance
  - Bridges
  - Signals
  - Banners
- **Surface Water Maintenance**
  - Conveyance System
  - Facilities
  - Storm Response
  - Sweeper
  - Water quality monitoring
  - Misc. Work Orders
- **Parks Maintenance**
  - Parks Coverage
  - Events
  - Vegetation Maint.
  - Park opening/closing
  - Restroom cleaning
  - Playground, dock, etc. Maint.
  - Misc. Work Orders
- **Facilities Maintenance**
  - City Hall
  - Hangar Bldg.
  - Others
- **Fleet Management**

Major PW Contract Providers

Service Provider	Annual expenditures
Lake Forest Park	$923,642
King County	$530,120
Bravo	$216,302
Total Landscape	$108,004
FLO Tech	$47,573
Top to Bottom	$44,614
NW Landscape	$39,377
RFI Enterprises	$24,602
Arbor NW	$14,772
Hermanson	$10,772
Automated Controls	$9,470
Winterbourne	$3,530

LAKE FOREST PARK CONTRACT

LAKE FOREST CONTRACT/PARTNERSHIP ($924,000)

- Contract/partnership was formed in May 2001
- Since then it was amended fourteen times.
- Overall, it was a good partnership for a new city.
- As demands on workload and competing priorities for each city have increased, it has not worked as well in recent years.
- Lake Forest Park sent us notice in May to terminate the partnership effective December 31, 2018.

HOW DO WE START OUR OWN PUBLIC WORKS AND PARKS MAINTENANCE FACILITY?

1) We need to hire more maintenance workers.

2) We need to purchase equipment.

3) We need to have a site to store equipment and have some office space to organize and implement annual work plans.

4) *Long term, the city should look for ways to purchase approx. 1.5 to 2 Acres acres site for the permanent PW/Parks Shop, even though it is very difficult to find a large parcel of land in Kenmore.*

KENMORE PUBLIC WORKS AND PARKS OPERATION DIVISION

HOW MANY AND WHAT KIND OF EMPLOYEES WOULD WE NEED?

2019 KENMORE PW WORK PLAN (Draft)

					Jan	Feb	Mar	Apr	May	June	July	Aug	Sept	Oct	Nov	Dec	Total	
WORK DAYS IN THE MONTH					21	19	22	21	22	21	21	23	19	23	19	20	**251**	
WORK HOURS IN THE MONTH (PER FTE)					168	152	176	168	176	168	168	184	152	184	152	160	**2008**	*Mon-Fri minus City holidays*
TOTAL HOURS AVAILABLE (5.0 FTE OR 40 HRS/DAY AVG)					840	760	880	840	880	840	840	920	760	920	760	800	**10040**	*Average hours per month for 5.0 FTE*
ACTUAL HRS AVAILABLE BASED ON FTE EFFICIENCY					739.2	668.8	774.4	739.2	774.4	739.2	739.2	809.6	668.8	809.6	668.8	704	**8835.2**	*Efficiency adjustment for sick/vacation (0.88)*
SUB TOTAL BALANCE HOURS FOR SURFACE WATER					152.5	296.5	396.5	428.5	361.5	378.5	360.5	440.5	398.5	424.5	329.5	246.5	**4214**	
SUB TOTAL BALANCE HOURS FOR STREETS					233.84	249.84	289.84	273.84	285.84	277.84	281.84	237.84	237.84	217.84	261.84	261.84	**3110.08**	
SUB TOTAL BALANCE HOURS FOR PARKS					94.83	94.83	98.83	106.83	98.83	178.83	226.83	166.83	138.83	106.83	94.83	98.83	**1505.96**	
TOTAL FOR ALL DEPTS					481.17	641.17	**785.17**	**809.17**	746.17	**835.17**	**869.17**	**845.17**	775.17	749.17	686.17	607.17	8830.04	
Accumulative Balance of hours					258.03	285.66	274.89	204.92	233.15	137.18	7.21	-28.36	-134.73	-74.3	-91.67	5.16	10.32	
	Num of Work Orders	**Est Hrs per Work Order**	**Total Hours**	**Hrs Left to Complete**	**Jan**	**Feb**	**Mar**	**Apr**	**May**	**June**	**July**	**Aug**	**Sept**	**Oct**	**Nov**	**Dec**	**Total**	
SURFACE WATER WORK																		
Conveyance System WO (2 Person Crew)																		*May require truck and labor*
CB Frame Repair (Actual)	10	8	80	0				24	24	20	4	4	4				**80**	*Repair issues related to frame/grate*
CB Wall Repair (Actual)	22	4	88	0				20	20	20	4	4	20				**88**	*Typically grout repairs to structure wall*
CB Joint Repair (Actual)	41	4	164	0			24	24	24	24	24	20	24				**164**	*Typically grout repair and root removal on joints*

ANNUAL PERSONNEL COST

(STAFFING COST BASED ON KENMORE 2018 SALARY SCHEDULE)

Job Title	Number	Monthly Salary	Benefits Each	Total	Annual Each	Total
Maintenance Workers	4	$ 5,587.00	$ 1,955.45	$ 7,542.45	$ 90,509.40	$ 362,037.60
Foreman/Lead Maint. Worker	1	$ 5,905.00	$ 2,066.75	$ 7,971.75	$ 95,661.00	$ 95,661.00
Administrative Assistant	1	$ 5,324.00	$ 1,863.40	$ 7,187.40	$ 86,248.80	$ 86,248.80
ANNUAL GRAND TOTAL	6					$ 543,947.40

KENMORE PUBLIC WORKS AND PARKS OPERATION DIVISION

WHAT KIND OF EQUIPMENT WOULD WE NEED?

INITIAL CAPITAL EXPENDITURE

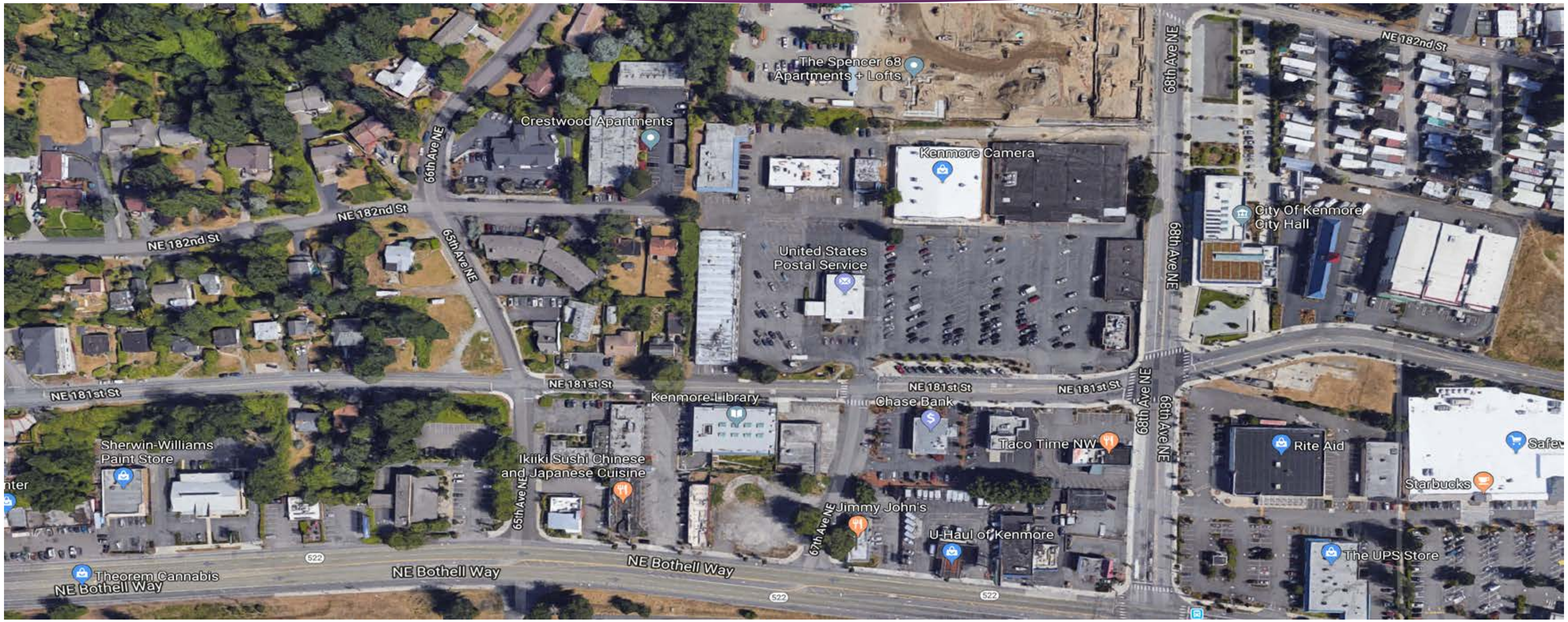
NEW EQUIPMENT AND COST

Quantity	Year Needed	Make & Model	Notes	Unit Cost	Total Cost	Life Cycle	Annual Depreciation
2	2018	Ford F350		$ 50,000	$ 100,000	10	$ 10,000
2	2018	Ford F150		$ 37,000	$ 74,000	10	$ 7,400
4	2018	Tommy Gates	F350's & F150's	$ 2,500	$ 10,000		
5	2018	Light Bar	F350's & F150's, Dump	$ 2,500	$ 12,500		
2	2018	Snow Plow	F350's	$ 7,500	$ 15,000	10	$ 1,500
1	2018	Backhoe/Loader		$ 100,000	$ 100,000	15	$ 6,667
1	2018	5 Yard Dump Truck		$ 75,000	$ 75,000	12	$ 6,250
1	2018	Box Sander	Dump Truck	$ 10,000	$ 10,000	15	$ 667
1	2018	Snow Plow	Dump Truck	$ 10,000	$ 10,000	15	$ 667
1	2018	Utility Trailer		$ 2,500	$ 2,500		
1	2018	Zero Turn Radius Mower	John Deere	$ 10,000	$ 10,000	5	$ 1,500
1	2018	Commercial 48" Walk behind Mower	John Deere	$ 7,500	$ 7,500	5	$ 1,000
2	2018	Commercial 21" Mower	Honda	$ 1,750	$ 3,500	5	$ 700
1	2018	De-Icer Storage Tank		$ 20,000	$ 20,000		
	2018	Misc. Small Power and Hand Tools			$ 15,000.00		
		Total			$ 465,000		
		15% Contingency			$ 69,750.00		
		Grand Total			$ 534,750		$ 36,350

KENMORE PUBLIC WORKS AND PARKS OPERATION DIVISION

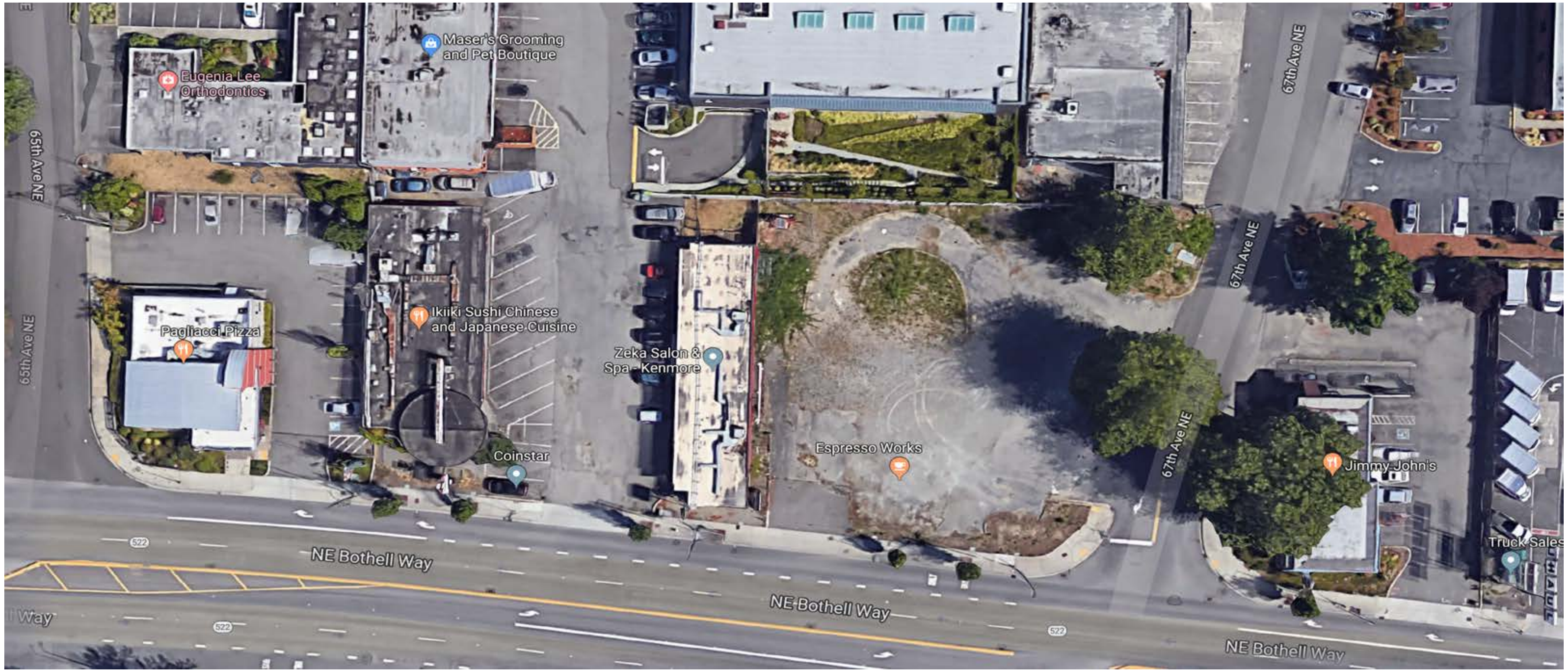
TEMPORARY
SITE TO STORE EQUIPMENT
AND
OFFICE SPACE

SR-522 AND BACK SIDE OF POST OFFICE BUILDING



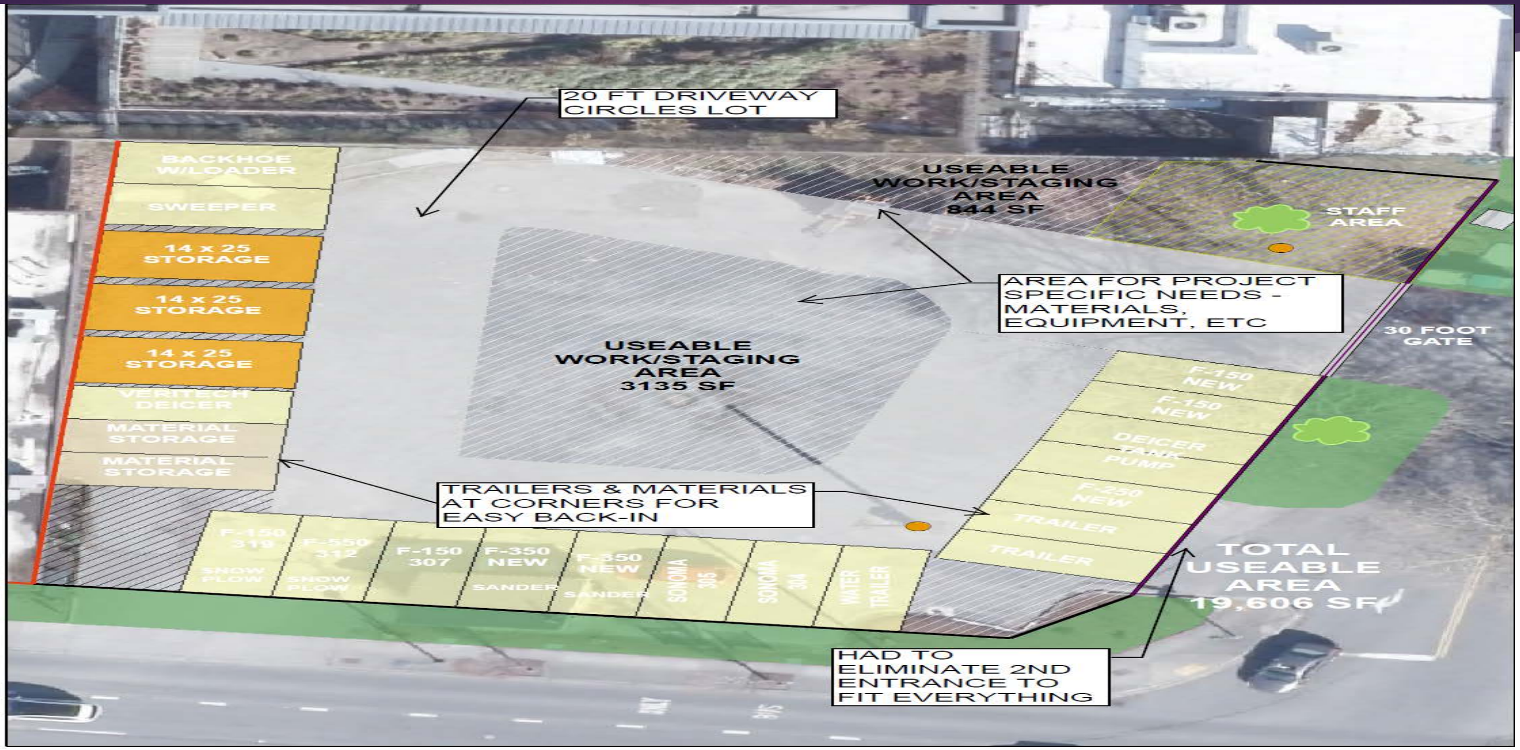
Google Maps

SR-522 SITE



SR-522 SITE

SR-522 SITE

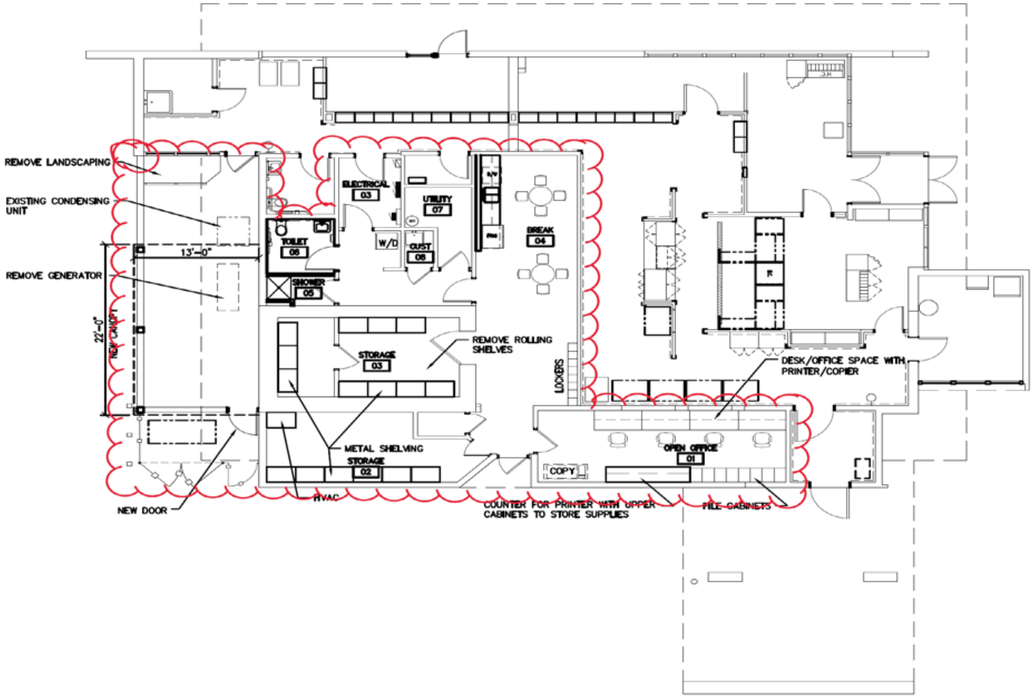

20 FT DRIVEWAY CIRCLES LOT
BACKHOE W/LOADER
SWEEPER
14 x 25 STORAGE
14 x 25 STORAGE
14 x 25 STORAGE
VERITECH DEICER
MATERIAL STORAGE
MATERIAL STORAGE
USEABLE WORK/STAGING AREA 844 SF
STAFF AREA
AREA FOR PROJECT SPECIFIC NEEDS - MATERIALS, EQUIPMENT, ETC
USEABLE WORK/STAGING AREA 3135 SF
30 FOOT GATE
F-150 NEW
F-150 NEW
DEICER TANK PUMP
F-250 NEW
TRAILER
TRAILER
TRAILERS & MATERIALS AT CORNERS FOR EASY BACK-IN
F-150 307
F-350 NEW
F-350 NEW
SANDER
SANDER
SNOW PLOW
SNOW PLOW
SONOMA 305
SONOMA 304
WATER TRAILER
TOTAL USEABLE AREA 19,606 SF
HAD TO ELIMINATE 2ND ENTRANCE TO FIT EVERYTHING

SR-522 SITE COST ESTIMATE

	SR-522 SITE COST ESTIMATE	
1)	Fencing and Gate(s)	$ 30,000
2)	Three Storage Sheds	$ 15,000
3)	Water and Electric Utility Connections	$ 20,000
4)	Landscaping	$ 10,000
	Subtotal	$ 75,000
	Contingency and Sales Tax	$ 35,000
	TOTAL	$ 115,000
	Notes:	
	A portion of the fencing and gates may be reused at the future permanent site.	
	All storage sheds can also be reused.	

POST OFFICE BUILDING

BACK OF POST OFFICE BUILDING (MINOR REMODEL)



POST OFFICE BUILDING

INITIAL CAPITAL EXPENDITURE

SR-522 Site and Post Office Building Minor Remodel Cost

	SITE IMPROVEMENTS COST	
1)	SR-522 Site Improvements	$ 115,000
2)	Post Office Site Minor Internal Remodel	$ 120,000
	TOTAL	$ 235,000

TOTAL STARTUP COST

SITE IMPROVEMENTS COST	$	235,000
NEW EQUIPMENT COST	$	534,750
Office Equipment & Supply	$	30,000
Staffing Overlap	$	54,400
TOTAL INTERIM SHOP STARTUP COST	**$**	**854,150**

ANNUAL OPERATING BUDGET

Salaries & Benefits	$ 543,947
On-Call Services	$ 9,000
Office Supply	$ 500
Operating Supply	$ 8,000
Communication	$ 10,000
Training	$ 6,000
Travel, Lodging, meals	$ 3,000
Equipment Rental	$ 5,000
Insurance	$ 15,000
Dues/Subscriptions	$ 700
Utilities	$ 4,000
Small tools	$ 500
Professional Services	$ 5,000
Subtotal	$ 610,647
Equipment Replacement	$ 36,500
Total	**$ 647,147**

KENMORE PW vs. LFP CONTRACT

Lake Forest Park Annual Cost	$ 924,000
Kenmore In-house operations annual Cost	$ 647,147
Annual Savings	**$ 276,853**

MULTIYEAR COMPARISON
In-House PW/Shop vs. Lake Forest Park

		2018	2019	2020	2021	Total
In-House Option						
	LFP Contract	924,000	0	0	0	924,000
	Startup	854,150				854,150
						-
	Operating		647,147	685,976	727,134	2,060,257
	Total In-House	1,778,150	647,147	685,976	727,134	3,838,407
Stay With LFP Option		924,000	979,440	1,038,206	1,100,499	4,042,145
In-House vs. LFP Difference		(854,150)	332,293	352,231	373,364	203,738

NEW PW
SHOP AND DEBT FINANCING

	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027
In-House Option										
LFP Contract	924,000									
Startup	854,150									
Operating Costs		647,147	685,976	727,135	770,763	817,009	866,029	917,991	973,070	1,031,455
Subtotal In-House	1,778,150	647,147	685,976	727,135	770,763	817,009	866,029	917,991	973,070	1,031,455
PW Shop Debt Service*			525,000	525,000	525,000	525,000	525,000	525,000	525,000	525,000
In-House Grand Total	1,778,150	647,147	1,210,976	1,252,135	1,295,763	1,342,009	1,391,029	1,442,991	1,498,070	1,556,455
Stay With LFP Option	924,000	979,440	1,038,206	1,100,499	1,166,529	1,236,520	1,310,712	1,389,354	1,472,716	1,561,079
In-House vs. LFP Difference	(854,150)	332,293	(172,770)	(151,636)	(129,234)	(105,488)	(80,318)	(53,637)	(25,355)	4,624
*Assumes $6.5M at 4.5% interest										

STATUS UPDATE AS OF AUGUST 2018

- An Architect is hired to develop plans, specifications and estimates for the post office building minor remodel. ($14,000)
- We are in the process of ordering the equipment from the Washington State bids. (September)
- We are in the process of getting bids for the SR-522 Site Fence Installation. (August)
- We have developed job descriptions for new maintenance workers and lead maintenance workers.
- We will advertise the positions and hope to hire them in Late November or early December.
- We will continue our search for a permanent shop site.

KING COUNTY CONTRACT

KING COUNTY CONTRACT ($530,000)

- Signal/Flasher Maintenance
- Roadway Striping
- Sign Maintenance
- Bridge Inspections
- Overlay Contract
- Banners

KING COUNTY CONTRACT

SIGNAGE		TOTAL HOURS	SALARIES	OVERHEAD	EQ. RENT HRS	EQ. RENT. COST	SUPPLIES	PERSONNEL BENEFITS	TOTAL COST
2016 TOTAL		533.25	$ 17,531.04	$ 24,745.91	436.75	$ 12,174.34	$ 18,659.27	$ 584.06	$ 73,695.62
2017 ESTIMATED TOTAL		690.93	$ 25,474.48	$ 35,395.91	572	$ 16,557.60	$ 11,475.93	$ 658.40	$ 89,562.32
AVERAGE PER YEAR		612.09	$ 21,502.76	$ 30,070.91	504.38	$ 14,365.97	$ 15,067.60	$ 621.23	$ 81,628.97
AVERAGE PER YEAR HOURS AND COST		612.09	$ 52,194.90						
Per Hour FTE Cost		$ 85.27							
SIGNAL		TOTAL HOURS	SALARIES	OVERHEAD	EQ. RENT HRS	EQ. RENT. COST	SUPPLIES	PERSONNEL BENEFITS	TOTAL COST
2016 TOTAL		319	$ 12,864.20	$ 18,728.51	249	$ 8,848.61	$ 1,886.92	$ 14.00	$ 42,342.24
2017 TOTAL (Estimated)		379.33	$ 15,753.36	$ 22,275.08	258	$ 10,549.69	$ 22,165.53	$ 72.15	$ 65,818.28
AVERAGE PER YEAR		349.17	$ 14,308.78	$ 20,501.80	253.50	$ 9,699.15	$ 12,026.23	$ 43.07	$ 54,080.26
AVERAGE PER YEAR HOURS AND COST		349.17	$ 32,354.88						
Per Hour FTE Cost			$ 92.66						
BANNERS									
2016 BANNERS TOTAL		51	$ 2,018.32	2963.29	24.00	$ 1,302.00	$ 13.32		$ 6,296.93
2017 BANNERS TOTAL		33	$ 1,337.88	$ 1,889.22	18.50	$ 895.13			$ 4,122.23
AVERAGE PER YEAR		25.5	$ 1,055.49	$ 1,481.65	12	$ 651.00	$ 6.66	$ -	$ 3,148.47
AVERAGE PER YEAR HOURS AND COST		25.5	$ 2,490.81						
Per Hour FTE Cost			$ 97.68						

RECOMMENDATION FOR THE COUNTY CONTRACT

- Reduce the contract amount 10% by doing some sign maintenance and installation with a city hired maintenance worker. **Contract reduction amount is approximately $54,000**
- Continue contracting with the County for
  - Signal Maintenance
  - Bridge Inspections
  - Roadway Striping
  - Banner Installation