City of Kenmore

City of Kenmore - 18120 68th Avenue NE - PO Box 82607, Kenmore WA 98028 - Phone: 425-398-890(
Fax: 425-481-3236 - Email: city_hall@kenmorewa.gov

REVISED 6/11/12 - ADDED EXECUTIVE SESSIONS TO FOLLOW STAFF REPORT.

City of Kenmore
City Council Regular Meeting Agenda
7:00 p.m., Monday, June 11, 2012
Kenmore City Hall, Council Chambers
18120 68th Ave. NE, Kenmore, WA 98028

AGENDA ITEMS ARE SUBJECT TO CHANGE up to and including the time of the meeting; items may be added or dropped. Please call the City Clerk if you have any questions or to confirm the agenda items prior to the meeting at (425) 398-8900, or stop by City Hall at 18120 68th Avenue NE, Kenmore. The agendas are also available on our website at: www.kenmorewa.gov. We are trying to make our public meetings accessible to all members of the public. If you require special accommodations, please call the City Clerk at least three (3) business days prior to the meeting.

I. CALL TO ORDER REGULAR MEETING

II. ROLL CALL

III. FLAG SALUTE

IV. AGENDA APPROVAL

V. CITIZEN COMMENTS

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.

VI. CONSENT AGENDA

A. Minutes of the May 14, 2012 Regular Council Meeting.

B. Approve Claim Nos. 25838-25956 in the Amount of $577,933.03 and Electronically Transferred Payroll Funds in the Amount of $136,327.52 for the Period Ending May 31, 2012.

C. Receive and File April 2012 Financial Report

D. Motion to Schedule a Special Council Meeting for Thursday, June 14, 2012, 7:00 p.m.

VII. BUSINESS AGENDA

VII. BUSINESS AGENDA

A. Presentation by Washington Department of Ecology on Public Participation Plan Process for the Kenmore Industrial Park.

B. Motion to Adopt Ordinance 12-0341 to Reclassify the Land Use Zoning Designation for the Property Located at 18138 73rd Ave. NE from "Public/Semi-Public" to "R-18."

C. Motion to Authorize the City Manager to Execute Contract No. 12-C1033, Animal Services Interlocal Agreement 2013-2015 with King County.

D. 61st Avenue NE and NE 181st Street Traffic Signal Construction Contract Award.

VIII. COUNCILMEMBER COMMENTS/REPORTS

IX. STAFF REPORT

X. ADJOURN TO EXECUTIVE SESSION - POTENTIAL LITIGATION, LITIGATION AND PROPERTY DISPOSITION - PURSUANT TO RCW 42.30.110(1)(i) and RCW 42.30.110(1)(c)

XI. RECONVENE BACK TO REGULAR SESSION

XII. POSSIBLE ACTION

XIII. ADJOURNMENT

Upcoming Meetings:

June 14, 2012 7:00 p.m. Special Council Meeting
June 18, 2012 7:00 p.m. Council Study Session Meeting
June 25, 2012 6:30 p.m. Quarterly Town Hall Meeting
June 25, 2012 7:30 p.m. Regular Council Meeting

DRAFT

City of Kenmore
City Council Regular Meeting
Minutes
May 14, 2012

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

Councilmembers present: Mayor David Baker, Deputy Mayor Bob Hensel, Councilmembers Milton Curtis, Glenn Rogers, Brent Smith, Laurie Sperry, and Allan Van Ness

Staff present: Rob Karlinsey, City Manager; Nancy Ousley, Assistant City Manager; Joanne Gregory, Finance Director; Ron Loewen, City Engineer; Zach Richards, Civil Engineer; Kent Vaughan, Senior Planner; Cliff Sether, Police Chief; Rod Kaseguma, City Attorney; and Lynn Suskin, City Clerk

FLAG SALUTE

Mayor David Baker led the flag salute.

AGENDA APPROVAL

Councilmember Laurie Sperry moved to add, after the consent agenda, a "Special Presentation."

The Council approved the agenda as amended.

CITIZEN COMMENTS

Bernie Talmas, 15207 NE 201st St., Woodinville, was present to announce that he is the attorney representing the owners of the marina, Ed and Chip Davidson.

Chip Davidson, 4805 244th Street SE, Woodinville, was present to state his concerns relating to the proposed sediment sampling and analysis in the Kenmore Navigation Channel.

Elizabeth Mooney, 5934 NE 201st St., Kenmore, was present to state her concerns related to contaminants in Lake Washington.

Dave Crawford, 7534 NE 175th St., Kenmore, was present to state his concerns relating to contaminants in Lake Washington, the City's strategic plan, and the tragic accident on SR 522.

Clyde Merriwether, 16311 69th Ave. NE, Kenmore, was present to state his concerns relating to his seeming inability to serve in any capacity for the City. He listed the various City of Kenmore boards and commissions he served on in the past.

David Mason, 20305 60th Ave. NE, Kenmore, was present to state his concerns relating to poor traffic routing due to the recent accident on SR 522.

Hitushi Maruyama, 17819 80th Ave. NE, A-1, Kenmore, was present to state that communication is crucial between the citizens and the City when it comes to public concerns relating to contaminants in Lake Washington.

Susan Mailleau, 18531 57th Ave. NE, Kenmore, was present to state her concerns related to contaminants in Lake Washington.

John Hendrickson, 5919 NE 202nd Lane, Kenmore, was present to state his concerns relating to alleged excessive energy use and the need to meet our environmental responsibilities.

Jirius Isaac, 20006 73rd Ave. NE, Kenmore, was present to state his concerns related to contaminants in Lake Washington and the importance of community involvement.

Dennis Mendrey, 6410 NE 182nd St., Kenmore, was present to read a letter into the record and submit a sediment sampling petition for a positive coalition between the City and the citizens to resolve this matter and ensure the health and safety of its citizens.

Christy Bowers, 19626 55th Ave. NE, Kenmore, was present to state the need to get the results of the sediment sampling as soon as possible. She requested that Council direct staff to work with the coalition.

Janet Hays, 6303 NE 181st St., Kenmore, was present to state her concerns related to contaminants in Lake Washington. She read an email she received from Gerry Pollet, Legislative Representative for the 46th District.

Mayor David Baker summarized the citizen comments.

CONSENT AGENDA

Councilmember Laurie Sperry pulled Item C., "Motion to Appoint Linda Ottmar as Kenmore Special Member of the King County Landmarks Commission for a Term of June 1, 2012 through May 31, 2015," for separate consideration.

Deputy Mayor Bob Hensel moved to approve the consent agenda as amended. Councilmember Allan Van Ness seconded the motion to approve Minutes from the March 26, 2012 Regular Council Meeting and April 9, 2012 Regular Council Meeting;

Approval of Claim Nos. 25718 – 25837 in a Total Amount of $850,689.13 for the Period Ending May 4, 2012; and Authorize the City Manager to Execute Agreement Nos. 12-C1028 and 12-C1029 with PSE IntoLight for the Construction of Proposed Street Lighting as Part of the 61st Avenue NE and NE 181st Street Traffic Signal Improvement Project in the Amount of $36,024.47. The motion passed unanimously.

Motion to Appoint Linda Ottmar as Kenmore Special Member of the King County Landmarks Commission for a Term of June 1, 2012 through May 31, 2015 – Councilmember Laurie Sperry provided some background and introduced Linda Ottmar.

The Council unanimously appointed Linda Ottmar as Kenmore Special Member of the King County Landmarks Commission for a Term of June 1, 2012 through May 31, 2015.

Council congratulated Ms. Ottmar on the appointment and at the same time thanked her for her willingness to serve on the King County Landmarks Commission.

PRESENTATION

Mayor David Baker, on behalf of the entire City Council, presented City Engineer Ron Loewen with a plaque thanking him for his years of service to the City and congratulating him on his retirement. He also gave his wife, Kandace Loewen, a beautiful bouquet of flowers.

Everyone present gave them a standing ovation and wished them both a very happy retirement.

PUBLIC HEARING

Public Hearing to Receive Public Testimony on Proposed Ordinance No. 12-0340 Authorizing the Acquisition by Negotiation or Condemnation of Real Property Interests Necessary for the NE 181st Culvert Replacement Project Near the Intersection of 61st Avenue NE and NE 181st Street. The Real Property Interests Considered for Condemnation Constitute Certain Portions of Real Property Located at 18018 61st Avenue NE, Kenmore, WA 98028, Identified as King County Tax Parcel No. 1126049033. Ron Loewen, Engineer, was present to provide a report in which he reviewed that the NE 181st Street Culvert Replacement project will be acquiring a permanent drainage easement and a temporary construction easement from one parcel at an estimated cost of $4,650. He stated that during the negotiations with the homeowner, the City made every reasonable effort to reach agreement on the acquisition. He stated that the negotiations have reached an impasse. In order to proceed with the project, it is being recommended that the Council authorize the City Manager to file a condemnation action. He discussed the need for construction of a box culvert in that area. He was also available to answer any questions.

Mayor David Baker opened the public hearing to receive public testimony at 7:56 p.m.

The following citizen spoke:

Dave Crawford, 7534 NE 175th St., Kenmore, was present to request that staff stay on top of the fish passage, so it won't fail.

Hearing no further testimony, Mayor David Baker closed the public hearing at 7:58 p.m.

BUSINESS AGENDA

Adopt Ordinance No. 12-0340 Authorizing the Acquisition by Negotiation or Condemnation of Real Property Interests Necessary for the NE 181st Culvert Replacement Project Near the Intersection of 61st Avenue NE and NE 181st Street - Ron Loewen, City Engineer, was present to provide a staff report. He was also available to answer any questions.

Discussion followed.

Deputy Mayor Bob Hensel moved to Adopt Ordinance No. 12-0340 Authorizing the Acquisition by Negotiation or Condemnation of Real Property Interests Necessary for the NE 181st Culvert Replacement Project Near the Intersection of 61st Avenue NE and NE 181st Street. Councilmember Allan Van Ness seconded the motion. The motion passed unanimously.

Authorize the City Manager to Award the 61st Avenue NE and NE 181st Street Traffic Signal Construction Contract for an Amount not to Exceed $1,150,000 - Ron Loewen, City Engineer, was present to provide a staff report in which he reviewed that, in order to expedite the project, staff is requesting authority to award the construction contract if bids are within the project estimate. He was also available to answer any questions.

Councilmember Glenn Rogers moved to Authorize the City Manager to Award and Execute the 61st Avenue NE and NE 181st Street Traffic Signal Construction Contract for an Amount not to Exceed $1,150,000. Councilmember Allan Van Ness seconded the motion. The motion passed unanimously.

Authorize the City Manager to Award and Execute the NE 181st Street Culvert Replacement Construction Contract for an Amount not to Exceed $400,000 - Ron Loewen, City Engineer, was present to provide a staff report in which he reviewed that, in order to expedite the project and meet the construction fish window, staff is requesting authority to award the construction contract if bids are within the project estimate. He was also available to answer any questions.

Councilmember Glenn Rogers moved to Authorize the City Manager to Award and Execute the NE 181st Street Culvert Replacement Construction Contract for an Amount not to Exceed $400,000. Councilmember Laurie Sperry seconded the motion. The motion passed unanimously.

Authorize the City Manager to Execute Agreement No. 12-C1030 with Anchor QEA, LLC in an Amount not to Exceed $57,228 for Sediment Sampling and Analysis with an extra $10,000 for sediment sampling in 4 other locations - Nancy Ousley, Assistant City Manager, was present to provide a staff report in which she reviewed that the proposed contract for sediment sampling and analysis advances the City's efforts to have maintenance dredging performed in the Kenmore Navigation Channel. She was also available to answer any questions.

Tom Wang, Anchor QEA, was present to review the scope of the project and was available to answer any questions.

Discussion followed.

Councilmember Milton Curtis moved to Authorize the City Manager to Execute Agreement No. 12-C1030 with Anchor QEA, LLC in an Amount of $57,228, plus an additional $10,000 for sampling additional locations, for Sediment Sampling and Analysis. Councilmember Allan Van Ness seconded the motion. The motion passed unanimously.

Accept March 2012 City of Kenmore Financial Reports - Joanne Gregory, Finance Director, was present to provide a staff report. She was also available to answer any questions.

Deputy Mayor Bob Hensel thanked the Finance Director for providing more description in the voucher reports.

Deputy Mayor Bob Hensel moved to Accept March 2012 City of Kenmore Financial Reports. Councilmember Allan Van Ness seconded the motion. The motion passed unanimously.

STAFF REPORT

Rob Karlinsey, City Manager, was present to give a report in which he announced that he has found that Kenmore is a great place to work. He mentioned the blue trees and his upcoming meeting with King County Parks and Representative Ferguson on the Burke-Gilman trail maintenance. He announced that representatives from the Department of Ecology are going to attend a Council meeting where they will provide an overview of their Public Participation Plan. He also distributed staff memos from Leslie Harris, Public Information Officer/Special Events Coordinator, relating to beaver law and Styrofoam recycling.

COUNCILMEMBER COMMENTS/REPORTS

Deputy Mayor Bob Hensel stated his concerns relating to the lack of maintenance at the boat ramp. He requested that staff contact Fish & Wildlife. He also stated that he appreciates the citizens that spoke this evening and understands that there is a need to hear back from staff on the sediment sampling and analysis report.

Councilmember Allan Van Ness provided a brief summary of the recent Suburban Cities Association PIC and Eastside Transportation Partnership meetings he attended.

Councilmember Laurie Sperry thanked Rob Karlinsey, City Manager, for the improvements to the Friday letter.

Councilmember Glenn Rogers stated that he likes the Council protocol where Council can speak directly with staff and consultants. He announced that there is a discount for Council if they register now for the Association of Washington Cities Conference that will be held in June.

ADJOURNMENT

Mayor David Baker adjourned the regular council meeting at 9:55 p.m.

____
Mayor David Baker

ATTEST:

____
Lynn Suskin, City Clerk

City of Kenmore
Voucher Certification and Approval

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 and that the following claims, paid by checks 25838-25956 which total $577,933.03 and electronically transferred payroll funds which total $136,327.52 are just, due, and unpaid obligations against the City of Kenmore/King County/Washington, and that I am authorized to authenticate and certify to said claims.

RJ Karlin 6/1/2012
City Manager Date

Joanne McInerney 6/1/12
Finance Director Date

Check #	Vendor Name	Description	Check Amt
25838	KING COUNTY FINANCE	Jan/ Feb Roads Services	$ 8,722.06
25839	UNIVERSAL FIELD SERVICES	March, 2012 Services	1,159.80
25840	TYMCO, INC.	New Tymco 600 Street Sweeper	186,275.00
25841	CITY OF KENMORE	PERS Reimbursement to City	50.00
25842	NATIONWIDE FINANCIAL 401a	Social Security Replacement Plan	10,347.01
25843	NATIONWIDE RETIREMENT SOLUTIONS 457	Deferred Comp Payroll Deduction	320.00
25844	ICMA RETIREMENT TRUST 457 - 304745	Deferred Comp Payroll Deduction	2,412.01
25845	DRS 457	Deferred Comp Payroll Deduction	1,737.50
25846	AFLAC	Private Medical/ Disability Plans	487.65
25847	CITY OF KENMORE FS	Flexible Spending Medical Plans	153.26
25848	BANK OF AMERICA 941	Payroll Taxes	11,516.77
25849	WA GUARANTEED EDUCATION TUITION	WA Pre-Tax Education Plan	415.00
25850	DEPARTMENT OF LABOR AND INDUSTRIES	Worker's Compensation	2,946.75
25851	UNITED WAY OF KING COUNTY	Employee Charitable Contribution	92.00
25852	NATIONAL LIFE OF VERMONT	Life Insurance	328.34
25853	AMERICAN GENERAL	Life Insurance	493.16
25854	STATE OF FLORIDA DISBURSEMENT UNIT	Payroll Deduction	275.00
25855	BRAVO ENVIRONMENTAL SERVICE	Drainage Services	2,488.65
25856	GEOENGINEERS INC	Prof Svcs 12/3/11-4/6/12	3,561.50
25857	GRAY & OSBORNE, INC	April, 2012 Services	5,105.38
25858	INSLEE, BEST, DOEZIE & RYDER, P.S.	March Legal Services	23,048.50
25859	KING COUNTY OFFICE OF FINANCE	April, 2012 Indigency Screening	939.40
25860	KING COUNTY	2012 Eastside Transportation Dues	200.00
25861	LIGHTHOUSE CONSULTING INC	April Anti-Virus/ Anti-Spam	1,350.14
25862	NEXTEL COMMUNICATIONS	3/25-4/24/12 Cell Phones	938.30
25863	NORTHSHORE FIRE DEPT	April Fire Marshal Plan Review	220.00
25864	OFFICE MAX	Supplies	1,315.51
25865	OFFICE TEAM	April Temporary Svcs	132.68

25866	OTAK	Prof Svcs thru 4/6	1,116.23
25867	SEATTLE TIMES	April, 2012 Advertising	564.70
25868	STEWART BEALL MACNICHOLS & HARMELL	Public Defender Svcs, April, 2012	3,000.00
25869	US POSTAL SERVICE (HASLER)	Postage 10/17/11-5/11/12	3,971.41
25870	WA STATE DEPT OF ENTERPRISE SVCS	2nd Qtr State Purchasing Contract	500.00
25871	WASHINGTON STATE DEPT OF INFO SERV	April Listserv	175.00
25872	WASHINGTON STATE DEPT OF REVENUE	Sales Tax Due on P.D. Supplies	22.43
25873	WA STATE DEPT OF TRANSPORTATION	Project Costs for March SR522	1,454.96
25874	SEES TREES AND EXCAVATION INC	Tree Removal	865.05
25875	KELLY PRINTING & GRAPHICS	Business Cards	158.78
25876	QUALITY BUSINESS SYSTEMS	4/1-5/1/12 Copier Lease	693.86
25877	BIS	May Website Hosting	175.00
25878	SHRED-IT	5/9/12 Document Shredding	49.50
25879	COMCAST	City Hall Internet 5/14-6/13/12	116.90
25880	SARAH ROBERTS	April Prosecution & D.V. Svcs	10,100.00
25881	INTEGRA TELECOM	City Hall Phone Service 5/8-6/7/12	779.04
25882	FRONTIER	City Hall Phone Svcs 4/28-5/27/12	842.16
25883	PAWS	April, 2012 Animal Sheltering	800.00
25884	WELLS FARGO FINANCIAL	5/10-6/10/12 Xerox Copier	1,001.87
25885	SNOHOMISH COUNTY SHERIFF'S OFFICE	April 2012 Jail Service Fees	18,569.88
25886	SNOHOMISH COUNTY SHERIFF'S OFFICE	April, 2012 Inmate Medical Bil	452.37
25887	BANNER BANK BH	APA Training for Andrew Bauer	60.00
25888	MILLER STEPHENS, MARY	Public Defense Svcs April, 2012	1,250.00
25889	PERTEET INC.	Kenmore Village Prof Svc 4/2-4/29	247.08
25890	FEDEROV, LYUBIM	Cash Deposit Release Rec. 18627	1,519.05
25891	CHIEF LAW ENFORCEMENT SUPPLY	Lockout Kit	64.68
25892	BLUE FLAME LLC	Refund 80% for Cancelled Permit	28.14
25893	WESTOWER COMMUNICATIONS	Refund of Conditional Use Permit	3,741.99
25894	HIGHLAND ESTATES COFFEE TRADERS	Kitchen Supplies	207.00
25895	NATIONWIDE FINANCIAL 401a	Social Security Replacement Plan	3,553.95
25896	BANK OF AMERICA 941	Payroll Taxes	9,689.40
25897	AWC EMPLOYEE BENEFITS	Employee Health Insurance	37,854.88
25898	DEPARTMENT OF LICENSING	Street Sweeper Sales Tax & Reg	18,289.20
25899	DEPARTMENT OF RETIREMENT SYSTEMS	WA State Retirement	9,434.55
25900	ACTION ENTERTAINMENT	DJ for Dance on 2/10/12	350.00
25901	BRAVO ENVIRONMENTAL SERVICE	Drainage/ Maintenance Services	17,900.26
25902	CITY OF LAKE FOREST PARK	April Public Works Maint. Contract	58,504.54
25903	ALLIED WASTE SERVICES #172	Kenmore Village Svc. April, 2012	257.61
25904	HOME DEPOT CREDIT SERVICES	Parks Materials	46.03
25905	MR. T'S TROPHIES	Plaques	192.72
25906	PACIFIC TOPSOILS	April, 2012 Material Disposal	436.81
25907	PUGET SOUND ENERGY	Gas/ Electric Bills	10,204.40
25908	PSR MECHANICAL	6700 Bldg. HVAC Maintenance	752.27
25909	STAPLES ADVANTAGE	Planning Dept. Stamp	32.85
25910	COLUMBIA RIDGE LANDFILL	4/16-4/30 Street Sweeping Disp	1,273.99
25911	VAN NESS, ALLAN	May Meeting Exp. Reimbursement	111.05
25912	FRONTIER	Phone Lines - Ken.Vill. Fire Alarms	330.61
25913	INDEPENDENT STATIONERS	Office Supplies	452.74

25914	SCHADEMAN HOMES LLC	Release ROW Deposit FLP2005-08	7,500.00
25915	CITY OF KENMORE	PERS Reimbursement to City	50.00
25916	NATIONWIDE FINANCIAL 401a	Social Security Replacement Plan	10,253.88
25917	NATIONWIDE RETIREMENT SOLUTIONS 457	Deferred Comp Payroll Deduction	320.00
25918	ICMA RETIREMENT TRUST 457 - 304745	Deferred Comp Payroll Deduction	2,548.06
25919	DRS 457	Deferred Comp Payroll Deduction	1,737.50
25920	CITY OF KENMORE FS	Private Medical/ Disability Plans	153.26
25921	BANK OF AMERICA 941	Payroll Taxes	11,318.97
25922	DEPARTMENT OF RETIREMENT SYSTEMS	WA State Retirement	9,735.04
25923	STATE OF FLORIDA DISBURSEMENT UNIT	Payroll Deduction	275.00
25924	BAKER, DAVID	May, 2012 Expense Reimbursement	94.08
25925	COASTWIDE LABORATORIES	City Hall Maintenance Supplies	239.96
25926	DAILY JOURNAL OF COMMERCE	Bid Advertising 61st/ 181st Signal	838.05
25927	FRUHLING SAND & TOPSOIL	Dump (Dirt & Asphalt) Fees	105.00
25928	CALPORTLAND COMPANY	Drainage Materials	179.05
25929	KING COUNTY FINANCE	April Community Work Program	7,525.00
25930	SOUND PUBLISHING, INC.	Publication Bthl Kenmore Reporter	352.45
25931	NORTHSHORE FIRE DEPT	City Hall Annual Fire Permit	200.00
25932	NORTHSHORE UTILITY DIST	Fleet Maintenance & Utility Bills	6,959.36
25933	PEOPLES STORAGE	Storage #C-304 6/1-12/31/12	1,150.50
25934	PUGET SOUND ENERGY	Street Lights/ Electricity Chgs	1,425.51
25935	TOTAL LANDSCAPE CORP	Parks/ Facilities Landscaping	5,002.61
25936	WA STATE DEPT OF TRANSPORTATION	April SR522 Ph 1 St 2 Project	1,302.02
25937	MAIL FINANCE	6/14-7/13/12 Lease Payment	250.76
25938	BANNER BANK CS	Supplies, Mtg. Expenses, Targets	626.83
25939	BANNER BANK NO	Northshore Rotary Club Dues/ Meals	249.29
25940	VOID	VOID	-
25941	BANNER BANK KENMORE	Travel Expenses	138.22
25942	BANNER BANK JGORDON	Supplies, Materials, Aerial Imaging	407.36
25943	GORDON THOMAS HONEYWELL	April Govt. Affairs Consulting	3,674.43
25944	TOWNE CENTRE HARDWARE	Public Works Supplies/ Equipment	256.74
25945	BARCLAY DEAN	Annual Maintenance Operable Wall	711.75
25946	ORB ARCHITECTS	11-C967 Kenmore Vill. Svcs 04/2012	6,488.19
25947	AM TEST, INC	TMDL Sampling	200.00
25948	INDEPENDENT STATIONERS	Labels, Stamps, Calculator	129.30
25949	WESTERN METAL ART & SIGN	City Manager Nameplates	123.46
25950	VAN NESS FELDMAN, P.C.	Prof Svcs April, 2012 09-C827	140.50
25951	J TAYLOR CONSULTING, LLC	April, Kenmore Village Prop. Mgt	1,800.00
25952	MAILSAFE LLC	Mailbox replacement - 18 Units	1,461.83
25953	SCHNEE, CARLA	Mileage Reimbursement	30.52
25954	SEWER KNOWLEDGE SERVICES	Training for Art Simpson	900.00
25955	THE WATERSHED COMPANY	April - Trib 0056 Consulting Svcs	1,842.50
25956	PUGET SOUND ENERGY	4/13-5/14 19016 73rd School Sign	9.74
5/18/2012	PAYROLL	Net Direct Deposit	77,684.06
6/1/2012	PAYROLL	Net Direct Deposit	58,643.46
			$ 714,260.55

VIB. Approve Claim Nos. 25838-25956 in the Amount of
$577,933.03 and Electronically Transferred Payroll Funds in the

2012 PRIOR VENDOR ACTIVITY

		Previous YTD
A+ CONFERENCING		$ 123.14
AAA FLAG & BANNER MFG. CO., INC.		8,977.33
ACTION ENTERTAINMENT		350.00
ADAMSON POLICE PRODUCTS		947.00
ADT SECURITY SERVICES		280.50
AFLAC		2,000.60
ALCALDE & FAY		20,475.54
ALLIANCE OF PEOPLE W/ DISABILITIES		721.75
ALLIED WASTE SERVICES #172		3,311.50
AM TEST, INC		700.00
AMERICAN GENERAL		1,968.68
AMERICAN PLANNING ASSOCIATION		842.00
AMERICAN SOCIETY OF COMPOSERS		311.52
ASSOCIATION OF WA CITIES		14,058.00
AT WORK		601.50
AUTOMATED CONTROLS		516.84
AWC EMPLOYEE BENEFITS		142,925.58
BAKER, DAVID		1,066.99
BANG, ROBERT		595.00
BANK OF AMERICA 941		105,617.53
BANNER BANK	BH	1,143.05
BANNER BANK	CS	1,585.90
BANNER BANK	DB	553.76
BANNER BANK	JG	386.00
BANNER BANK	JGORDON	1,119.73
BANNER BANK	KENMORE	10,191.07
BANNER BANK	LB	273.70
BANNER BANK	LD	354.31
BANNER BANK	NO	1,699.46
BARTON, ANDREW		1,641.29
BASTYR UNIVERSITY		50,000.00
BENT, DEBORAH A		576.00
BIS		700.00
BLACKBAUD		4,956.23
BRAVO ENVIRONMENTAL SERVICE		50,343.94
BUCHER, WILLIS & RATLIFF		14,000.00
BULGER SAFE & LOCK, INC.		546.36
CALPORTLAND COMPANY		298.41
CARLSON, THOMAS G.		214.29
CASCADE PEST CONTROL		569.40
CATHOLIC COMMUNITY SERVICES		1,443.50
CB RICHARD ELLIS, INC		7,750.00
CEDARBROOK		287.55
CEMEX		1,330.10

CENTER FOR HUMAN SERVICES	7,602.25
CHANDLER, RONALD	937.47
CHIEF LAW ENFORCEMENT SUPPLY	50.74
CITY OF BELLEVUE	36,912.06
CITY OF KENMORE	300.00
CITY OF KENMORE FS	1,431.94
CITY OF LAKE FOREST PARK	200,174.25
CITY OF SHORELINE	1,427.57
CLYDE/WEST	1,254.02
COASTAL WEAR PRODUCTS INC	1,356.71
COASTWIDE LABORATORIES	836.44
CODE 4 PUBLIC SAFETY EDUCATION	99.00
CODE PUBLISHING COMPANY	11,282.92
COLUMBIA RIDGE LANDFILL	7,887.07
COMCAST	467.60
CONSEJO COUNSELING & REF	842.00
CONSOLIDATED PRESS	845.11
COX PRINTING & SIGNS	235.43
CROWN PRODUCTS LLC	885.88
CSAT, LLC	800.00
DAILY JOURNAL OF COMMERCE	125.80
DAY & NITE PLUMBING & HEATING	2,955.41
DAY WIRELESS SYSTEMS	207.62
DEPARTMENT OF ECOLOGY	5,290.82
DEPARTMENT OF LABOR AND INDUSTRIES	11,820.44
DEPARTMENT OF LICENSING	20.00
DEPARTMENT OF RETIREMENT SYSTEMS	83,997.69
DIGITAL REPROGRAPHICS SERVICES INC.	130.28
DRS 457	15,637.50
EFFICIENCY INC	967.98
ELWAY RESEARCH, INC.	8,300.00
EMERGENCY FEEDING PROGRAM	601.50
EMERGENCY SERVICE COORDINATING AGCY	47,288.00
EMPLOYMENT SECURITY DEPT	1,972.46
ENVIRONMENTAL SYSTEMS RESEARCH INST	2,956.50
ESA ADOLFSON	300.00
ESPRESSO WORKS	75.00
EVERGREEN SAFETY COUNCIL	175.00
EXTREME PROMOTIONS	170.00
FAST WATER HEATER	24.21
FEDEROV, LYUBIM	3,544.45
FERGUSON ENTERPRISES INC	1,913.90
FINANCIAL CONSULTANTS INT'L INC	76.02
FIRE PROTECTION, INC	959.22
FLEX ONE/AFLAC BENEFIT SERVICES	200.00
FPOD LLC	15,000.00
FRONTIER	2,897.64

VIB. Approve Claim Nos. 25838-25956 in the Amount of
$577,933.03 and Electronically Transferred Payroll Funds in the

FRUHLING SAND & TOPSOIL	435.50
FULL MAINTENANCE GARDENING	1,493.60
GALLS, LLC	26.25
GORDON DERR	5,411.50
GORDON THOMAS HONEYWELL	11,225.71
GOVERNMENT FINANCE OFFICERS ASSOC	190.00
GOVERNMENTAL ACCT STANDARDS BOARD	215.00
GRAY & OSBORNE, INC	27,593.79
GREENWOOD HEATING & AC	39.45
H.W. LOCHNER, INC.	92,680.71
HDR	14,355.41
HERO HOUSE	373.00
HOME DEPOT CREDIT SERVICES	90.99
HOPELINK	13,722.25
ICMA RETIREMENT TRUST 457 - 304745	18,578.78
INDEPENDENT STATIONERS	1,362.07
INGALLINAS BOX LUNCH	159.76
INGLEMOOR VIKING BASKETBALL BOOSTER	50.00
INGLEWOOD GOLF COURSE	1,047.92
INSLEE, BEST, DOEZIE & RYDER, P.S.	71,328.82
INSTITUTE FOR FAMILY DEVELOPMENT	2,887.00
INTEGRA TELECOM	3,011.01
INTERNATIONAL CITY/CNTY MGMT ASSOC	1,015.97
INTERNATIONAL INST OF MUNI CLERKS	175.00
iWORQ SYSTEMS	1,000.00
J TAYLOR CONSULTING, LLC	1,219.35
JACOBSON, BETTS & COMPANY	3,910.40
JAU JOU, STANLEY	222.80
JEFF DURRANT	739.90
JET CITY PRINTING	408.43
JURASSIC PARLIAMENT	235.34
KAMINS CONSTRUCTION	132,565.28
KELLY PRINTING & GRAPHICS	724.35
KENMORE HERITAGE SOCIETY	50.00
KESSELRING'S	343.47
KING COUNTY W.L.R.D.	52,836.02
KING COUNTY ANIMAL SVCS	1,045.00
KING COUNTY FINANCE	24,630.72
KING COUNTY FINANCE/ GIS	2,313.21
KING COUNTY LIBRARY SYS	220,842.00
KING COUNTY OFFICE OF FINANCE	3,053.05
KING COUNTY RADIO COMM SERVICES	246.58
KING COUNTY RECORDER'S OFFICE	396.00
KING COUNTY SHERIFF	7,263.84
KING COUNTY TREASURY	42,571.47
KONICA MINOLTA BUSINESS SOLUTIONS	1,818.67
LAWRENCE, HENRY	752.54

LIGHTHOUSE CONSULTING INC	7,605.33
MAIL FINANCE	1,003.04
McKEE & SCHALKA	4,000.00
MILLER STEPHENS, MARY	2,500.00
MILNE ELECTRIC, INC	210.00
MINZGHOR, NICHOLAS	1,214.22
MR. T'S TROPHIES	240.38
NAMI EASTSIDE	385.00
NATIONAL ASSOC OF PARLIAMENTARIANS	85.00
NATIONAL IMPRINT CORPORATION	427.87
NATIONAL LEAGUE OF CITIES	2,674.00
NATIONAL LIFE OF VERMONT	1,313.36
NATIONWIDE FINANCIAL 401a	98,193.59
NATIONWIDE RETIREMENT SOLUTIONS 457	14,130.00
NEXTEL COMMUNICATIONS	2,701.57
NORTH COAST ELECTRIC	13.83
NORTHSHORE FIRE DEPT	1,420.00
NORTHSHORE SCHOOL DISTRICT	333.53
NORTHSHORE SENIOR CENTER	5,774.00
NORTHSHORE UTILITY DIST	22,767.37
NORTHSHORE YMCA	1,707.00
NORTHSHORE YOUTH & FAMILY SERVICES	7,217.25
NRC ENVIRONMENTAL SERVICES, INC.	2,059.86
OAC SERVICES, INC	2,356.25
O'CONNOR CONSULTING GROUP	1,950.00
OFFICE CLEANING CREW	4,800.00
OFFICE MAX	2,423.34
OFFICE TEAM	442.26
OLYMPIC ENVIRONMENTAL RESOURCES INC	910.00
OM WORKSPACE	858.47
ORB ARCHITECTS	75,537.95
OTAK	24,693.02
OUSLEY, NANCY	283.40
PACIFIC TOPSOILS	1,001.93
PANEFULLY CLEAN LLC	2,285.00
PASSPORT TRAVEL AND TOURS	9,363.41
PAWS	800.00
PENDLETON CONSULTING LLC	6,199.73
PEOPLES STORAGE	708.00
PERKINS COIE	109.00
PERTEET INC.	8,996.63
PETTY CASH CUSTODIAN	415.27
PHOTOTAINMENT	963.60
PHSI PURE WATER FINANCE	301.89
PLYWOOD SUPPLY INC	496.40
PRIME PACIFIC BANK	60.00
PROTECTION TECHNOLOGIES, INC	720.92

VIB. Approve Claim Nos. 25838-25956 in the Amount of $577,933.03 and Electronically Transferred Payroll Funds in the

PROTHMAN COMPANY	12,124.84
PRUDENTIAL	373.13
PSR MECHANICAL	752.27
PUGET SOUND BUSINESS JOURNAL	95.00
PUGET SOUND CLEAN AIR AGENCY	11,308.00
PUGET SOUND ENERGY	391,441.55
PUGET SOUND FINANCE OFFICERS ASSOC	50.00
QUALITY BUSINESS SYSTEMS	2,044.53
RCS VALUATION CORP	750.00
ROGERS, GLENN	1,941.91
ROLLABELS	37.15
SARAH ROBERTS	30,300.00
SEATTLE TIMES	2,263.72
SEES TREES AND EXCAVATION INC	8,087.69
SESAC	15.00
SHRED-IT	198.00
SMITH, BRENT	219.23
SNOHOMISH COUNTY SHERIFF'S OFFICE	77,671.98
SOUND LAW CENTER	847.00
SOUND PUBLISHING, INC.	1,467.45
STAPLES ADVANTAGE	245.30
STATE OF FLORIDA DISBURSEMENT UNIT	2,475.00
STEPHENS, MARY	2,500.00
STEWART BEALL MACNICHOLS	9,600.00
STOUDER, FRED	154.00
STRIPE RITE, INC.	3,969.38
SUBURBAN CITIES ASSOC	11,632.64
SUNBELT	259.13
SUSSMAN/PREJZA & CO, INC	2,428.30
THE FRAUSE GROUP, INC.	787.00
THE KIPLINGER TAX LETTER	99.00
TIMEMARK INCORPORATED	98.30
TOTAL LANDSCAPE CORP	23,273.54
TOWN & COUNTRY FENCE, INC	366.83
TOWNE CENTRE HARDWARE	286.46
TRANE U.S. INC.	5,021.99
UNITED RENTALS NW, INC	178.49
UNITED WAY OF KING COUNTY	468.00
UNITY ELECTRIC	509.18
UNIVERSAL FIELD SERVICES	3,311.03
URBAN LAND INSTITUTE	225.00
VAN NESS FELDMAN, P.C.	9,139.35
VAN NESS, ALLAN	1,024.34
VERIZON SELECT SERVICES INC.	724.86
WA ASSOC OF CODE ENFORCEMENT	25.00
WA CITIES INSURANCE AUTHORITY	148,649.00
WA FINANCE OFFICERS ASSOCIATION	200.00

VIB. Approve Claim Nos. 25838-25956 in the Amount of $577,933.03 and Electronically Transferred Payroll Funds in the

WA GUARANTEED EDUCATION TUITION	1,660.00
WA RECREATION & PARK ASSOCIATION	104.00
WA STATE DEPT OF ENTERPRISE SVCS	500.00
WA STATE DEPT OF LABOR & INDUSTRIES	120.20
WA STATE DEPT OF TRANSPORTATION	28,821.33
WASHINGTON ENERGY SERVICES	28.14
WASHINGTON MUNICIPAL CLERKS ASSOC	75.00
WASHINGTON STATE DEPT OF INFO SERV	175.00
WASHINGTON STATE DEPT OF REVENUE	174.13
WASHINGTON STATE OFFICE CASH MGMT	184.50
WELLS FARGO FINANCIAL	3,213.72
WESTERN METAL ART & SIGN	310.22
WETLANDS & WOODLANDS INC	1,238.72
WONDERLAND DEVELOPMENT	2,766.50
ZONAR SYSTEMS	525.33
	$ 2,842,437.89

VIB. Approve Claim Nos. 25838-25956 in the Amount of $577,933.03 and Electronically Transferred Payroll Funds in the

City Council Business Agenda Item
City of Kenmore, WA

Subject/Topic: April 2012 Financial Report

Proposed Council Action/Motion: Receive and File April 2012 Financial Report for the City of Kenmore, Washington

For Council Meeting Agenda of: June 11, 2012

Department: Finance

Prepared by: Joanne Gregory

To Be Presented By: N/A

	Initial & Date
Approved by Department Head:	Jmg 5/31/12
Approved by City Attorney:	N/A
Approved by Finance Director:	Jmg 5/31/12
Approved by City Manager:	RK

Exhibits/Attachments:
April 2012 Financial Report for the City of Kenmore, Washington

Expenditure Required N/A   Amount Budgeted N/A   Appropriation Required N/A

INFORMATION/BACKGROUND:

The April monthly financial report is submitted for Council review and adoption. This provides the opportunity for the City Council and the community to receive information on the City of Kenmore's year to date revenues and expenditures in comparison to the City's 2011-2012 adopted biennial budget. It also provides an early opportunity to identify any potential variances or fluctuations from the adopted budget. A mid biennial budget review was performed and the budget was amended by Ordinance No.11-331 on November 28, 2011. The financial reports have been updated to reflect the budget amendments.

FISCAL CONSIDERATION:

April signifies the 16th month of the two year biennium. Sales taxes are close to budget but real estate excise tax (REET) revenues remain low, especially when compared to already low results in prior years. Development revenues overall, including impact fees, and gas taxes are not showing any improvement; however property tax collections are on target. Transportation impact fees in particular are only at 43% of the budget; this may impact the budgets for current transportation projects.

On the national level, the unemployment rate dropped again to 8.1% in April from 8.2% in March. This was the lowest unemployment rate reported since January, 2009 at 7.8%. The Dow Jones closed in April at 13,213, an increase from 13,212 reported at the end of March; only one point different!

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

The City of Kenmore

PO Box 82607
Kenmore, Washington 98028

MEMORANDUM

TO: Rob Karlinsey, City Manager
FROM: Joanne Gregory, Finance Director
DATE: May 8, 2012
RE: April 2012 Financial Reports for the City of Kenmore, Washington

April 2012 financial information is presented for your review and delivery to the City Council. Attached you will find the following reports:

- General Fund Summary
- General Fund Revenue Graphs
- General Fund Expenditure Graphs
- All Funds Cash Summary
- Other Funds Monthly Activity
- Cash and Investment Report
- Schedule of Investments
- Sales Tax Receipts by Business Type
- Retail Sales and Use Tax Distribution
- Real Estate Excise Tax Report
- Monthly Report for Kenmore Village
- SR 522 Phase I Revenue and Expenditure History
- SR 522 Phase II Revenue and Expenditure History

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

GENERAL FUND

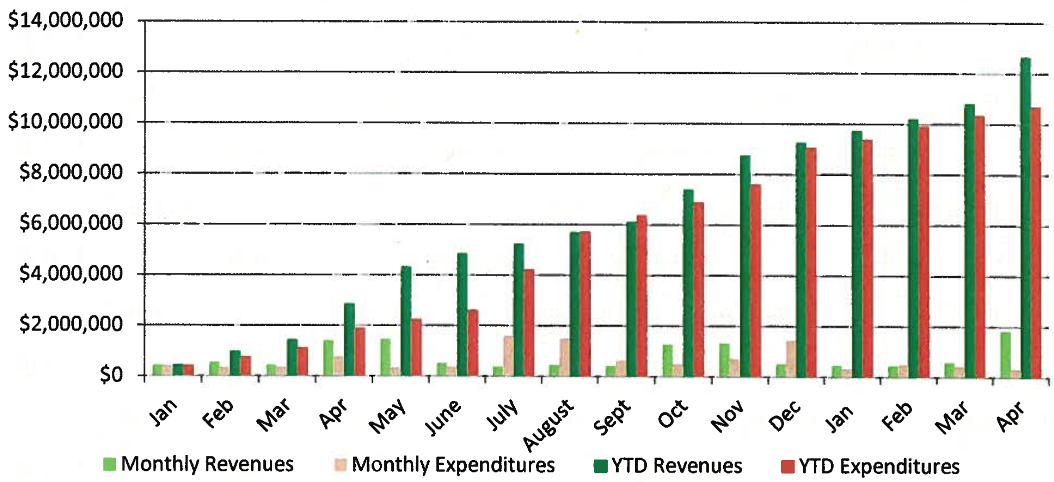
The first section of the monthly financial report is a review of the General Fund. This fund accounts for operational activities and includes all financial resources except those required or elected to be accounted for in another fund. Revenues include various taxes, per capita distributions from the State, fines and forfeitures, permits and licenses, and fees for service.

In the context of the biennial budget, April is the sixteenth month (67%) of the 2011-2012 biennial budget period.

For the month of April, revenues exceeded expenditures in the General Fund by **$1,505,876.**

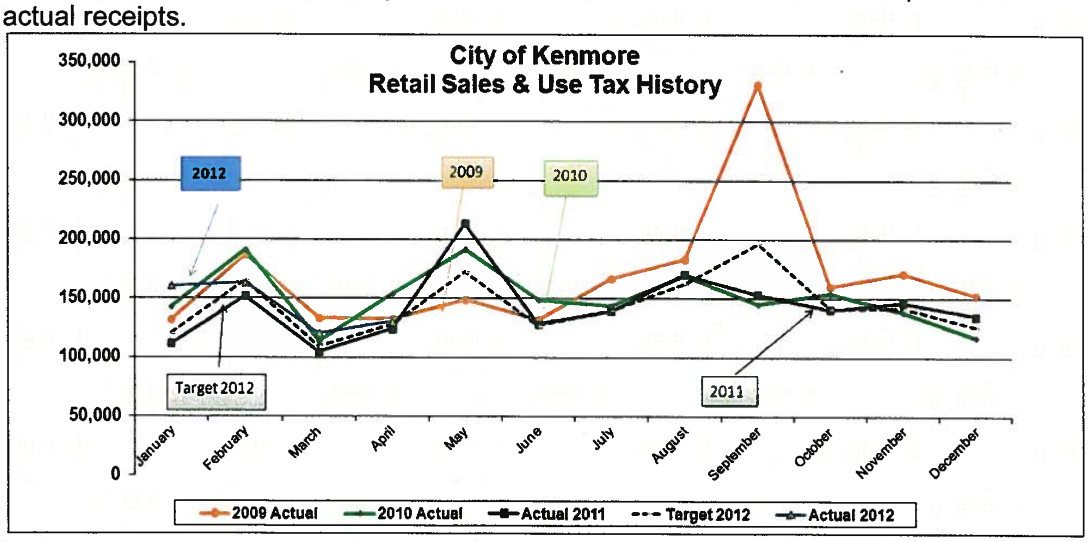
City of Kenmore, Washington
Monthly Financial Report
April 2012

The following chart illustrates the monthly revenue and expenditure activity in the General Fund through April, 2012.



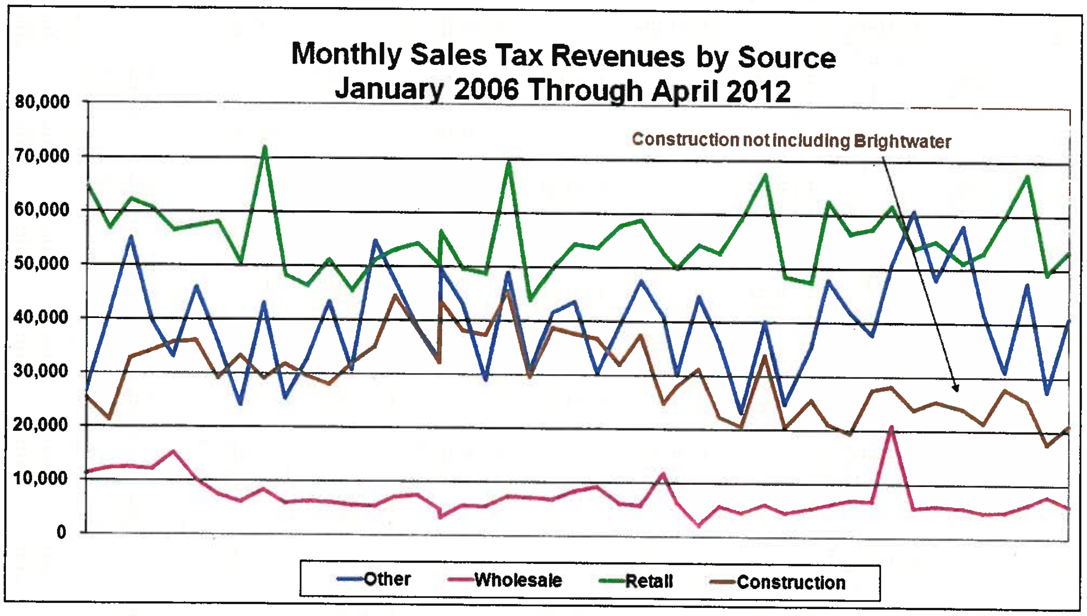
Total **revenues** for the month were **$1,851,867.** Biennium to date revenues are $12,684,202 which is 67% of the amended budgeted revenues of $18,945,596. Primary sources of revenue for the month included property taxes in the amount of $1,377,862, retail sales and use taxes in the amount of $130,748, and utility taxes in the amount of $138,124. Note that year to date franchise fees are unusually high because two of the 2010 quarterly payments (total of $121,674) were remitted to the City in early 2011.

A summary of sales tax revenues received in April is attached. These receipts are based on February sales activity and have been tracking lower each month than the previous three years. The chart below gives a historical perspective of monthly sales tax receipts over the last several years. The black dotted Target 2012 line is a monthly average of actual receipts by month during 2009, 2010, and 2011. The blue line represents 2012 actual receipts.

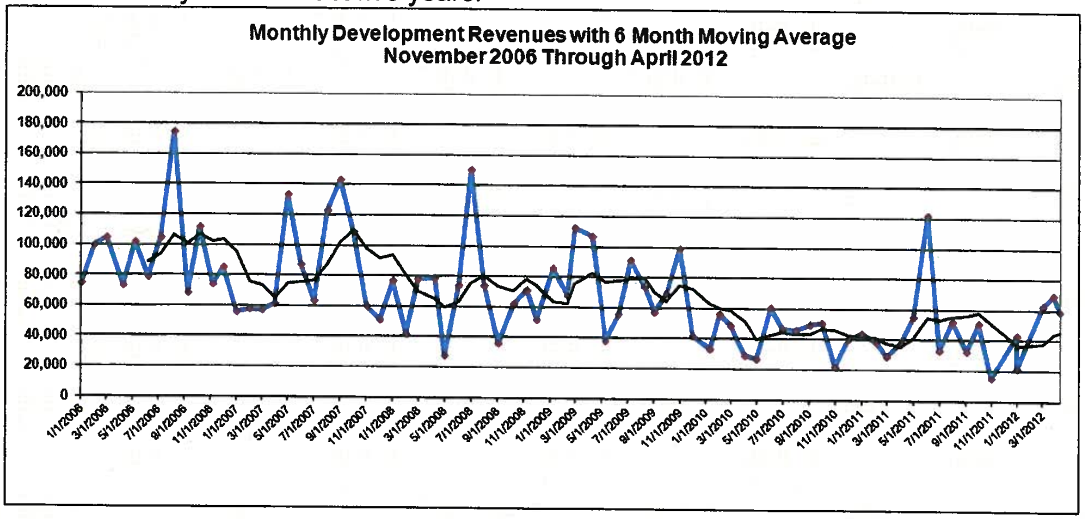


City of Kenmore, Washington
Monthly Financial Report
April 2012

The following chart illustrates the historical trends of sales tax receipts from the major segments: construction, retail, wholesale, other (agriculture, services, manufacturing, transportation and utilities) from January 2006 through April 2012. Construction sales taxes are shown without the benefit of the Brightwater construction project and are declining. This category previously had the benefit of the city hall, Bastyr dorms, fire station and library construction projects which have been completed. Other segments have not yet experienced significant, prolonged downturns; however construction and manufacturing receipts have definitely fallen off.



Development revenues are also declining noticeably. The following chart illustrates the revenue activity over the last five years.



There have been many questions about the impact to cities from the State's changes to the liquor tax and revolving fund (profits) distributions. On April 24, AWC held a conference call on this topic for all interested parties and provided a spreadsheet example to assist in determining local impacts.

In summary, the City will be affected as follows:

Liquor Excise Tax

Temporary take-away: Kenmore will lose 4 quarterly distributions of liquor excise tax, beginning with the October 2012 distribution which would be approximately $25,000, affecting the current budget. The other quarterly distributions that Kenmore will not receive would be January 2013, April, 2013, and July, 2013. The lost revenue in 2013 would be about $83,000 which will impact the next biennial budget. Distributions will resume October 2013.

Permanent take-away: After October, 2013, Kenmore's annual liquor excise tax distributions will be permanently reduced by $38,000, a prorated share of $10M per year. The City can expect to receive one quarterly distribution of this additional revenue from Initiative-1183 for July 1 to September 30, 2013, which would be $9,500, but that would be all.

Liquor Profits (Revolving Fund)

Capped: The City will continue to receive liquor profits. Distributions after July, 2012 will be capped at 2011 levels ("a comparable period") of $156,000 annually plus Kenmore will also receive $38,000 annually, a prorated share of the additional $10M for public safety resulting from Initiative 1183. This will not result in a significant budget impact for 2012; however as a revenue source for cities, there will no longer be any growth.

April 2012 expenditures were **$345,991.** Biennium to date expenditures are $10,703,223 which is 56.6% of the amended budget expenditures of $18,914,946. As happens each year, the City has not yet begun receiving the monthly charges for the 2012 Police Services Contract. The 2012 contract cost is $2,990,610 and monthly billings of $249,217 are expected to begin in May or June. This affects the year to date expenditures which appear unusually low at this point.

The General Fund 2011-2012 budgeted beginning fund balance is $4,941,884. This is a substantial reserve and represents 53% of the budgeted 2011 expenditures. The City's Financial Policy 3) Contingent Accounts prescribes that the minimum General Fund balance reserve should be $1,876,990 for 2011. The City Council will provide policy direction regarding the additional reserve of $3,064,894.

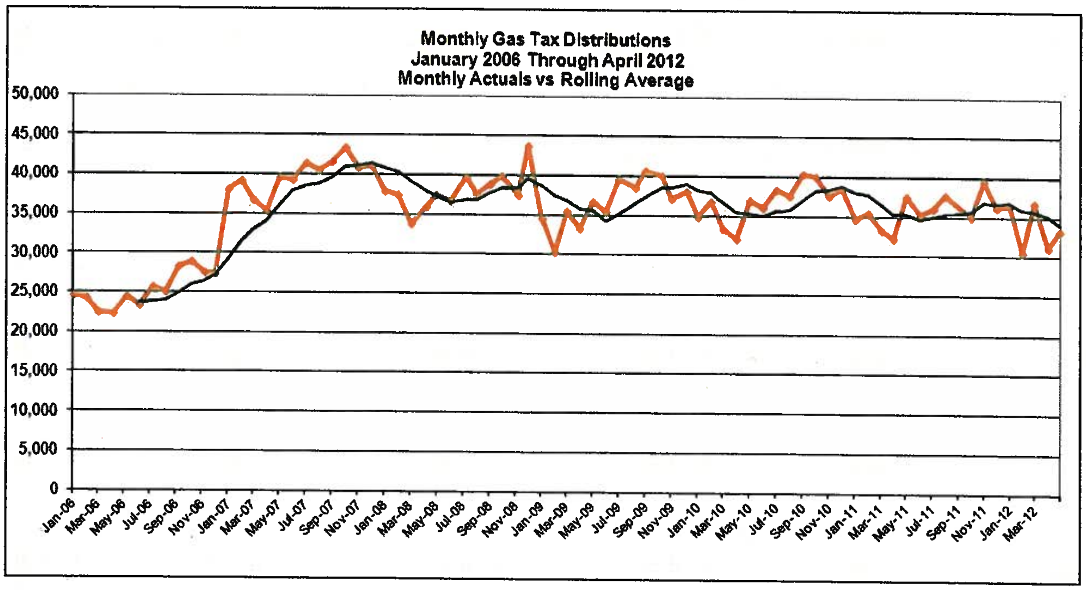
OTHER FUNDS

The April cash activity for all funds is presented on the attached All Funds Cash Summary. Total City cash and investments, at the end of April, totaled $16,486,618. The Other Funds Monthly Activity graphs compare biennium to date revenues and expenditures to the 2011-2012 biennial budget.

The following transactions and activities were of note during the month of April. Total other fund (non General Fund) revenues were $796,227 and total other fund (non-General Fund) expenditures were $611,147.

In the **Street Fund** revenue from gas tax distributions was $33,276.

The following chart shows recent gas tax receipts through April, 2012. The price of gas is increasing once again and revenues reflect more economizing by the public and increased use of fuel efficient vehicles.

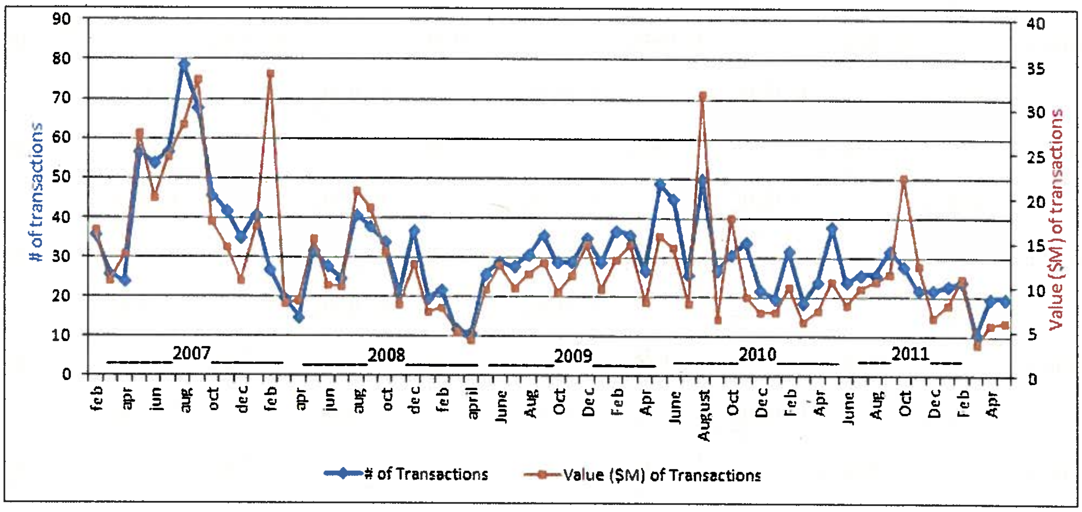


In the **Arterial Street** Fund, $200,000 was received from Bucher, Willis & Ratliff, which was a settlement agreement to reimburse the City for SR 522 Phase 1, Stage 1 redesign improvements that had to be made due to design flaws that were identified during construction.

Expenditures in the Arterial Street Fund consisted of $353,056 being expended on SR 522 Phase I and Phase II projects. A total of $49,281 was spent on various other transportation projects including the NE 145th St. Traffic Signal & 61st Ave/NE 181st Traffic Signal.

The **Municipal Capital Fund** received $30,662 of real estate excise taxes (REET) in April from sales activity that occurred in March. 20 transactions were reported this month.

The attached Real Estate Excise Tax Report shows the monthly activity since 2007. Below is a chart that shows both the number of real estate transactions and the value of those transactions for the years 2007, 2008, 2009, 2010, 2011. It appears that the number of monthly transactions are declining and the revenues may fall short of the budget.



SUMMARY

This concludes the financial report for the City of Kenmore as of **April 30, 2012**. I appreciate your feedback and encourage you to contact me if you have any questions prior to the City Council meeting.

City of Kenmore, Washington
General Fund Summary Report
April 30, 2012

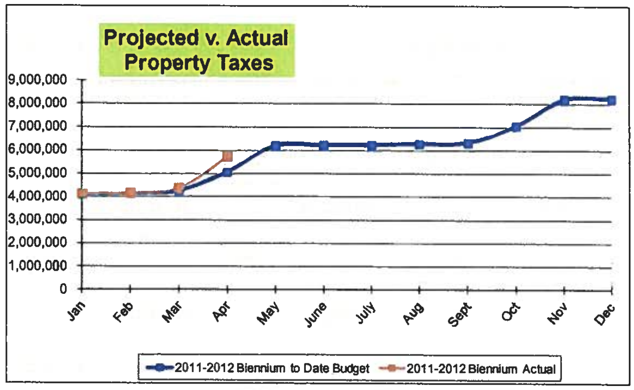
	CURRENT PERIOD 2011-2012				PRIOR PERIOD 2009-2010		
	MONTH April	BIENNIUM TO DATE 2011-2012	% of BUDGET	AMENDED BUDGET 2011-2012	CURRENT April-2010	BIENNIUM TO DATE 2009-2010	BIENNIUM BUDGET 2009-2010
REVENUES							
Beginning Fund Balance				**4,941,884**			**3,683,966**
Property Taxes	1,377,862	5,774,789	70.0%	8,254,387	793,596	4,919,583	7,870,521
Sales and Use Taxes	161,316	2,844,212	65.5%	4,339,202	184,139	3,011,442	4,486,179
Utility Taxes	138,124	1,980,777	66.0%	3,002,082	135,302	2,045,899	3,001,932
Other Taxes	871	35,638	34.2%	104,104	3,115	290,574	145,900
Development Fees & Permits	59,439	771,667	53.6%	1,439,095	29,089	1,070,501	1,803,313
Franchise Fees	64,367	524,129	80.6%	650,588	55,090	362,392	466,900
Intergovernmental and Grants	40,842	483,518	63.5%	761,476	54,271	610,847	760,841
Investment Interest	6,012	63,863	114.0%	56,000	15,368	66,678	180,000
Fines and Forfeitures	0	667	0.0%	0	0	54,723	0
Transfers and Other Revenues	3,033	204,941	60.5%	338,662	5,652	41,450	235,220
Total Revenues	1,851,867	12,684,202	67.0%	18,945,596	1,275,622	12,474,088	18,950,806
Total Revenues & Beginning Fund Balance		17,626,086		23,887,480			22,634,772

	CURRENT PERIOD 2011-2012				PRIOR PERIOD 2009-2010		
	MONTH April	BIENNIUM TO DATE 2011-2012	% of BUDGET	AMENDED BUDGET 2011-2012	CURRENT April-2010	BIENNIUM TO DATE 2009-2010	BIENNIUM BUDGET 2009-2010
EXPENDITURES							
Cost Center							
City Council	10,613	165,832	76.2%	217,644	15,483	139,806	184,307
City Manager	54,143	1,214,980	67.6%	1,796,600	67,713	1,042,529	1,576,240
City Clerk	18,546	342,484	63.9%	536,261	18,823	328,651	503,323
Finance	25,188	404,621	63.3%	639,213	19,564	332,451	484,516
Legal	6,426	334,730	67.7%	494,285	40,040	356,415	415,000
Non-Departmental	22,693	1,327,035	86.6%	1,532,818	123,959	1,271,375	1,774,827
Interfund Transfers	0	600,000	38.4%	1,564,000	0	1,371,095	3,296,095
Public Safety	39,769	3,549,974	49.4%	7,179,563	73,567	3,650,281	6,969,090
Engineering	46,778	685,694	65.6%	1,045,741	26,401	451,972	1,197,788
Planning &Community Dev	25,352	433,175	60.8%	712,632	137,874	1,859,847	3,358,755
Land Dev & Permitting	42,279	732,455	48.8%	1,501,147		0	0
Parks & Facility Maintenance	54,204	912,244	53.8%	1,695,042	74,492	576,229	1,001,942
Total Expenditures	345,991	10,703,223	56.6%	18,914,946	597,916	11,380,651	20,761,883
Ending Fund Balance		**6,922,862**		**4,972,534**			**1,872,888**
Total Expenditures and Ending Fund Balance		17,626,086		23,887,480			22,634,771

City of Kenmore, Washington
General Fund Revenue Graphs
April 30, 2012

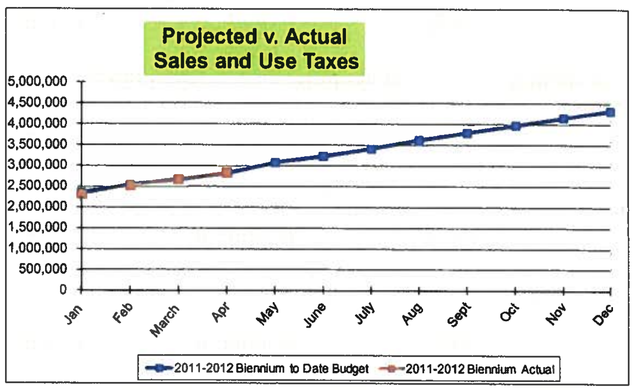
PROPERTY TAXES

	2011-2012 Biennium to Date Budget	2011-2012 Biennium Actual
2011	4,106,660	4,148,487
Jan	4,117,631	4,160,305
Feb	4,160,871	4,206,845
Mar	4,286,519	4,396,928
Apr	5,093,799	5,774,789
May	6,232,010	
June	6,256,835	
July	6,269,341	
Aug	6,307,069	
Sept	6,363,212	
Oct	7,075,307	
Nov	8,218,454	
Dec	8,254,387	
2011 -2012	8,254,387	
Year To Date Actual v. Projected		113%



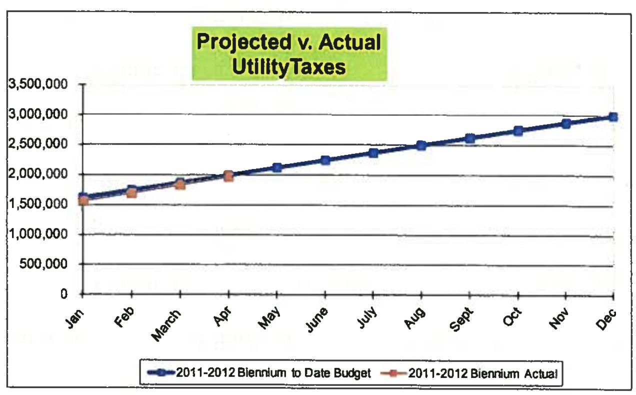
SALES, USE, CRIM JUSTICE TAXES

	2011-2012 Biennium to Date Budget	2011-2012 Biennium Actual
2011	2,219,601	2,132,545
Jan	2,362,463	2,326,110
Feb	2,554,821	2,532,733
March	2,687,494	2,682,896
Apr	2,839,881	2,844,212
May	3,092,170	
June	3,252,582	
July	3,424,707	
Aug	3,631,506	
Sept	3,818,666	
Oct	3,992,212	
Nov	4,172,191	
Dec	4,339,202	
2011 -2012	4,339,202	
Year To Date Actual v. Projected		100%



UTILITY TAXES

	2011-2012 Biennium to Date Budget	2011-2012 Biennium Actual
2011	1,501,040	1,419,668
Jan	1,626,127	1,564,593
Feb	1,751,213	1,701,246
March	1,876,300	1,842,653
Apr	2,001,387	1,980,776
May	2,126,473	
June	2,251,560	
July	2,376,647	
Aug	2,501,733	
Sept	2,626,820	
Oct	2,751,907	
Nov	2,876,993	
Dec	3,002,080	
2011 -2012	3,002,080	
Year To Date Actual v. Projected		99%

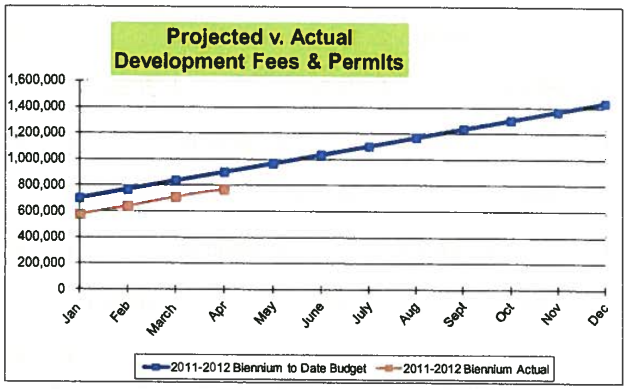


I:\Admin & Finance\Monthly Reports\2012\Apr.xlsxGeneral Fund Rev Graphs

City of Kenmore, Washington
General Fund Revenue Graphs
April 30, 2012

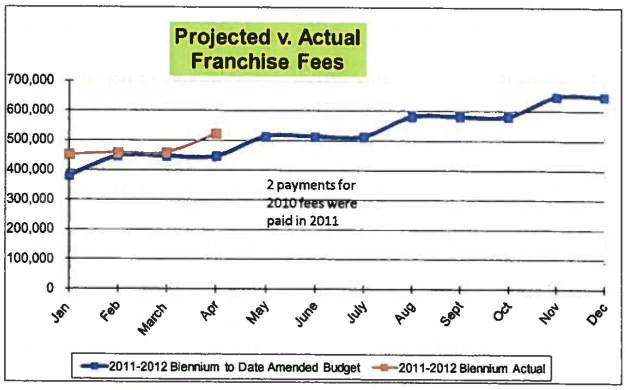
DEVELOPMENT FEES & PERMITS

	2011-2012 Biennium to Date Budget	2011-2012 Biennium Actual
2011	639,292	557,183
Jan	705,942	579,019
Feb	772,593	641,996
March	839,243	712,228
Apr	905,893	771,667
May	972,543	
June	1,039,194	
July	1,105,844	
Aug	1,172,494	
Sept	1,239,144	
Oct	1,305,795	
Nov	1,372,445	
Dec	1,439,095	
2011 -2012	1,439,095	
Year To Date Actual v. Projected		85%



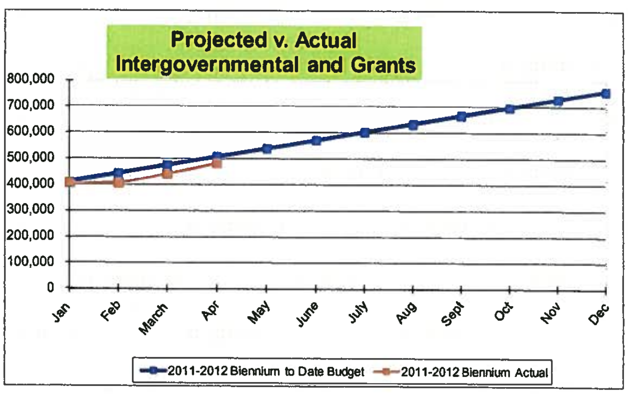
FRANCHISE FEES

	2011-2012 Biennium to Date Amended Budget	2011-2012 Biennium Actual
	381,294	394,363
Jan	381,294	453,289
Feb	448,618	459,762
March	448,618	459,762
Apr	448,618	524,128
May	515,941	
June	515,941	
July	515,941	
Aug	583,265	
Sept	583,265	
Oct	583,265	
Nov	650,588	
Dec	650,588	
2011 -2012	650,588	
Year To Date Actual v. Projected		117%



INTERGOVERNMENTAL & GRANTS

	2011-2012 Biennium to Date Budget	2011-2012 Biennium Actual
2011	380,738	370,347
Jan	412,466	408,798
Feb	444,194	408,798
March	475,923	442,675
Apr	507,651	483,518
May	539,379	
June	571,107	
July	602,835	
Aug	634,563	
Sept	666,292	
Oct	698,020	
Nov	729,748	
Dec	761,476	
2011 -2012	761,476	
Year To Date Actual v. Projected		95%

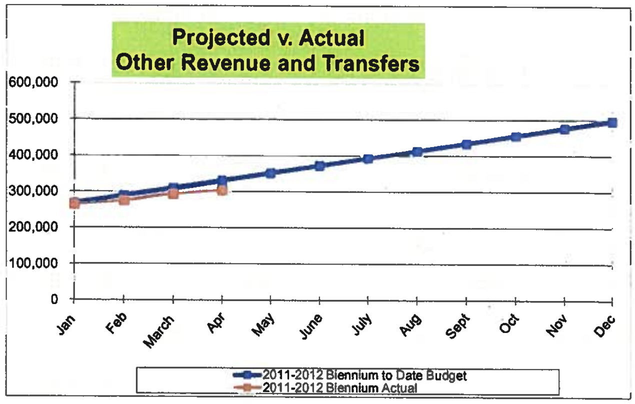


I:\Admin & Finance\Monthly Reports\2012\Apr.xlsxGeneral Fund Rev Graphs

City of Kenmore, Washington
General Fund Revenue Graphs
April 30, 2012

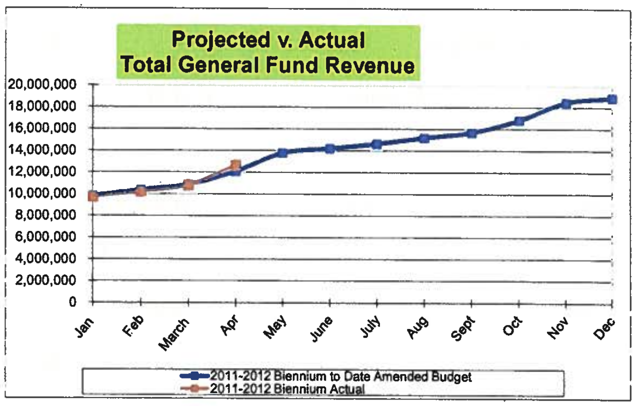
OTHER REVENUES AND TRANSFERS

	2011-2012 Biennium to Date Budget	2011-2012 Biennium Actual
2011	249,383	264,912
Jan	270,165	266,622
Feb	290,947	276,326
March	311,729	295,192
Apr	332,511	305,109
May	353,293	
June	374,075	
July	394,856	
Aug	415,638	
Sept	436,420	
Oct	457,202	
Nov	477,984	
Dec	498,766	
2011 -2012	498,766	
Year To Date Actual v. Projected		92%



TOTAL GENERAL FUND REVENUE

	2011-2012 Biennium to Date Amended Budget	2011-2012 Biennium Actual
Jan	9,876,089	9,758,736
Feb	10,423,257	10,227,707
March	10,925,825	10,832,334
Apr	12,129,740	12,684,200
May	13,831,811	
June	14,261,294	
July	14,690,172	
Aug	15,246,269	
Sept	15,733,820	
Oct	16,863,708	
Nov	18,498,404	
Dec	18,945,595	
2011 -2012	18,945,595	
Year To Date Actual v. Projected		105%

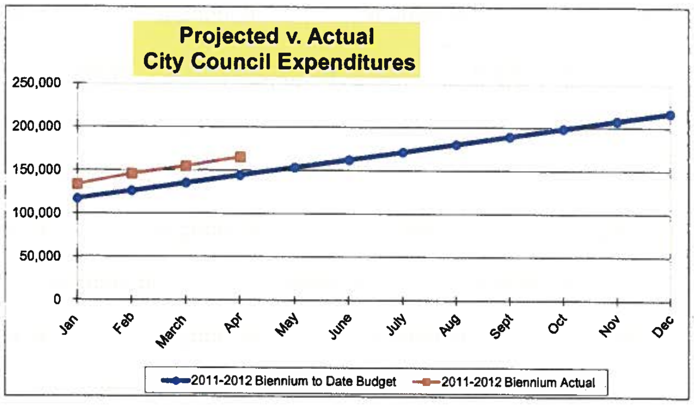


I:\Admin & Finance\Monthly Reports\2012\AprGeneral Fund Rev Graphs

City of Kenmore, Washington
General Fund Expenditure Graphs
April 30, 2012

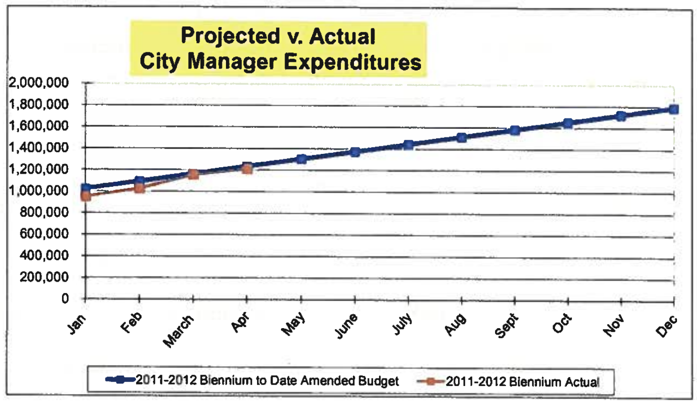
CITY COUNCIL

	2011-2012 Biennium to Date Budget	2011-2012 Biennium Actual
2011	108,797	127,749
Jan	117,868	133,976
Feb	126,938	146,435
March	136,009	155,219
Apr	145,079	165,832
May	154,150	
June	163,221	
July	172,291	
Aug	181,362	
Sept	190,432	
Oct	199,503	
Nov	208,573	
Dec	217,644	
2011-2012	217,644	
Year To Date Actual v. Projected		114%



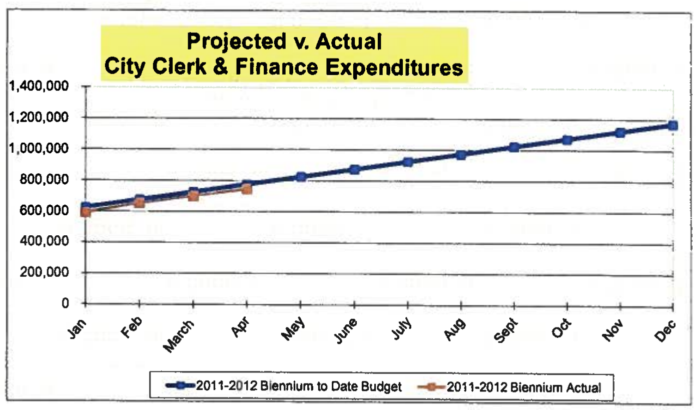
CITY MANAGER

	2011-2012 Biennium to Date Amended Budget	2011-2012 Biennium Actual
2011	959,734	912,314
Jan	1,029,473	954,492
Feb	1,099,212	1,030,751
March	1,168,951	1,160,837
Apr	1,238,689	1,214,980
May	1,308,428	
June	1,378,167	
July	1,447,906	
Aug	1,517,645	
Sept	1,587,384	
Oct	1,657,122	
Nov	1,726,861	
Dec	1,796,600	
2011-2012	1,796,600	
Year To Date Actual v. Projected		98%



CITY CLERK & FINANCE

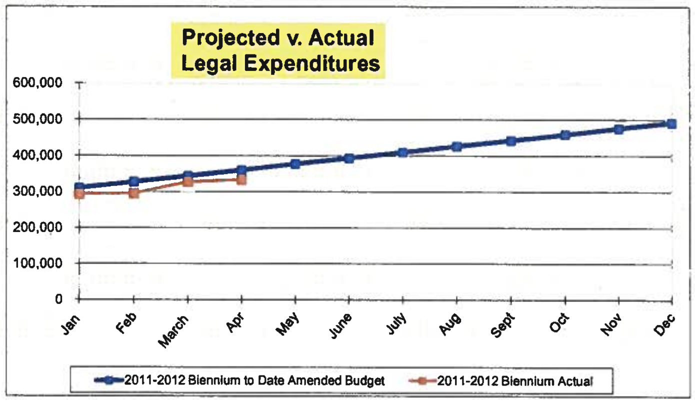
	2011-2012 Biennium to Date Budget	2011-2012 Biennium Actual
2011	577,181	550,087
Jan	627,039	593,676
Feb	676,897	655,819
March	726,754	703,370
Apr	776,612	747,105
May	826,470	
June	876,328	
July	926,185	
Aug	976,043	
Sept	1,025,901	
Oct	1,075,759	
Nov	1,125,616	
Dec	1,175,474	
2011-2012	1,175,474	
Year To Date Actual v. Projected		96%



City of Kenmore, Washington
General Fund Expenditure Graphs
April 30, 2012

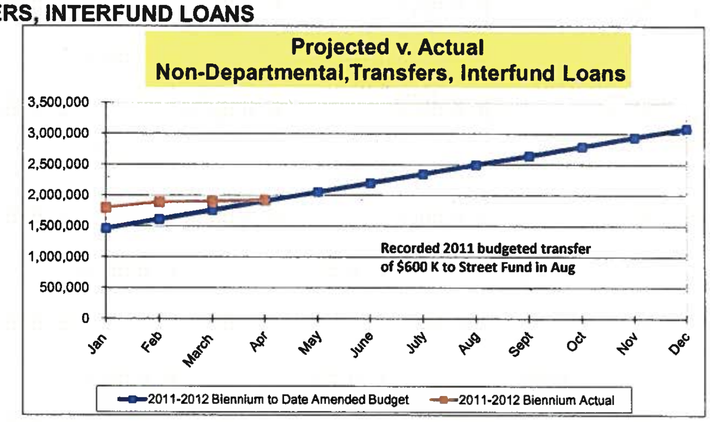
LEGAL

	2011-2012 Biennium to Date Amended Budget	2011-2012 Biennium Actual
2011	295,785	294,320
Jan	312,327	294,320
Feb	328,868	296,333
March	345,410	328,304
Apr	361,952	334,730
May	378,493	
June	395,035	
July	411,577	
Aug	428,118	
Sept	444,660	
Oct	461,202	
Nov	477,743	
Dec	494,285	
2011-2012	494,285	
Year To Date Actual v. Projected		92%



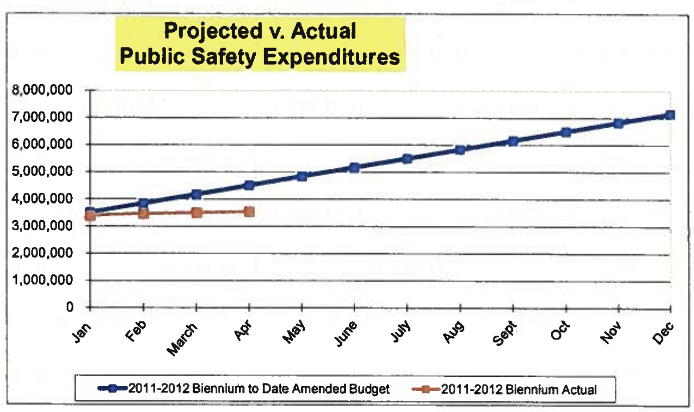
NON-DEPARTMENTAL, TRANSFERS, INTERFUND LOANS

	2011-2012 Biennium to Date Amended Budget	2011-2012 Biennium Actual
2011	1,323,203	1,671,568
Jan	1,471,004	1,799,662
Feb	1,618,806	1,891,906
March	1,766,607	1,904,342
Apr	1,914,408	1,927,035
May	2,062,209	
June	2,210,011	
July	2,357,812	
Aug	2,505,613	
Sept	2,653,414	
Oct	2,801,216	
Nov	2,949,017	
Dec	3,096,818	
2011-2012	3,096,818	
Year To Date Actual v. Projected		101%



PUBLIC SAFETY

	2011-2012 Biennium to Date Amended Budget	2011-2012 Biennium Actual
2011	3,196,106	3,403,896
Jan	3,528,061	3,406,200
Feb	3,860,016	3,470,100
March	4,191,970	3,510,205
Apr	4,523,925	3,549,974
May	4,855,880	
June	5,187,835	
July	5,519,789	
Aug	5,851,744	
Sept	6,183,699	
Oct	6,515,654	
Nov	6,847,608	
Dec	7,179,563	
2011-2012	7,179,563	
Year To Date Actual v. Projected		78%

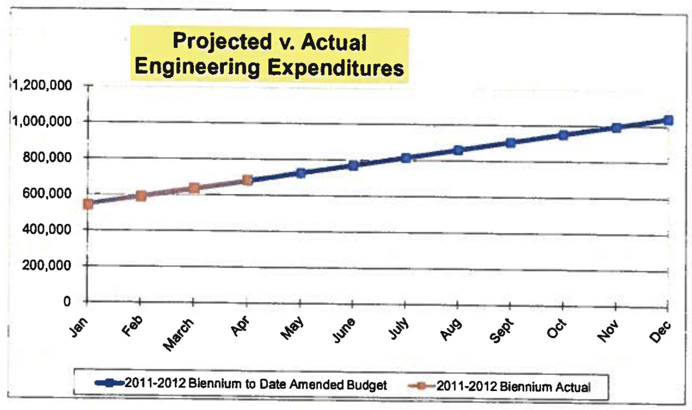


City of Kenmore, Washington
General Fund Expenditure Graphs
April 30, 2012

ENGINEERING

	2011-2012 Biennium to Date Amended Budget	2011-2012 Biennium Actual
2011	501,361	503,575
Jan	546,726	543,221
Feb	592,091	591,909
March	637,456	638,917
Apr	682,821	685,694
May	728,186	
June	773,551	
July	818,916	
Aug	864,281	
Sept	909,646	
Oct	955,011	
Nov	1,000,376	
Dec	1,045,741	
2011-2012	1,045,741	

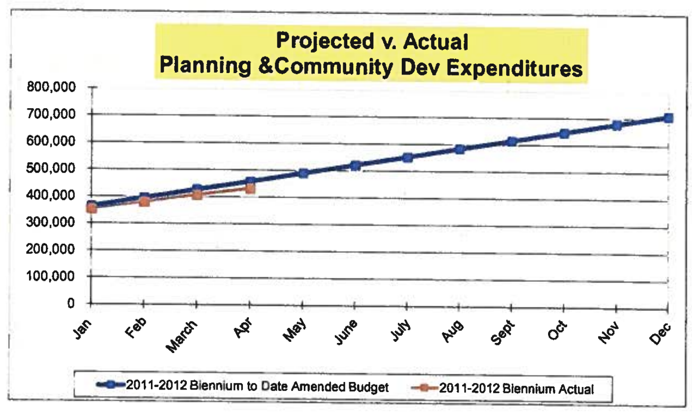
Year To Date
Actual v. Projected 100%



PLANNING & COMMUNITY DEV

	2011-2012 Biennium to Date Amended Budget	2011-2012 Biennium Actual
2011	333,878	330,213
Jan	365,441	355,355
Feb	397,004	381,265
March	428,567	407,823
Apr	460,129	433,175
May	491,692	
June	523,255	
July	554,818	
Aug	586,381	
Sept	617,944	
Oct	649,506	
Nov	681,069	
Dec	712,632	
2011-2012	712,632	

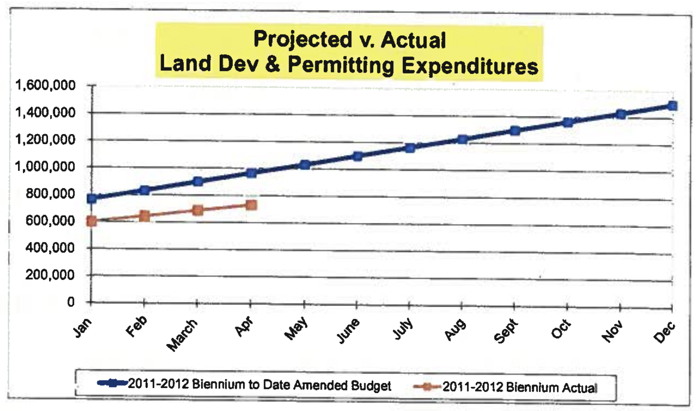
Year To Date
Actual v. Projected 94%



LAND DEV & PERMITTING

	2011-2012 Biennium to Date Amended Budget	2011-2012 Biennium Actual
2011	701,782	560,680
Jan	768,396	602,819
Feb	835,010	645,397
March	901,623	690,176
Apr	968,237	732,455
May	1,034,851	
June	1,101,465	
July	1,168,078	
Aug	1,234,692	
Sept	1,301,306	
Oct	1,367,920	
Nov	1,434,533	
Dec	1,501,147	
2011-2012	1,501,147	

Year To Date
Actual v. Projected 76%

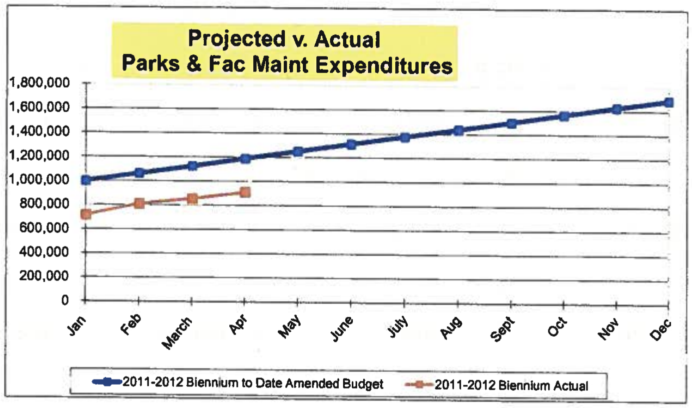


I:\Admin & Finance\Monthly Reports\2012\AprGeneral Fund Exp Graphs

City of Kenmore, Washington
General Fund Expenditure Graphs
April 30, 2012

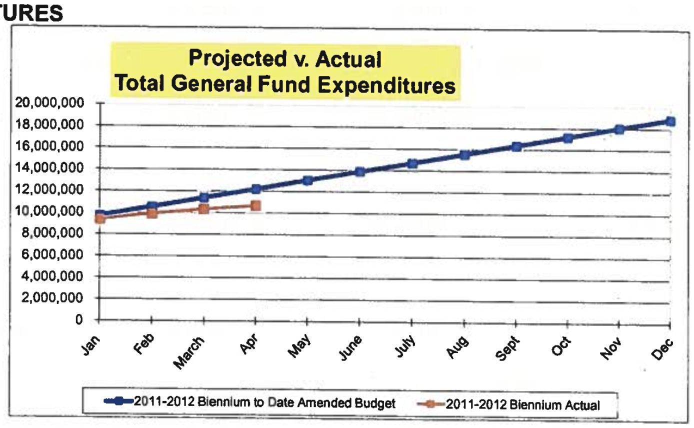
PARKS & FACILITY MAINT

	2011-2012 Biennium to Date Amended Budget	2011-2012 Biennium Actual
2011	941,976	715,261
Jan	1,004,732	719,947
Feb	1,067,487	812,556
March	1,130,243	858,040
Apr	1,192,998	912,244
May	1,255,754	
June	1,318,509	
July	1,381,265	
Aug	1,444,020	
Sept	1,506,776	
Oct	1,569,531	
Nov	1,632,287	
Dec	1,695,042	
2011-2012	1,695,042	
Year To Date Actual v. Projected		76%



TOTAL GENERAL FUND EXPENDITURES

	2011-2012 Biennium to Date Amended Budget	2011-2012 Biennium Actual
Jan	9,771,065	9,403,668
Feb	10,602,327	9,922,471
March	11,433,589	10,357,232
Apr	12,264,851	10,703,223
May	13,096,113	
June	13,927,375	
July	14,758,636	
Aug	15,589,898	
Sept	16,421,160	
Oct	17,252,422	
Nov	18,083,684	
Dec	18,914,946	
2011-2012	18,914,946	
Year To Date Actual v. Projected		87.27%



I:\Admin & Finance\Monthly Reports\2012\AprGeneral Fund Exp Graphs

City of Kenmore, Washington
All Funds Cash Summary
April 30, 2012

	2009-2010 BIENNIUM	AMENDED BUDGET	April	2011-2012 BIENNIUM TO DATE
GENERAL FUND				
Beginning Cash	2,748,258	4,941,884		4,941,884
Interfund Loan Repayment	6,850,000	0		0
Revenues	18,944,234	18,945,595	1,851,867	12,684,202
Total Sources	28,542,492	23,887,479	1,851,867	17,626,086
Interfund Loans	5,350,000	0		0
Expenditures	18,262,703	18,914,946	345,991	10,703,223
Ending Cash	4,929,789	4,972,533		6,922,862
Total Uses	28,542,492	23,887,479	345,991	17,626,086
STREET FUND				
Beginning Cash	228,568	2,040,582		2,040,582
Interfund Loan	3,550,000	0		0
Revenues	8,568,320	2,394,724	33,276	1,168,279
Total Sources	12,346,888	4,435,306	33,276	3,208,860
Interfund Loan Repaid	6,150,000			0
Expenditures	4,156,306	3,160,790	47,016	1,572,987
Ending Cash	2,040,582	1,274,516		1,635,873
Total Uses	12,346,888	4,435,306	47,016	3,208,860
ARTERIAL STREET FUND				
Beginning Cash	1,432,272	1,209,197		1,209,197
Interfund Loan	8,300,000	0		0
Revenues	23,393,136	7,574,163	200,000	2,048,083
Total Sources	33,125,408	8,783,360	200,000	3,257,280
Interfund Loan Repaid	10,500,000	0		0
Expenditures	21,416,211	8,420,240	402,927	3,173,843
Ending Cash	1,209,197	363,120		83,437
Total Uses	33,125,408	8,783,360	402,927	3,257,280
PUBLIC ART FUND				
Beginning Cash	67,378	68,244		68,244
Revenues	130,857	3,979	0	819
Total Sources	198,235	72,223	0	69,063
Expenditures	129,991	1,000	0	500
Ending Cash	68,244	71,223		68,563
Total Uses	198,235	72,223	0	69,063
PARK IMPACT FEE FUND				
Beginning Cash	976,339	1,354,455		1,354,455
Revenues	396,799	440,942	12,267	128,038
Total Sources	1,373,138	1,795,397	12,267	1,482,493
Expenditures	18,683	700,000	0	0
Ending Cash	1,354,455	1,095,397		1,482,493
Total Uses	1,373,138	1,795,397	0	1,482,493
TRANSPORTATION IMPACT FEE FUND				
Beginning Cash	146,087	545,655		545,655
Revenues	1,280,266	943,962	40,779	409,366
Total Sources	1,426,353	1,489,617	40,779	955,021
Expenditures	880,698	1,221,255	0	610,628
Ending Cash	545,655	268,362		344,393
Total Uses	1,426,353	1,489,617	0	955,021
SWAMP CREEK BASIN FUND				
Beginning Cash	0	1,762,640		1,762,640
Revenues	1,762,640	35,619	0	10,650
Total Sources	1,762,640	1,798,259	0	1,773,289
Expenditures	0	0	0	0
Ending Cash	1,762,640	1,798,259		1,773,289
Total Uses	1,762,640	1,798,259	0	1,773,289

I:\Admin & Finance\Monthly Reports\2012\Apr.xlsxAll Funds

City of Kenmore, Washington
All Funds Cash Summary
April 30, 2012

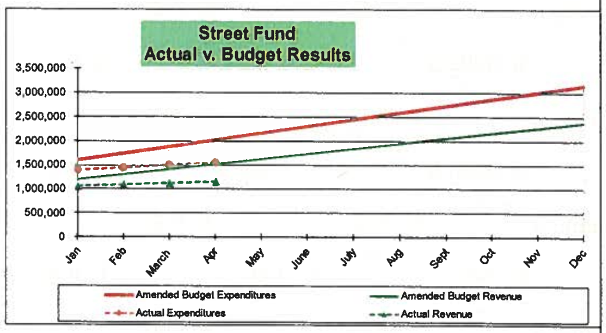
	2009-2010 BIENNIUM	2011-2012 AMENDED BUDGET	April	BIENNIUM TO DATE
MUNICIPAL CAPITAL RESERVE FUND				
Beginning Cash	2,402,043	1,866,318		1,866,318
Interfund Loan Repayment	8,800,000	0		0
Revenues	1,493,254	2,038,341	32,170	793,311
Total Sources	12,695,297	3,904,659	32,170	2,659,629
Interfund Loan	5,500,000	0		0
Expenditures	5,328,980	3,262,894	0	1,211,586
Ending Cash	1,866,318	641,765		1,448,042
Total Uses	12,695,297	3,904,659	0	2,659,629
CAPITAL PROJECTS FUND				
Beginning Cash	12,016,588	60,725		60,725
Revenues	4,693,262	508,079	4,991	469,251
Total Sources	16,709,850	568,804	4,991	529,976
Expenditures	16,636,626	507,820	32,289	1,216,182
Ending Cash	73,223	60,984		(686,205)
Total Uses	16,709,850	568,804	32,289	529,976
SURFACE WATER MANAGEMENT FUND				
Beginning Cash	3,865,039	1,590,280		1,590,280
Revenues	2,824,196	3,743,334	472,293	2,352,875
Total Sources	6,689,235	5,333,614	472,293	3,943,155
Expenditures	5,098,954	4,866,475	120,969	2,638,049
Ending Cash	1,590,280	467,139		1,305,107
Total Uses	6,689,235	5,333,614	120,969	3,943,155
STRATEGIC RESERVE FUND				
Beginning Cash	1,057,632	1,264,464		1,264,464
Interfund Loan Repayment	1,000,000	0		0
Revenues	206,832	0	0	0
Total Sources	2,264,464	1,264,464	0	1,264,464
Interfund Loans	1,000,000			0
Expenditures	0	0	0	0
Ending Cash	1,264,464	1,264,464		1,264,464
Total Uses	2,264,464	1,264,464	0	1,264,464
EQUIPMENT REPLACEMENT FUND				
Beginning Cash	510,358	524,310		524,310
Revenues	111,198	161,520	0	79,164
Total Sources	621,556	685,830	0	603,474
Expenditures	97,246	143,497	0	11,385
Ending Cash	524,310	542,333		592,089
Total Uses	621,556	685,830	0	603,474
TRUST AND AGENCY (NON BUDGETED FUND)*				
Beginning Cash	269,109	278,859		278,859
Revenues	144,107	0	453	88,556
Total Sources	413,216	278,859	453	367,416
Expenditures	134,357	0	7,945	115,605
Ending Cash	278,859	278,859		251,811
Total Uses	413,216	278,859	7,945	367,416
TOTALS				
Beginning Cash	25,719,671	17,507,613		17,507,613
Interfund Loan	28,500,000	0		0
Revenues	63,949,101	36,790,258	2,648,094	22,880,687
Total Sources	118,168,772	54,297,871	2,648,094	40,388,300
Interfund Loan	28,500,000	0		0
Expenditures	72,160,756	41,198,917	957,138	22,211,125
Ending Cash	17,508,016	13,098,954		16,486,218
Total Uses	118,168,772	54,297,871	957,138	38,697,343

I:\Admin & Finance\Monthly Reports\2012\Apr.xlsxAll Funds

City of Kenmore, Washington
Other Funds Monthly Activity
April 30, 2012

STREET FUND

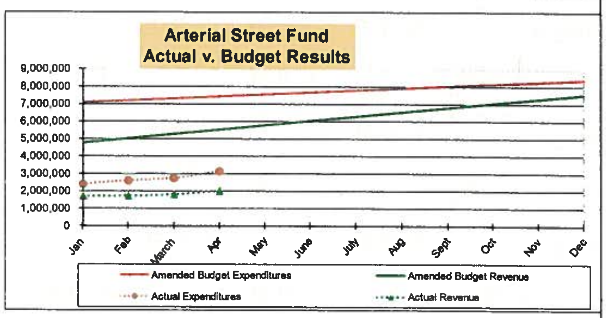
	2011-2012 Amended Budget Expenditures	2011-2012 Actual Expenditures	2011-2012 Amended Budget Revenue	2011-2012 Actual Revenue
2011	1,475,064	1,395,044	1,097,749	1,036,456
Jan	1,615,541	1,414,739	1,205,830	1,067,023
Feb	1,756,018	1,465,263	1,313,912	1,103,823
March	1,896,496	1,525,971	1,421,993	1,135,003
Apr	2,036,973	1,572,987	1,530,074	1,168,279
May	2,177,450		1,638,155	
June	2,317,927		1,746,237	
July	2,458,404		1,854,318	
Aug	2,598,881		1,962,399	
Sept	2,739,359		2,070,480	
Oct	2,879,836		2,178,562	
Nov	3,020,313		2,286,643	
Dec	3,160,790		2,394,724	
2011-2012	3,160,790		2,394,724	
Total Actual to Date vs Total Budget		50%		49%



The Street Fund accounts for street maintenance operations, funded by the State's fuel tax and transfers from the General Fund.

ARTERIAL STREET FUND

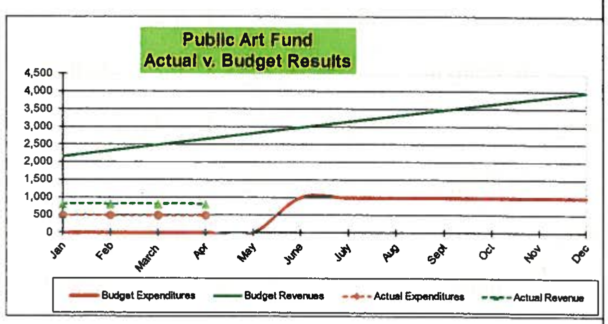
	2011-2012 Amended Budget Expenditures	2011-2012 Actual Expenditures	2011-2012 Amended Budget Revenue	2011-2012 Actual Revenue
2011	6,972,098	2,438,721	4,534,097	1,751,881
Jan	7,092,777	2,428,890	4,787,436	1,751,881
Feb	7,213,455	2,632,429	5,040,775	1,770,381
March	7,334,134	2,770,916	5,294,114	1,848,083
Apr	7,454,812	3,173,843	5,547,452	2,048,083
May	7,575,491		5,800,791	
June	7,696,169		6,054,130	
July	7,816,848		6,307,469	
Aug	7,937,526		6,560,808	
Sept	8,058,205		6,814,147	
Oct	8,178,883		7,067,485	
Nov	8,299,562		7,320,824	
Dec	8,420,240		7,574,163	
2011-2012	8,420,240		7,574,163	
Total Actual to Date vs Total Budget		38%		27%



The Arterial Street Fund accounts for capital improvements to the City's streets and SR 522, funded by various grants plus City resources from real estate excise tax and transportation impact fees. All phases of improvements to SR 522 are now accounted for in this fund. There is a time lag between project expenditures and reimbursements from grants; this accounts for the lower revenues compared to the expenditures.

PUBLIC ART FUND

	2011-2012 Budget Expenditures	2011-2012 Actual Expenditures	2011-2012 Budget Revenue	2011-2012 Actual Revenue
2011	500	500	1,982	819
Jan	0	500	2,148	819
Feb	0	500	2,315	819
March	0	500	2,481	819
Apr	0	500	2,648	819
May	0		2,814	
June	1,000		2,981	
July	1,000		3,147	
Aug	1,000		3,313	
Sept	1,000		3,480	
Oct	1,000		3,646	
Nov	1,000		3,813	
Dec	1,000		3,979	
2011-2012	1,000		3,979	
Total Actual to Date vs Total Budget		50%		21%



This fund accounts for public art authorized by Ordinance 01-0115. One percent (1%) of public project construction contracts is contributed to this fund to provide for public art displays or performing arts events as authorized by the City Council.

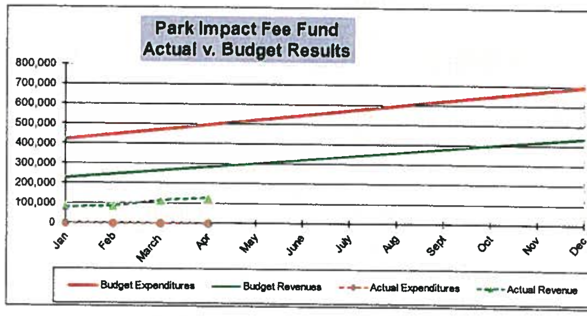
I:\Admin & Finance\Monthly Reports\2012\Apr.xlsxOther Funds Graphs

VIC. Receive and File April 2012 Financial Report

City of Kenmore, Washington
Other Funds Monthly Activity
April 30, 2012

PARK IMPACT FEE FUND

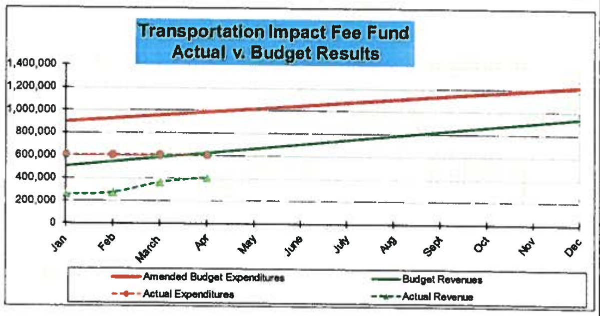
	2011-2012 Budget Expenditures	2011-2012 Actual Expenditures	2011-2012 Budget Revenue	2011-2012 Actual Revenue
2011	400,000	0	209,183	76,853
Jan	425,000	0	228,496	84,150
Feb	450,000	0	247,810	89,015
March	475,000	0	267,123	115,771
Apr	500,000	0	286,436	128,038
May	525,000		305,749	
June	550,000		325,063	
July	575,000		344,376	
Aug	600,000		363,689	
Sept	625,000		383,002	
Oct	650,000		402,316	
Nov	675,000		421,629	
Dec	700,000		440,942	
2011-2012	700,000		440,942	
Total Actual to Date vs Total Budget		0%		29%



This fund accounts for City imposed park impact fees on new development. Expenditures are for public park acquisitions and improvements.
In the 2011-2012 budget, expenditures represent transfers to Muncipal Capital Fund for improvements to City parks.

TRANSPORTATION IMPACT FEE FUND

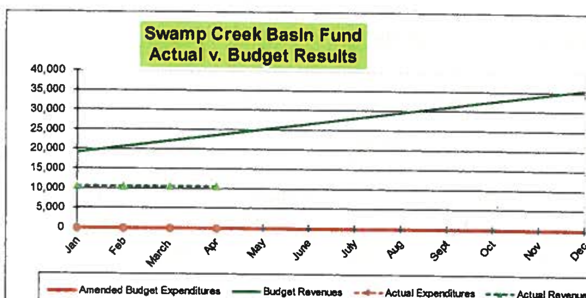
	2011-2012 Amended Budget Expenditures	2011-2012 Actual Expenditures	2011-2012 Budget Revenue	2011-2012 Actual Revenue
2011	871,255	610,628	470,962	239,206
Jan	900,422	610,628	510,379	263,465
Feb	929,588	610,628	549,795	279,637
March	958,755	610,628	589,212	368,587
Apr	987,922	610,628	628,629	409,366
May	1,017,088		668,045	
June	1,046,255		707,462	
July	1,075,422		746,879	
Aug	1,104,588		786,295	
Sept	1,133,755		825,712	
Oct	1,162,922		865,129	
Nov	1,192,088		904,545	
Dec	1,221,255		943,962	
2011-2012	1,221,255		943,962	
Total Actual to Date vs Total Budget		50%		43%



This fund accounts for City imposed transportation impact fees on new development. Expenditures are for public transportation improvements.

SWAMP CREEK BASIN FUND

	2011-2012 Budget Expenditures	2011-2012 Actual Expenditures	2011-2012 Budget Revenue	2011-2012 Actual Revenue
2011	0	0	17,721	10,650
Jan	0	0	19,212	10,650
Feb	0	0	20,703	10,650
March	0	0	22,194	10,650
Apr	0	0	23,685	10,650
May	0		25,176	
June	0		26,667	
July	0		28,158	
Aug	0		29,649	
Sept	0		31,140	
Oct	0		32,631	
Nov	0		34,122	
Dec	0		35,616	
2011-2012	0		35,619	
Total Actual to Date vs Total Budget		0%		30%



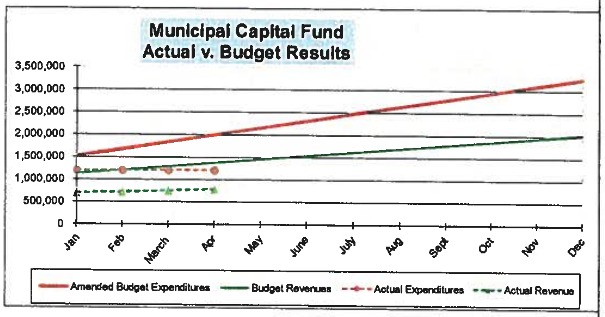
This fund accounts for the Memorandum of Agreement with King County which provided funds reserved for surface water projects, improvements, and maintenance within the Swamp Creek Basin.

I:\Admin & Finance\Monthly Reports\2012\Apr.xlsx\Other Funds Graphs

City of Kenmore, Washington
Other Funds Monthly Activity
April 30, 2012

MUNICIPAL CAPITAL FUND

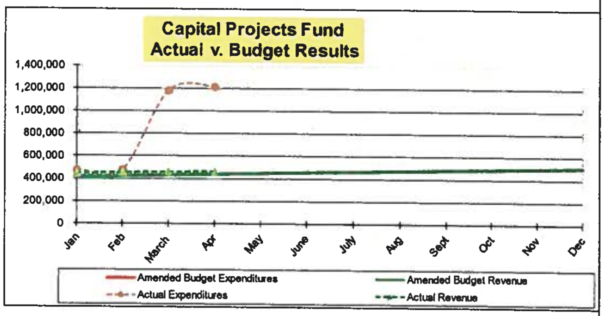
	2011-2012 Amended Budget Expenditures	2011-2012 Actual Expenditures	2011-2012 Budget Revenue	2011-2012 Actual Revenue
2011	1,384,344	1,211,586	1,063,582	658,183
Jan	1,522,557	1,211,586	1,144,812	713,386
Feb	1,680,769	1,211,586	1,226,042	731,450
March	1,838,982	1,211,586	1,307,272	761,141
Apr	1,997,194	1,211,586	1,388,502	793,311
May	2,155,407		1,469,732	
June	2,313,619		1,550,962	
July	2,471,832		1,632,191	
Aug	2,630,044		1,713,421	
Sept	2,788,257		1,794,651	
Oct	2,946,469		1,875,881	
Nov	3,104,682		1,957,111	
Dec	3,262,894		2,038,341	
2011-2012	3,262,894		2,038,341	
Total Actual to Date vs Total Budget		37%		39%



The Municipal Capital Fund accounts for the 1/2% real estate excise taxes levied by the City which are restricted to capital projects and improvements. Expenditures include park improvements and transfers to the Arterial Street Fund for transportation improvements.

CAPITAL PROJECTS FUND

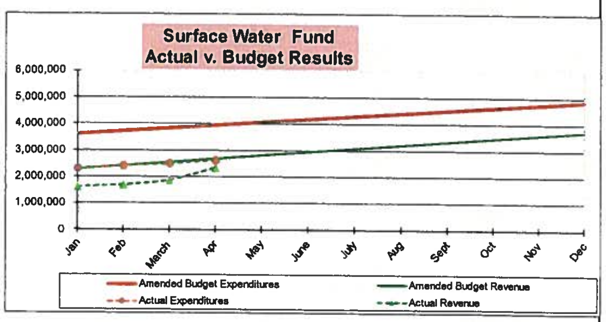
	2011-2012 Amended Budget Expenditures	2011-2012 Actual Expenditures	2011-2012 Amended Budget Revenue	2011-2012 Actual Revenue
2011	412,410	474,789	406,813	447,634
Jan	420,361	477,873	415,252	452,625
Feb	428,312	479,334	423,691	459,269
March	436,263	1,183,893	432,130	464,260
Apr	444,213	1,216,182	440,568	469,251
May	452,164		449,007	
June	460,115		457,446	
July	468,066		465,885	
Aug	476,017		474,324	
Sept	483,968		482,763	
Oct	491,918		491,201	
Nov	499,869		499,640	
Dec	507,820		508,079	
2011-2012	507,820		508,079	
Total Actual to Date vs Total Budget		239%		92%



The Capital Projects Fund accounts for leasing activity within Kenmore Village and contributions to ARCH (A Regional Coalition for Housing).

SURFACE WATER MANAGEMENT FUND

	2011-2012 Amended Budget Expenditures	2011-2012 Actual Expenditures	2011-2012 Amended Budget Revenue	2011-2012 Actual Revenue
2011	3,504,478	2,301,189	2,172,624	1,604,654
Jan	3,617,978	2,320,252	2,303,517	1,622,286
Feb	3,731,478	2,428,578	2,434,409	1,702,096
March	3,844,977	2,517,079	2,565,302	1,880,583
Apr	3,958,477	2,638,049	2,696,194	2,352,875
May	4,071,977		2,827,087	
June	4,185,477		2,957,979	
July	4,298,976		3,088,872	
Aug	4,412,476		3,219,764	
Sept	4,525,976		3,350,657	
Oct	4,639,476		3,481,549	
Nov	4,752,975		3,612,442	
Dec	4,866,475		3,743,334	
2011-2012	4,866,475		3,743,334	
Total Actual to Date vs Total Budget		54%		63%



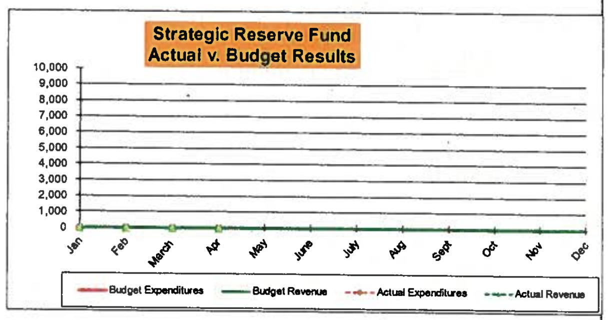
This fund accounts for receipts from surface water assessments. The assessments are collected through the property tax billings; the majority of the receipts are collected in May and November. Expenditures are for surface water maintenance activities such as sweeping and drainage as well as capital improvements.

I:\Admin & Finance\Monthly Reports\2012\Apr.xlsxOther Funds Graphs

City of Kenmore, Washington
Other Funds Monthly Activity
April 30, 2012

STRATEGIC RESERVE FUND

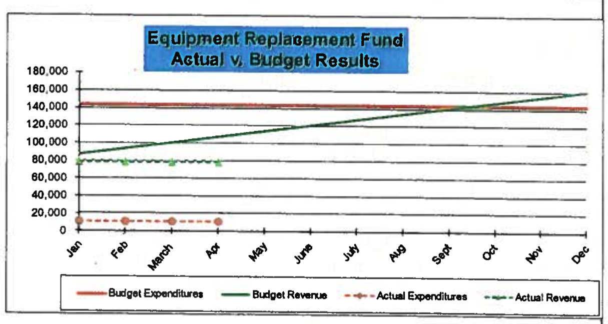
	2011-2012 Budget Expenditures	2011-2012 Actual Expenditures	2011-2012 Budget Revenue	2011-2012 Actual Revenue
2011	0	0	0	0
Jan	0	0	0	0
Feb	0	0	0	0
March	0	0	0	0
Apr	0	0	0	0
May	0		0	
June	0		0	
July	0		0	
Aug	0		0	
Sept	0		0	
Oct	0		0	
Nov	0		0	
Dec	0		0	
2011-2012	0		0	
Total Actual to Date vs Total Budget		0%		0%



This fund was created to serve as the City's emergency reserve fund. Per State Statute, the fund cannot exceed $.375 per $1,000 of the City's assessed value and is fully funded at $1,264,464 for 2011. No expenditures are anticipated or have been budgeted at this time.

EQUIPMENT REPLACEMENT FUND

	2011-2012 Budget Expenditures	2011-2012 Actual Expenditures	2011-2012 Budget Revenue	2011-2012 Actual Revenue
2011	143,497	11,385	81,072	79,164
Jan	143,497	11,385	87,776	79,164
Feb	143,497	11,385	94,480	79,164
March	143,497	11,385	101,184	79,164
Apr	143,497	11,385	107,888	79,164
May	143,497		114,592	
June	143,497		121,296	
July	143,497		128,000	
Aug	143,497		134,704	
Sept	143,497		141,408	
Oct	143,497		148,112	
Nov	143,497		154,816	
Dec	143,497		161,520	
2011-2012	143,497		161,520	
Total Actual to Date vs Total Budget		8%		49%



This fund is used to maintain a reserve for future replacement of equipment, including, but not limited to furniture, computers and vehicles. Payments are received from various operating departments and funds that benefit from or use the assets.

I:\Admin & Finance\Monthly Reports\2012\Apr.xlsxOther Funds Graphs

City of Kenmore, Washington
Cash and Investment Report
April 30, 2012

Fund	Beg. Cash & Inv. from Prev. Mo.	Monthly Revenues	Monthly Expenditures	End. Cash & Inv. Current Month
General	$5,417,755	$1,851,867	$345,991	$6,923,630
Street	1,649,613	33,276	47,016	1,635,872
Arterial Street	286,365	200,000	402,927	83,438
Public Art	68,564	0	0	68,564
Park Impact Fee	1,470,228	12,267	0	1,482,495
Transp Impact Fee	303,615	40,779	0	344,394
Swamp Creek Basin	1,773,290	0	0	1,773,290
Municipal Capital	1,415,871	32,170	0	1,448,041
Capital Projects	-658,911	4,991	32,289	-686,208
Capital Projects-Retainage	0	0	0	0
Surface Water Mgt.	953,784	472,293	120,969	1,305,107
Strategic Reserve	1,264,465	0	0	1,264,465
Equipment Replacement	592,088	0	0	592,088
Trust & Agency	259,300	453	7,945	251,807
Totals	$14,796,026	$2,648,094	$957,138	$16,486,983

Fund	Cash, Savings, Local Govt Investment Pool	(> One Year) Fixed Investments	Total
General	$5,136,288	$1,786,977	$6,923,265
Street	785,873	850,000	1,635,873
Arterial Street	83,438	0	83,438
Public Art	53,563	15,000	68,563
Park Impact Fee	552,495	930,000	1,482,495
Transp Impact Fee	314,395	30,000	344,395
Swamp Creek Basin	373,290	1,400,000	1,773,290
Municipal Capital	1,448,041	0	1,448,041
Capital Projects	-1,136,208	450,000	-686,208
Surface Water Mgt.	795,108	510,000	1,305,108
Strategic Reserve	414,465	850,000	1,264,465
Equipment Replacement	142,088	450,000	592,088
Trust & Agency	151,807	100,000	251,807
Totals	$9,114,643	$7,371,977	$16,486,620

I:\Admin & Finance\Monthly Reports\2012\Apr.xlsxCashInv

City of Kenmore, Washington
Schedule of Investments
April 30, 2012

		Average Yield to Maturity-Securities						**Overall Average Yield**	**0.26%**
Report by Security	**Investment #**	**Type**	**Maturity Date**	**Purchase Date**	**Rate**	**Yield**	**Possible Call Date**	**Principal or Balance**	**Yield Equivalents**
Piper Jaffray									
	313371PC4	FHLB	12/12/2014	6/7/2011	0.88%	1.13%	no call	991,238.90	11,201.00
Called	~~3134G14C5~~	~~FHLMC~~	~~3/7/2013~~	~~3/7/2011~~	~~1.00%~~	~~1.00%~~	~~3/7/2012~~		
									-
Total Piper Jaffrey Purchases								**991,238.90**	-
Seattle Northwest Securities									
								-	-
Time Value Investments									
	313586QR3	FNMA	7/5/2014	6/7/2011	1.00%	1.00%	no call	998,858.37	9,988.58
	31398A4N9	FNMA	10/15/2013	12/8/2010	1.00%	1.00%	4/15/2011	999,990.00	9,999.90
	3136FTPX1	FNMA	11/13/2015	11/30/2011	1.15%	1.15%	11/30/2012	1,000,000.00	11,500.00
Total TVI Purchases								**2,998,848.37**	**9,999.90**
Wells Fargo Bank									
Called	~~313374CY4~~	~~FHLB~~	~~12/30/2014~~	~~6/30/2011~~	~~.75-3.0~~	~~0.75%~~	~~3/30/2012~~		
	3136FTXD6	FNMA	12/28/2015	12/28/2011	1.10%	1.10%	12/28/2012	1,000,000.00	11,000.00
Total Wells Fargo Purchases								**1,000,000.00**	**11,000.00**
Banner Bank CD's									
	5740005425	CD	2/6/2012	2/6/2011	0.80%	0.80%		1,132,694.88	9,061.56
Total Banner Bank CD's								**1,132,694.88**	**9,061.56**
Sound Community Bank CD's									
	18299229	CD	8/11/2012	2/11/2011	0.55%	0.55%		1,000,000.00	5,500.00
Total Sound Community Bank CD's								**1,000,000.00**	**5,500.00**
Opus Bank CD's									
	280140042	CD	3/16/2015	3/15/2011	1.15%	1.15%		249,194.49	2,865.74
Total Cascade Bank CD's								**249,194.49**	**2,865.74**
TOTAL ALL SECURITIES								**$ 7,371,976.64**	**$ 27,427.20**
			Banner Checking and Savings			**0.18%**	**Banner**	**4,872,877.08**	8,771.18
			Opus Bank			**0.20%**		**11,064.04**	22.13
			Cash					**1,005.00**	-
			Local Government Investment Pool			**0.14%**	**LGIP**	**4,229,695.69**	5,896.20
									-
				Total Accounts				**$ 16,486,618.45**	42,116.70

I:\Admin & Finance\Monthly Reports\2012\Apr.xlsx\InvSch

VIC. Receive and File April 2012 Financial Report

City of Kenmore, Washington

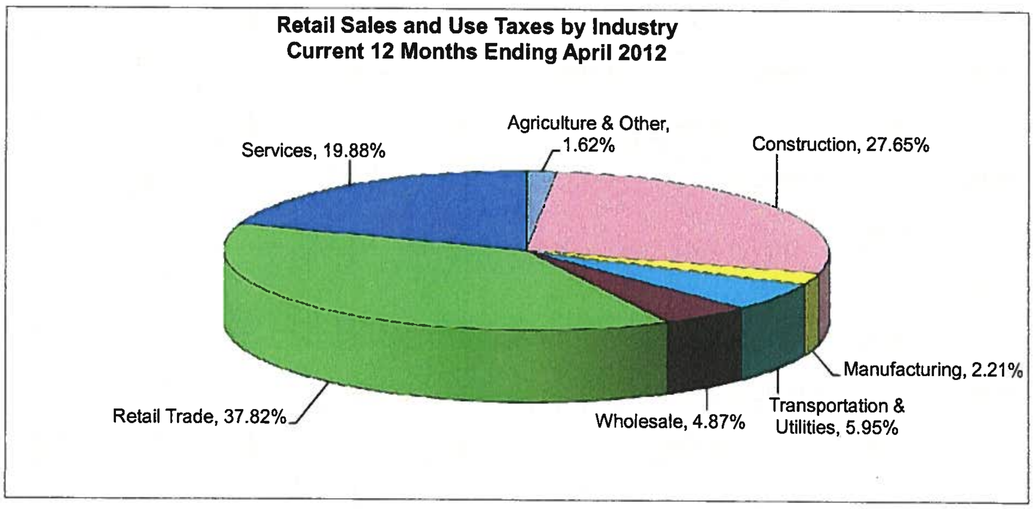
SALES TAX RECEIPTS BY BUSINESS TYPE

April 2012

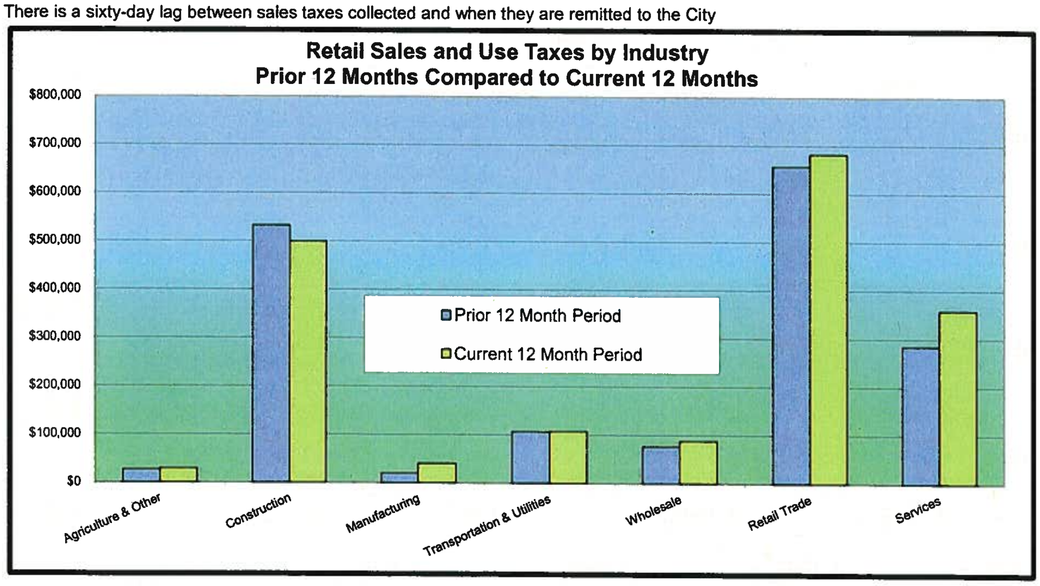
	SALES TAX	USE TAX	TOTAL	PERCENT
AGRICULTURE & OTHER	1,827.67	-3.93	1,823.74	1.4%
CONSTRUCTION	28,907.25	1,173.92	30,081.17	23.0%
MANUFACTURING	4,309.35	22.56	4,331.91	3.3%
TRANSPORTATION & UTILITIES	7,285.06	297.32	7,582.37	5.8%
WHOLESALE	5,956.84	74.44	6,031.28	4.6%
RETAIL TRADE	53,147.84	344.27	53,492.11	40.9%
SERVICES	25,100.66	354.49	25,455.15	19.5%
PUBLIC SERVICES	78.79	1,871.82	1,950.61	1.5%
	126,613.45	4,134.89	130,748.34	100.0%

City of Kenmore, Washington
Retail Sales and Use Tax Distribution
April 30, 2012

Industry	Prior 12 Months ending April 2011	Current 12 Months ending April 2012		% Increase/ (Decrease)	% of Total
Agriculture & Other (Landscaping, Animal Hospitals)	$26,964	$29,174		8.20%	1.62%
Construction	531,684	498,745	*	-6.20%	27.65%
Manufacturing (Printing, Publishing, Other Manuf.)	19,969	39,915		99.89%	2.21%
Transp/Comm/Utilities (Telecomm., Air Transport.)	106,397	107,333		0.88%	5.95%
Wholesale (Lumber, Other Wholesale)	76,255	87,792		15.13%	4.87%
Retail Trade (Eating, Merchandise, Food Stores)	656,548	682,109		3.89%	37.82%
Services (Auction, Recreation, Auto Repair, Financial)	284,185	358,472		26.14%	19.88%
Totals	$1,702,002	$1,803,541		5.97%	100%
Increase/(Decrease)		$101,539		5.97%	



NOTE: Due to the City's Confidentiality Agreement with the Department of Revenue, specific business information cannot be disclosed.
* Approximately 10% of this is due to the Brightwater project.
There is a sixty-day lag between sales taxes collected and when they are remitted to the City



I:\Admin & Finance\Monthly Reports\2012\Apr.xlsxSalesTaxDist

City of Kenmore, Washington
Real Estate Excise Tax Report
April 30, 2012

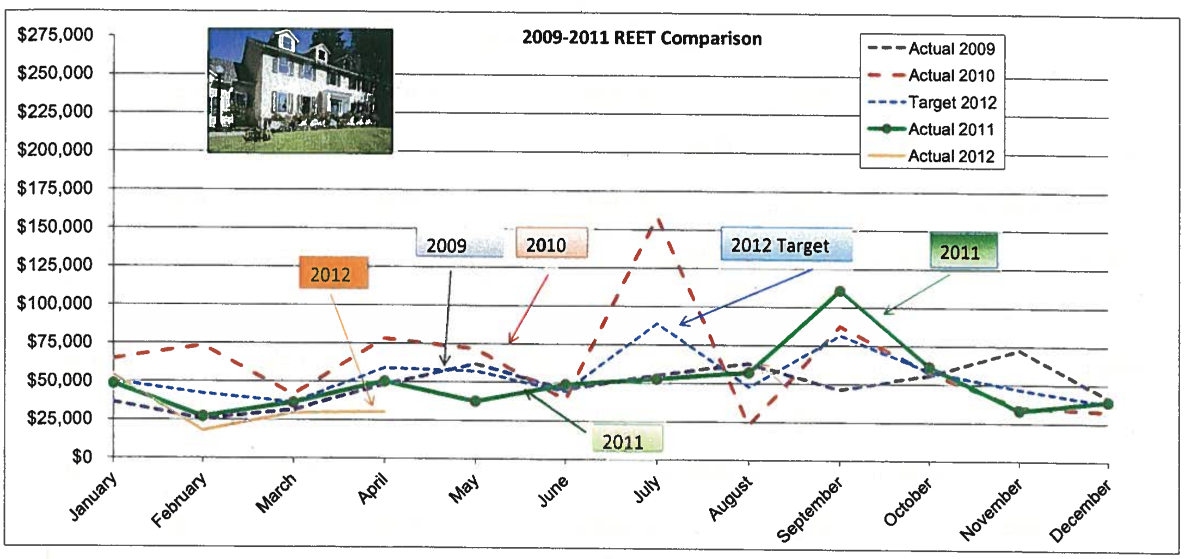
Real Estate Excise Taxes (REET)
2008 - 2012 Monthly Receipts

	Actual 2008	Actual 2009	Actual 2010	Actual 2011	Actual 2012	Target 2012
January	167,796	36,640	64,792	48,679	54,359	50,037
February	39,354	25,466	73,383	27,294	18,064	42,048
March	42,409	31,468	41,445	36,507	29,691	36,474
April	75,958	48,355	78,233	50,463	30,662	59,017
May	50,369	61,743	71,622	37,671		57,012
June	45,084	45,639	38,919	48,938		44,499
July	102,721	55,328	158,221	53,012		88,853
August	93,364	63,161	23,033	57,471		47,888
September	68,457	46,508	87,734	111,107		81,783
October	39,607	55,905	57,761	61,805		58,490
November	60,295	72,456	35,585	33,475		47,172
December	34,608	41,723	32,962	39,510		38,065
	$820,021	$584,392	$763,689	$605,931	$132,777	$651,337

For 2012, Taxes are $30,166 less than the same period last year and below the 2012 target by $54,799

Real Estate Excise Taxes (REET)
2008 - 2012 Property Sales > $500,000
(The sales actually occur in the prior month; there is a 30 day lag between sales and when the City receives the revenue)

	2008	2009	2010	2011	2012	Taxes from > $500,000 Sale Amounts 2008	2009	2010	2011	2,012
January	28,479,285	3,809,950	3,790,500	1,046,085	5,515,283	140,972	18,859	18,763	5,178	27,301
February	4,994,900	2,819,838	4,805,000	547,257	1,152,000	24,725	13,958	23,785	2,709	5,702
March	6,016,500	2,923,000	1,149,000	1,100,000	750,000	29,782	14,469	5,688	5,445	3,713
April	9,089,830	3,942,750	1,779,000	1,075,000	870,000	44,995	19,517	8,806	5,321	4,307
May	4,285,470	7,254,950	1,859,000	2,372,000		21,213	35,912	9,202	11,741	0
June	5,868,926	560,000	540,000	2,605,000		29,051	2,772	2,673	12,895	0
July	15,533,779	3,739,900	18,013,000	3,354,950		76,892	18,513	89,164	16,607	0
August	12,492,130	3,857,600	1,020,000	3,045,950		61,836	19,095	5,049	15,077	0
September	6,504,602	2,275,000	11,276,760	15,691,044		32,198	11,261	55,820	77,671	0
October	3,397,877	5,949,213	610,000	7,873,950		16,819	29,449	3,020	38,976	0
November	5,851,865	6,393,000	1,020,000	875,000		28,967	31,645	5,049	4,331	0
December	619,950	1,855,348	2,178,000	2,189,000		3,069	9,184	10,781	10,836	0
	$103,135,114	$45,380,549	$48,040,260	$41,775,236	$8,287,283	$510,519	$224,634	237,800	206,787	41,023



* NOTE THE 2012 TARGET IS BASED ON A 3-YEAR AVERAGE (2009-2011) OF ACTUAL RECEIPTS.

City of Kenmore, Washington
Monthly Report for Kenmore Village
April 30, 2012

	April Activity	Biennium-to-Date	Biennium Budget
Revenues			
Lease Income USPS (6700 Building)	$4,241	$ 52,525	$ 88,266
Return of Security Deposit	0	3,257	0
Other Rent Income	750	8,250	0
Insurance Proceeds	0	19,672	0
Leasehold Excise Returned	0	2,025	0
Total Revenues	4,991	85,729	88,266
Expenditures			
6700 Building Improvements	596	32,942	40,820
Utilities and Insurance - Kenmore Village	1,548	53,218	0
Total Expenditures	2,144	86,160	40,820
Net Income (Loss)	$ 2,847	$ (431)	$ 47,446

I:\Admin & Finance\Monthly Reports\2012\AprKenmore Village (2)

City of Kenmore, Washington
SR 522 Phase I Revenue and Expenditure History
as of April 30, 2012

Actuals Received on Cash Basis

Phase I

Stage 3 Burke Gilman Trail @73rd Ave NE-nearing completion
Stage 1 SR 522 Central Segment 65th to 73rd and other Improvements, in construction
Stage 2 SR 522 West Segment 57th to 65th and other improvements, pending funding

	Secured:	Cumulative through 2008	2009	2010	2011	April 2012	Year to Date 2012	Life to Date
Revenues:								
Wa State Transportation Improve. Board:								
to Street Fund	5,047,000	851,786	0	0	0	0	0	**851,786**
to Arterial Street Fund	0	148,214	2,545,308	1,501,692	0	0	0	**4,195,214**
Wa State Gas Tax	4,663,620	3,119,047	1,765,416	0	0	0	0	**4,884,463**
Federal Surface Transportation Prog	12,045,444	1,708,895	8,535,460	1,781,817	0	0	0	**12,026,172**
Brightwater	15,000	15,000	0	0	0	0	0	**15,000**
Federal: Wa State Dept of Trans Signal	357,914	0	0	546,862	0	0	0	**546,862**
King County Parks	906,500	514,616	201,467	0	0	0	0	**716,083**
King County Roads	350,000	350,000	0	0	0	0	0	**350,000**
Northshore Utility District Reimb	432,400	80,559	0	0	0	0	0	**80,559**
Puget Sound Energy Reimb	264,100	0	0	0	0	0	0	**0**
Northshore School Dist Reimb	22,258	0	0	0	0	0	0	**0**
Library Reimb	10,000	0	0	0	0	0	0	**0**
Comcast Reimb	168,800	88,620	0	0	0	0	0	**88,620**
Urban Partners	75,000	0	25,000	54,438	0	0	0	**79,438**
Fire District Reim	49,000	0	0	0	0	0	63,245	**63,245**
City Art Fund	126,486	0	0	0	0	0	0	**0**
BWR St. 1 Ph. 1 Settlement						0	0	**0**
City Funds:	5,607,250	0	0	0	0	200,000	200,000	**200,000**
Transfer from REET Muni Cap		1,083,250	0	3,290,000	0	0	0	**4,373,250**
Transfer from Street Fund		0	0	521,870	0	0	0	**521,870**
Stage 1/181st Transfer from REET Muni Cap		0	334,000	0	0	0	0	**334,000**
Stage 2 Transfer from REET Muni Cap	700,000	0	700,000	0	1,126,447	0	0	**1,826,447**
Transfer from Trans Impact Fees		900,000	0	0	610,628	0	0	**1,510,628**
Total Revenues	30,840,772	8,859,987	14,106,651	7,696,679	1,737,075	200,000	263,245	**32,663,637**
Expenditures:								
Street Fund		15,148,961	1,090	0	0	0	0	**15,150,051**
Street-Interfund Loan Interest		0	0	0	0	0	0	**0**
1% Art Fund		0	0	0	0	0	0	**0**
Arterial Street Fund		253,860	11,708,313	2,874,519	154,162	346,919	363,233	**15,354,087**
Stage 2 Design Arterial Street Fund			483,830	435,358	132,834	6,837	9,355	**1,061,377**
Muni Cap Fund		46,782	0	0	0	0	0	**46,782**
Total Expenditures		15,449,603	12,193,233	3,309,877	352,046	353,756	372,587	**31,612,297**

I:\Admin & Finance\Monthly Reports\2012\AprPh I

City of Kenmore, Washington
SR 522 Phase II Revenue and Expenditure History
as of April 30, 2012

Phase II
SR 522 East Segment, 73rd to 83rd, nearing completion

		Actuals Received on Cash Basis							
		Cumulative through 2008	2009	2010	December 2011	Year to Date 2011	April 2012	Year to Date 2012	Life to Date
Revenues:	**Secured:**								
Wa State Transportation improve. Board:	**3,450,000**	3,145,975	131,526	172,500	0	0	0	0	**3,450,000**
Sound Transit	**8,192,307**	8,192,307	0	0	0	0	0	0	**8,192,307**
Brightwater	**250,000**	0	0	0	0	0	0	0	**0**
Federal Grant via WSDOT	**697,312**	578,381	91,120	0	0	6,683	0	0	**676,184**
Federal: WSDOT Signal/Overlay	**683,608**	185,272	498,322	0	0	0	0	0	**683,594**
Regional Mobility WSDOT	**1,800,000**	1,441,827	358,173	0	0	0	0	0	**1,800,000**
King County Metro	**400,000**	0	0	400,000	0	0	0	0	**400,000**
Wa State Gas Tax Grant	**8,336,380**	4,636,717	2,951,182	439,620	0	0	0	0	**8,027,519**
Comcast Reimb	**147,770**	92,680	0	55,090	0	0	0	0	**147,770**
Northshore Utility District Reimb	**1,621,486**	1,024,376	441,836	0	0	0	0	0	**1,466,212**
Northshore School District Reimb	**28,914**	0	0	0	0	2,694	0	0	**2,694**
PSE Reimbursement	**150,000**	0	0	0	0	0	0	0	**0**
City: Art Fund	**161,006**	0	0	0	0	0	0	0	**0**
City:	**2,870,793**			0	0	0	0	0	**0**
Investment Earnings		92,191	15,331	2,532	0	0	0	0	**110,054**
Fuel Tax		274,153	0	0	0	0	0	0	**274,153**
Transfer of Trans Impact Fees		512,000	430,698	450,000	0	0	0	0	**1,392,698**
Transfer from Street Fund		0	0	1,000,000	0	0	0	0	**1,000,000**
Transfer of REET		1,096,420	0	0	0	0	0	0	**1,096,420**
Total Revenues	**28,789,576**	21,272,299	4,918,188	2,519,742	0	9,377	0	0	**28,719,606**
Expenditures:									
Arterial Street		22,497,211	4,671,626	1,068,152	16,674	1,403,237	0	3,125	**29,643,350**
Interfund Loan Interest		127,175	0	0	0	0	0	0	**127,175**
Art 1%		0	0	0	0	0	0	0	**0**
Transportation Impact Fee Fund		100,000	0	0	0	0	0	0	**100,000**
Total Expenditures		22,724,386	4,671,626	1,068,152	16,674	1,403,237	0	3,125	**29,870,525**

I:\Admin & Finance\Monthly Reports\2012\Apr.xlsxPh II

City Council Business Agenda Item
City of Kenmore, WA

Subject/Topic: Presentation by Washington Department of Ecology on Public Participation Plan process for the Kenmore Industrial Park Proposed Council Action/Motion: N/A	For Council Meeting Agenda of: 11 June 2012 Department: Executive Prepared by: Nancy Ousley To Be Presented By: _Maura O'Brien, Geologist and Hydrogeologist, WA Department of Ecology Initial & Date Approved by Department Head: ________ Approved by City Attorney: N/A Approved by Finance Director: ________ Approved by City Manager: ________ Exhibits/Attachments: None

Expenditure Required $	Amount Budgeted $	Appropriation Required $
N/A		

INFORMATION/BACKGROUND:
Staff from the Washington Department of Ecology will present information on the agency's process for updating the Public Participation Plan for the Kenmore Industrial Park, also known as Lakepointe.

FISCAL CONSIDERATION:

N/A

COUNCIL GOAL/BUDGET OBJECTIVE BEING ADDRESSED:

VIIA. Presentation by Washington Department of Ecology on Public Participation Plan Process for the Kenmore Industrial Park.

Business of the City Council
City of Kenmore, WA

<table>
<tr><td>Subject/Topic: zone reclassification for the property located at 18138 73rd Ave NE (former Kenmore Library property)

Proposed Council Action/Motion: Motion to approve Ordinance 12-0341 to reclassify the land use zoning designation for the property located at 18138 73rd Ave NE from "Public/Semi-Public" to "R-18".</td><td>For Council Meeting Agenda of: June 11, 2012

Department: Land Development & Permitting

Prepared by: Andrew Bauer, Associate Planner

Initial & Date
Approved by Department Head: AB 5/30/12
Approved by City Attorney: RPK 5/23/12
Approved by Finance Director: JMG 5/30/12
Approved by City Manager: ROK

Exhibits/Attachments:
1. Vicinity zoning map existing/proposed
2. City staff report and recommendation to Hearing Examiner with Exhibit list (note: exhibits to staff report are not included)
3. Hearing Examiner recommendation to City Council (note: exhibits to Hearing Examiner's report are not included)
4. Ordinance 12-0341</td></tr>
<tr><td colspan="2">Expenditure Required N/A   Amount Budgeted N/A   Appropriation Required N/A</td></tr>
<tr><td colspan="2">INFORMATION/BACKGROUND: In 2011 the King County Library System relocated the Kenmore Library to a new 9,500 square foot facility located at 6531 NE 181st Street, Kenmore. This relocation has left the former Kenmore Library site and its 2,092 square foot building vacant (located at 18138 73rd Ave NE). The Library System has deemed the former Kenmore Library property surplus and will be listing the property for sale on the open market.

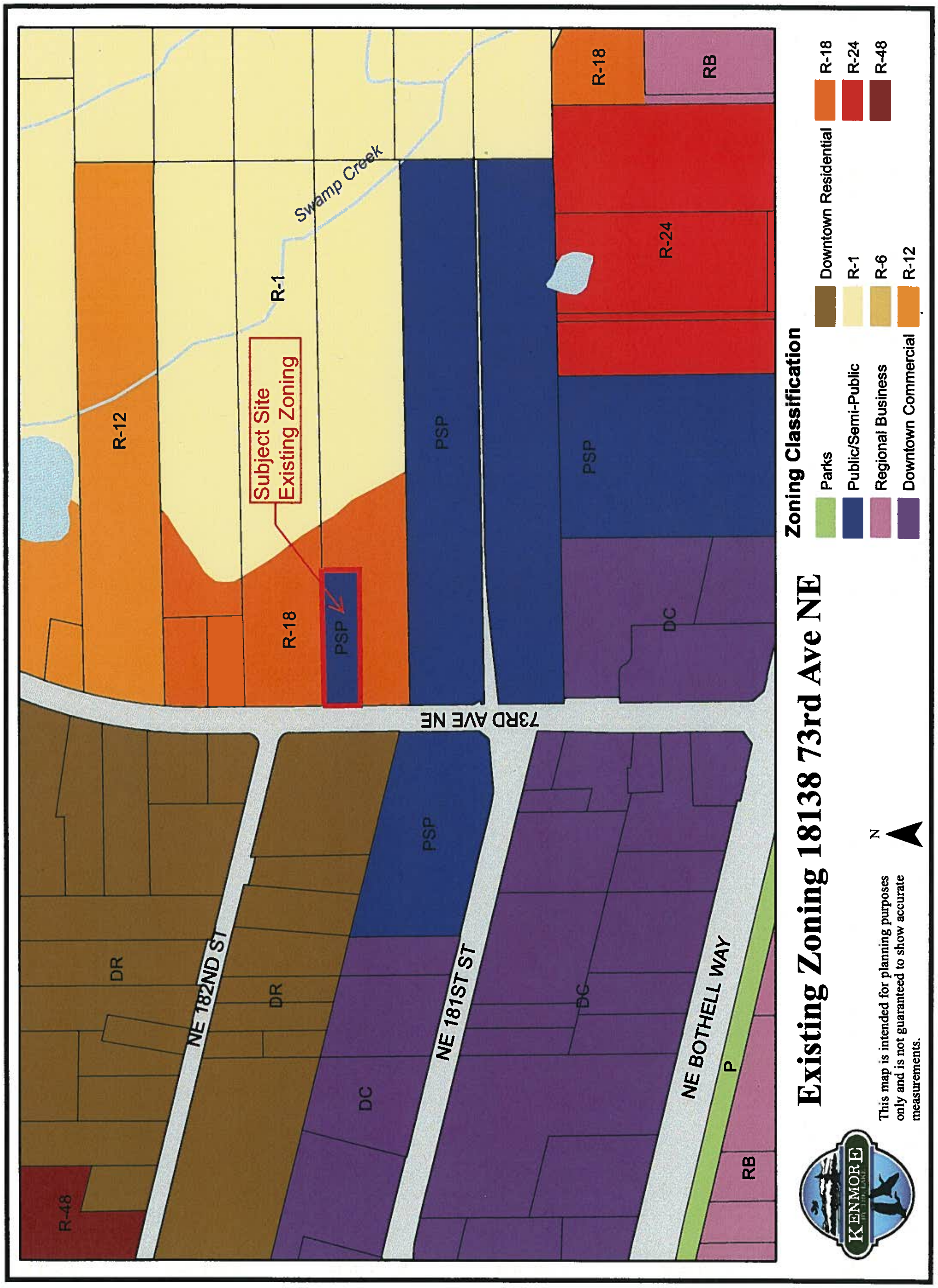
The property is currently zoned "Public/Semi-Public" (PSP). The PSP zone is intended for public and institutional uses and limits other land uses for potential private or non-institutional uses. The Library System filed an application requesting to change the PSP zoning classification on the site to "R-18" (residential 18 dwelling units per acre) in order to help facilitate the sale of the property and remove the burden of a future owner needing to potentially request the zoning change.

The PSP zone allows small sites (less than 1 acre in size) to be reclassified to the most prevalent zoning designation surrounding the site. In this instance the requested R-18 zoning designation for the site is consistent with the surrounding zoning. The R-18 zone permits land uses which would be compatible with</td></tr>
</table>

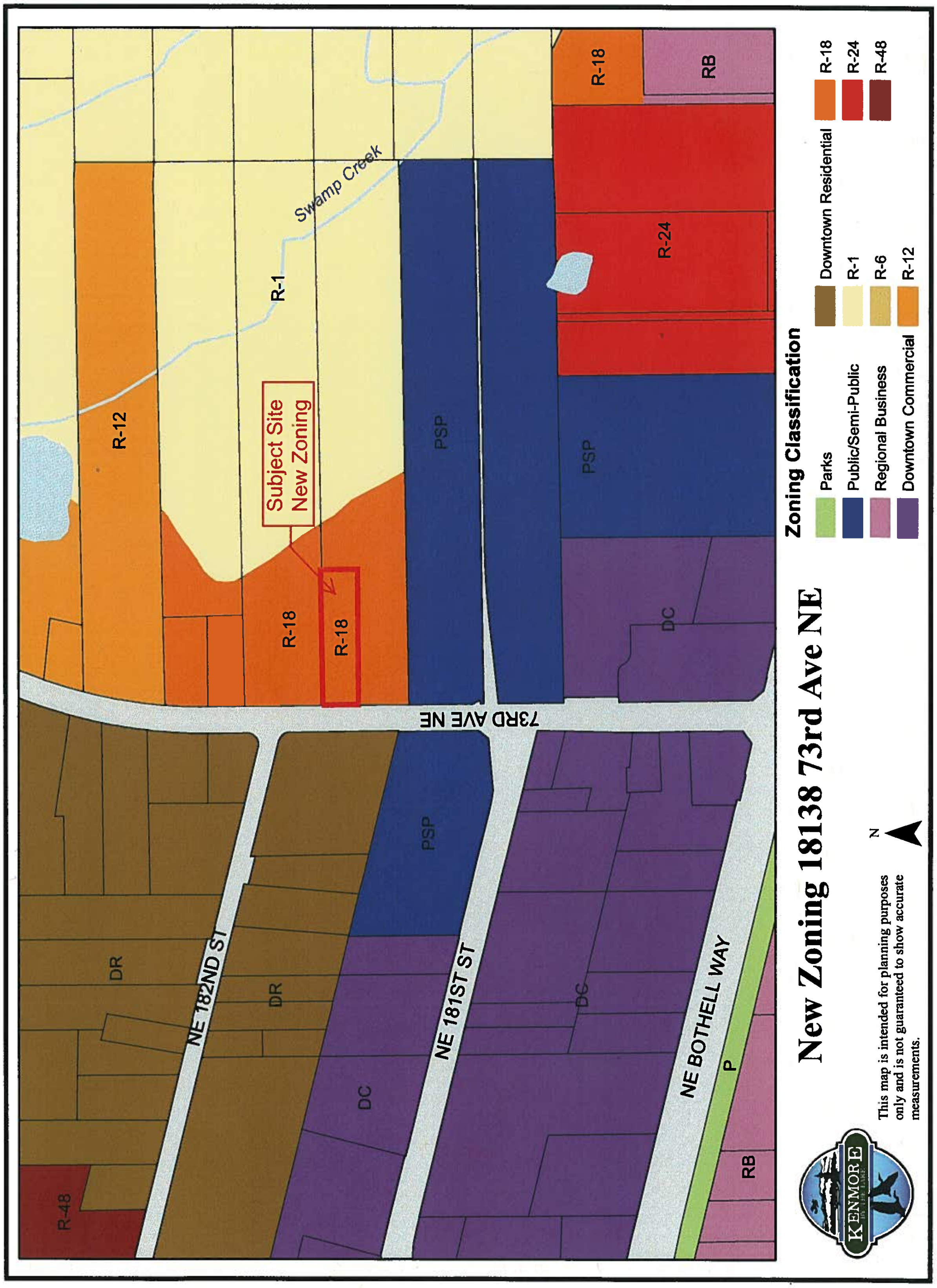
VIIB. Motion to Adopt Ordinance 12-0341 to Reclassify the Land Use Zoning Designation for the Property Located at 18138 73rd Ave.

the existing land use characteristics in the vicinity of the site. In accordance with the PSP requirements for zone reclassification, the application has been processed as a Type 4 land use decision. A Type 4 land use decision requires: 1) Staff recommendation to Hearing Examiner: A public hearing was held at Kenmore City Hall on 5/2/12. Public notification was provided in advance of the hearing. Staff recommended the Hearing Examiner issue a recommendation to approve the Library System's zone reclassification request. No members of the public attended the hearing and no comments from the public were received. 2) Hearing Examiner recommendation to City Council: The Hearing Examiner issued a recommendation to the City Council on 5/14/12 (attachment 3) to approve the Library System's zone reclassification request. 3) Decision by City Council: The final decision on the Library System's request shall be made by the City Council. Passing Ordinance 12-0341 will approve the request and will change the zoning at 18138 73rd Ave NE from Public/Semi-Public to R-18.
FISCAL CONSIDERATION: The Library System is intending on listing the former Kenmore Library site (18138 73rd Ave NE) for sale. Should the property be sold to a private entity the City will receive real estate excise tax, development review fees (should the site be re-developed), and ongoing future property tax assessments (whereas there are currently no taxes as public agencies are exempt).
COUNCIL GOAL/BUDGET OBJECTIVE BEING ADDRESSED: The City's Comprehensive Plan identifies a policy to encourage a relocated and expanded library in the downtown. The Kenmore Library opened its new 9,500 square foot facility in the City's downtown in 2011, achieving a goal of the Comprehensive Plan. The zone reclassification is being requested due to the relocation of the library and the Library System's stated lack of need for the surplus property for the system's purposes. The Comprehensive Plan notes a policy to establish multifamily zones adjacent to other multifamily zones. Reclassifying the former Kenmore Library site to R-18 would be consistent with the existing adjacent zones and would allow for future land uses that would be compatible with the existing land use characteristics in the vicinity of the site.

ATTACHMENT 1



VIIB. Motion to Adopt Ordinance 12-0341 to Reclassify the Land
Use Zoning Designation for the Property Located at 18138 73rd Ave.



VIIB. Motion to Adopt Ordinance 12-0341 to Reclassify the Land Use Zoning Designation for the Property Located at 18138 73rd Ave.

ATTACHMENT 2

City of Kenmore Department of Land Development & Permitting

Findings, Conclusions & Recommended Approval to the Hearing Examiner

April 13, 2012

Hearing Date – May 2, 2012

Former Kenmore Library Property Zone Reclassification – File PRJ2011-113

I. SUMMARY OF PROPOSAL:

Zone reclassification to change the former Kenmore Library site zoning designation from "Public/Semi-Public" to "R-18" (residential 18 dwelling units per acre). The site is approximately 24,000 square feet in size and contains an existing 2,092 square foot building and associated parking. The building is currently vacant. Access to the site is gained from an existing driveway onto 73rd Avenue NE.

II. PROJECT INFORMATION:

Applicant/Owner	King County Library System Gregory Smith 960 Newport Way NW Issaquah, WA 98027
Site Address	18138 73rd Avenue NE
Parcel Number	011410-0961
Site Size	24,000 square feet / .55 acre
Current Zoning	Public/Semi-Public
Proposed Zoning	R-18 (residential 18 dwelling units per acre)
Comprehensive Plan Designation	Public/Private Facilities
Environmentally Critical Areas	Class 1 Wetland
Surrounding Land Uses	Multifamily Residential Senior Assisted Living
Surrounding Zoning Designation	R-18 (residential 18 dwelling units per acre)
Water/Sewer	Northshore Utility District
Fire District	Northshore Fire – King County District #16
School District	Northshore School District

III. REVIEW PROCESS:

Pursuant to Kenmore Municipal Code (KMC) 18.27.070.C, properties that are designated Public/Semi-Public and that are less than one acre in size may be reclassified to the most prevalent zoning district surrounding the property through consideration of the Type 4 land use decision, provided the requested zoning classification does not conflict with the overall intent of the Public/Private Facilities Comprehensive Plan land use designation.

In accordance with KMC 19.25, a Type 4 land use decision process requires: 1) Director recommendation to Hearing Examiner; 2) Public hearing and Hearing Examiner recommendation to City Council; 3) Decision by City Council on the record.

The zone reclassification application has been processed as a Type 4 land use decision pursuant to KMC 19.25. The key milestones on the application to date are as follows:

- 12/21/11: Zone Reclassification application filed (exhibits 1, 3-5).
- 1/17/12: Conditional Use Permit (CUP) application filed (exhibit 1).
- 1/18/12: Zone Reclassification and CUP applications determined complete pursuant to KMC 19.25.050 (exhibit 9).
- 2/1/12: Notice of Application and Optional SEPA Notice with 21 day comment period issued pursuant to KMC 19.25.060; 19.35.100 (exhibit 10).
- 2/13/12: City's first review comments sent to applicant.
- 2/22/12: Public comment period ended.
- 3/6/12: CUP application withdrawn (exhibit 11).
- 3/26/12: Notice of Hearing and SEPA DNS issued (exhibits 12, 13).
- 4/16/12: SEPA appeal period ends.

IV. <u>FINDINGS AND CONCLUSIONS:</u>

The zone reclassification application has been reviewed in accordance with the Kenmore Zoning Code (KMC Title 18). The following are findings and conclusions:

1. Project Background

A zone reclassification application and associated materials were filed with the City on 12/21/11 by the property owner/applicant (King County Library System). The City was also notified by the applicant of a potential "daycare II" facility as a future use for the site (daycare II land use is defined in KMC 18.20.650). The City subsequently met with representatives from both the King County Library System and potential daycare facility owner to discuss permitting and procedural requirements.

A daycare II is a conditional use in the R-18 zone (proposed zoning designation) in accordance with KMC 18.21.040. A Conditional Use Permit (CUP) application was filed by the potential daycare facility owner on 1/17/12 to permit a daycare II on the subject site. A CUP processed independently is a Type 2 administrative decision in accordance with KMC 19.25.020. The applicants for the zone reclassification and CUP requested the applications be reviewed and processed concurrently in order to streamline the permitting and decision process.

Pursuant to KMC 19.25.020.B, all Type 2, 3, and 4 land use decisions may be processed and decided together using the highest numbered land use decision type applicable to the project application. As such, the zone reclassification (Type 4 decision) and CUP (Type 2 decision) were reviewed concurrently as a Type 4 decision.

The Notice of Application and Optional SEPA Notice (issued 2/1/12) included references and a site plan associated with both the zone reclassification and proposed daycare II (exhibit 10).

On 3/6/12 the applicant for the proposed daycare II withdrew the CUP application (exhibit 11). The applicant for the zone reclassification requested the zone reclassification process continue without the CUP. Accordingly, the application currently under consideration includes the zone reclassification only. Provided the zone reclassification is approved, any future proposed use or development of the site would be subject to the range of permitted land uses and development standards in the R-18 zone.

2. **Site Characteristics**
The subject site is approximately 24,000 square feet in size and is generally rectangular in shape (exhibits 2, 3). The site is bordered by 73rd Avenue NE on the west, environmentally critical areas (wetlands, Swamp Creek) on the east, and multifamily developments on the north and south. The site is currently developed with a 2,092 square foot building (former library) and associated paved parking area. Access to the site is from an existing driveway onto 73rd Avenue NE. The east portion of the site contains a small stormwater facility and drains to a class 1 wetland which continues off site to the east.

Current zoning and land uses bordering the site are as follows (see also exhibit 2):

Direction	**Current Land Use**	**Zoning Designation**
North	Multifamily Residential	R-18
South	Multifamily Residential	R-18
East	Vacant/Environmentally Critical Areas	R-18 transitioning east to R-1
West	Senior Assisted Living (across 73rd Ave NE)	Downtown Residential

3. **Zone Reclassification (KMC 18.27.070.C & KMC 19.30.220)**

a. KMC 18.27.070.C sets out the criteria necessary for a site zoned Public/Semi-Public to be reclassified. The criteria are as follows:

1. The site shall be less than one acre in size.

   Response: The subject site is approximately 24,000 square feet in size (less than one acre). This criteria is met.

2. The site shall be reclassified to the most prevalent zoning district surrounding the property.

   Response: The site is bordered on three sides by properties which are zoned R-18, while the fourth side is bordered by a public road (exhibit 2). Reclassifying the site to R-18 is consistent with the surrounding zoning classification. Furthermore, the R-18 zone allows a range of land uses which are consistent with the current land use characteristics in the immediate vicinity of the site. This criteria is met.

3. The requested zoning classification does not conflict with the overall intent of the Public and Private Facilities Comprehensive Plan land use designation.

   Response: Subsection "b" of Policy LU-2.1.2 includes the purpose statement for the Public and Private Facilities Comprehensive Plan land use designation:

   > "The purpose of the Public and Private Facilities District is to identify and retain public and private lands primarily utilized for parks, recreation, schools, medical facilities (e.g. hospitals, clinics, medical districts etc.), non-profit service uses and organizations, utilities, government buildings, and other administrative or institutional uses... Development regulations include a process to reclassify smaller properties to the zone most prevalent immediately surrounding the site subject to the provision of information by the institution about the need to convert to a different use."

The subject site was previously used as a public library but the library has since been relocated approximately two blocks to the west to a new publicly owned and operated library facility. The owner (King County Library System) has determined the site is no longer needed as library service has been maintained with the new facility.

Furthermore, the Comprehensive Plan notes that the development regulations for the Public/Semi-Public zone include a process to reclassify smaller properties to the most prevalent zone surrounding the site. The applicant has adequately demonstrated that the previous use of the site has been relocated and that the site is no longer intended for public use. This criteria is met.

b. KMC 19.30.220.C sets out additional criteria for Hearing Examiner consideration. The Hearing Examiner's recommendation to City Council shall provide findings to the support the conclusion that the applicant has demonstrated that:

1. Since the last previous area zoning or shoreline designation of the subject property, authorized public improvements, permitted private development or other conditions or circumstances affecting the subject property have undergone substantial and material change not anticipated or contemplated in the subarea plan or area zoning.

   Response: The subject site zoning classification was changed from Regional Business to Public/Semi-Public in December 2008 with revisions to the Comprehensive Plan and adoption of the implementing development regulations for the Public/Private Facilities Comprehensive Plan designation (Ordinance 08-0293). At that time the site was occupied by the Kenmore Library. In 2011 the Kenmore Library relocated to a new facility within the City (approximately two blocks west of site). The applicant's justification (exhibit 4) notes that the King County Library System has determined the site is no longer needed to serve the community since relocating to a new facility and the site is currently for sale.

2. The impacts from the changed conditions or circumstances affect the subject property in a manner and to a degree different than other properties in the vicinity such that area rezoning or redesignation is not appropriate. For the purposes of this subsection, "changed conditions or circumstances" does not include actions taken by the current or former property owners to facilitate a more intense development of the property including but not limited to changing tax limitations, adjusting property lines, extending services, or changing property ownership.

   Response: The subject site is surrounded by properties zoned R-18 (exhibit 2) and consist of multifamily residential development. Area rezoning is not appropriate as the current zoning in the vicinity of the site is consistent with the existing adjacent land use characteristics. The requested zone reclassification to R-18 will be consistent with adjacent zoning. The Public/Semi-Public zoning classification limits the range of permitted land uses, while the King County Library System has relocated their facility and no longer needs the site for their use.

3. For proposals to increase residential density, that the proposal meets the criteria in the Comprehensive Plan.

   Response: The zone reclassification is consistent with the Comprehensive Plan in that the implementing development regulations for the Public/Private Facilities Comprehensive Plan designation outline provisions for properties zoned Public/Semi-Public and less than one acre in size to be reclassified to the most prevalent zoning classification surrounding the site. The zone reclassification is to change the site's zoning to R-18, consistent with the zoning immediately adjacent to the site (exhibit 2).

4. The requested reclassification or redesignation is in the public interest.

   Response: The zone reclassification proposes to change the zoning of the subject site to R-18, consistent with the zoning classification adjacent to the site (exhibit 2) and consistent with the existing land use characteristics in the vicinity. Library service in the area has been maintained as the Kenmore Library was relocated approximately two blocks to the west.

4. SEPA (RCW 43.21C, KMC 19.35)

a. The zone reclassification exceeds the categorical exemptions from the State Environmental Policy Act (SEPA) pursuant to KMC 19.35.060 and WAC 197-11-800. A SEPA Environmental Checklist was prepared by the applicant and filed with the application (exhibit 13).

b. The Optional Determination of Nonsignificance (DNS) process was used to combine the 21 day Notice of Application comment period for the application and SEPA comment period pursuant to WAC 197-11-355 (exhibit 10). The notice and comment period were issued prior to withdrawal of the CUP and therefore included a project description for both the proposed zone reclassification and daycare II. The comment period ended 2/22/12. No comments were received.

c. A SEPA DNS with 21 day appeal period was issued concurrent with the Notice of Hearing on 3/26/12 (exhibit 13). The SEPA Environmental Checklist has been revised to include only the zone reclassification and references to the daycare II have been removed, as the CUP for the daycare II was withdrawn on 3/6/12 (exhibit 11). The SEPA appeal period ends 4/16/12. No appeals of the SEPA DNS have been filed to date.

V. STAFF RECOMMENDATION:

Based on the above Findings and Conclusions, City staff respectfully recommends the Hearing Examiner prepare a recommendation to the City Council to **approve** the zone reclassification.

In accordance with Type 4 land use permit procedures, the Hearing Examiner shall prepare a recommendation to the City Council pursuant to KMC 19.30.050.

Bryan Hampson
Director of Land Development & Permitting

TRANSMITTED TO:
Gregory Smith, King County Library System (applicant/owner)
Parties of interest

City Of Kenmore, Washington

EXHIBIT LIST

Kenmore Library Property Zone Reclassification
File No. PRJ2011-113
Public Hearing – May 2, 2012

1. Permit Applications dated received 12/21/11 & 1/17/12
2. Existing & Proposed Zoning Maps
3. Property Site Plan dated received 12/21/11
4. Rezone justification letter from applicant dated received 12/21/11
5. Water & Sewer availability forms dated received 12/21/11
6. Engineering review comments dated 1/4/12
7. Northshore Utility District review comments dated 12/29/12
8. Northshore Fire District review comments dated 12/29/12
9. Letter of complete application dated 1/18/12
10. Notice of Application & Optional SEPA Notice with attached Environmental Checklist, mailing list, affidavit of publication, affidavit of posting, and affidavit of mailing.
11. Email communication withdrawing Conditional Use Permit dated 3/6/12
12. SEPA Determination of Nonsignificance dated 3/26/12
13. Notice of Hearing & SEPA Threshold Determination with attached Environmental Checklist, mailing list, affidavit of publication, affidavit of posting, and affidavit of mailing.

18120 68th Ave NE · PO Box 82607 · Kenmore, WA 98028
Office: (425) 398-8900 · Fax: (425) 481-3236 · cityhall@kenmorewa.gov · www.kenmorewa.gov

ATTACHMENT 3

BEFORE THE HEARING EXAMINER
FOR THE CITY OF KENMORE

In the Matter of the Application of	)	No. PRJ2011-113
	)	
Gregory Smith, on behalf of the King County Library System	)	**Kenmore Library Property**
	)	
For Approval of a Zone Reclassification	)	FINDINGS, CONCLUSIONS, AND RECOMMENDATION

SUMMARY OF RECOMMENDATION

The Hearing Examiner recommends that the City Council **GRANT** a zone reclassification to change the former Kenmore Library site zoning designation from "Public/Semi-Public" to "R-18" (residential 18 dwelling units per acre), at 18138 73rd Avenue NE, Kenmore, Washington.

SUMMARY OF RECORD

Request:
Gregory Smith, on behalf of the King County Library System, requests a zone reclassification to change the former Kenmore Library site zoning designation from "Public/Semi-Public" to "R-18" (residential 18 dwelling units per acre). The property is located at 18138 73rd Avenue NE, in Kenmore, Washington.

Hearing Date:
The City Hearing Examiner held an open record hearing on the request on May 2, 2012.

Testimony:
The following individuals presented testimony under oath at the open record hearing:

Andrew Bauer, City Planner
Gregory Smith, Director of Facilities, King County Library System, for Applicant

Exhibits:
The following exhibits were admitted into the record:

1. Zone reclassification application dated January December 1, 2011, and Conditional Use Permit application dated January 16, 2012
2. Existing & Proposed Zoning Maps, undated
3. Kenmore Library Site Plan, revised February 2, 1976
4. Zone reclassification justification letter from King County Library System to City, dated December 13, 2011
5. Certificate of Sewer Availability, dated December 8, 2011; Certificate of Water Availability, dated December 8, 2011

6. City Engineering review comments, dated January 4, 2012
7. Northshore Utility District review comments, dated December 29, 2012
8. Northshore Fire Department review comments, dated December 29, 2011
9. Letter of complete application, dated January 18, 2012
10. Notice of Application & Optional SEPA Notice, dated February 1, 2012
    a. Environmental Checklist for CUP application, received January 17, 2012
    b. Affidavit of Mailing, signed January 27, 2012, with attached mailing labels
    c. Affidavit of Publication, dated February 1, 2012, with attached *The Seattle Times* notice
    d. Affidavit of Posting, signed January 31, 2012
11. Email from Carhlos Chaves withdrawing Conditional Use Permit application, dated March 6, 2012
12. SEPA Determination of Nonsignificance, dated March 26, 2012
13. Notice of Hearing & SEPA Threshold Determination, dated March 26, 2012
    a. Environmental Checklist for zone reclassification application, received December 21, 2011
    b. Affidavit of Mailing, signed March 23, 2012, with attached mailing labels
    c. Affidavit of Publication, dated March 26, 2012, with attached *The Seattle Times* notice
    d. Affidavit of Posting, signed March 23, 2012
14. Staff Report, dated April 13, 2012

The Hearing Examiner enters the following Findings and Conclusions based upon the testimony and exhibits admitted at the open record hearing:

FINDINGS

Zone Reclassification Application and Notice

1. Gregory Smith, Director of Facilities, on behalf of the King County Library System (Applicant), requests a Zone reclassification to change the former Kenmore Library site zoning designation from "Public/Semi-Public" to "R-18" (residential 18 dwelling units per acre). The property is located at 18138 73rd Avenue NE, in Kenmore, Washington.[1] *Exhibit 1; Exhibit 2; Exhibit 4; Exhibit 14, Staff Report, page 1.*

2. The City of Kenmore (City) received the Zone reclassification application on December 21, 2011, and determined the application was complete on January 17, 2012.[2] The City provided notice of the application and optional SEPA notice by mailing notice on January 27, 2012 to a list of agencies and all property owners within 1,000 feet of the subject property; publishing notice in *The Seattle Times* on February 1, 2012; and posting notice on the property on January 31, 2012. The City provided notice of the open record

[1] The property is identified by tax parcel number 011410-0961. *Exhibit 14, Staff Report, page 1.* A legal description of the property is provided on the rezone application. *Exhibit 1.*

[2] The City received a separate Conditional Use Permit application on January 17, 2012, that was included in the Notice of Application. *Exhibit 1; Exhibit 10.* The CUP application was withdrawn on March 6, 2012. *Exhibit 11.*

hearing associated with the request and SEPA Threshold Determination by mailing notice to all parties within 1,000 feet of the project and all SEPA agencies on March 23, 2012, and publishing notice in *The Seattle Times* on March 26, 2012. The Applicant posted notice on the property on March 23, 2012. *Exhibit 9; Exhibit 10; Exhibit 12; Exhibit 13; Exhibit 14, Staff Report, page 2.*

Site and Access

3. The property is generally rectangular and approximately 24,000 square feet in size. The site is developed with a 2,092 square foot building, associated paved parking area, and a small stormwater facility in the east portion of the site. Class 1 wetlands are also located on the eastern portion of the site, extending off site to the east. The City issued a certificate of sewer availability and certificate of water availability for the site on December 8, 2011. The site is bordered by 73rd Avenue NE to the west, which provides access to the property throught an existing driveway. *Exhibit 3; Exhibit 5; Exhibit 13.a, page 4; Exhibit 14, Staff Report, page 3.*

Environmental Review

4. The City acted as lead agency and analyzed the environmental impact of the proposed zone reclassification under the State Environmental Policy Act (SEPA). The City reviewed the Applicant's environmental checklist and other information on file with the City. The City determined that with compliance with adopted City codes and regulations, the proposal would not have a probable significant adverse impact on the environment. The City issued a Determination of Nonsignificance (DNS) on March 26, 2012. No appeal of the DNS was received. *Washington Administrative Code (WAC) 197-11-340(2)(a); Exhibit 10; Exhibit 12; Exhibit 13; Exhibit 14, Staff Report, page 5.*

Zoning and Comprehensive Plan Designation

5. The City Comprehensive Plan, last amended December 2009, designates the property as Public and Private Facilities District in the Kenmore Comprehensive Plan. *Exhibit 13, page 7; Exhibit 14, Staff Report, page 1.* The purpose of the Public/Private Facilities is to identify and retain public and private lands primarily utilized for parks, recreation, schools, medical facilities (e.g. hospitals, clinics, medical districts etc.), non-profit service uses and organizations, utilities, government buildings, and other administrative or institutional uses. *City Comprehensive Plan, Land Use Element (Amended December 2009), Policy LU-2.1.2, page 4A-17; Comprehensive Plan, Kenmore Land Use Map, Figure LU-3.* The implementing development regulations for properties less than one acre and zoned Public and Private Facilities allows for reclassification to the most prevalent zoning classification surrounding the site. *Kenmore Municipal Code (KMC) 18.27.070.C.*

6. The property is presently zoned Public/Semi-Public[3] and was formerly occupied by the King County Library System Kenmore Library. In 2011, the Kenmore Library relocated to a new facility approximately two blocks to the west. Surrounding property to the north and south is zoned R-18 with multifamily residential uses. Property to the east is zoned R-18 and contains environmentally critical areas including wetlands and Swamp Creek. Property to the west, across 73rd Avenue NE, is zoned Downtown Residential and contains a senior associated living facility. Gregory Smith, King County Library Systems, Director of Facilities, testified that the Applicant no longer needs the old library site and intends to sell the property so that it can be utilized and not to maximize profit. He testified that four sales have fallen through due to the current zoning. If a rezone to R-18 is approved, a wide range of potential future uses would be permitted, which would make the property more saleable than it is now.[4] *KMC 18.27.070.C; Exhibit 2; Exhibit 3; Exhibit 4; Exhibit 14, Staff Report, page 3; Testimony of Mr. Smith.*

7. The Kenmore Zoning Code states that the purpose of residential zones (R) is to implement comprehensive plan goals and policies for housing quality, diversity and affordability, and to efficiently use residential land, public services and energy. These purposes are to be accomplished by:

   . . .

   2. Providing, in the R-12 through R-48 zones, for a mix of predominantly apartment and townhouse dwelling units, with a variety of densities and sizes in locations appropriate for residential use.
   3. Allowing only those accessory and complementary nonresidential uses that are compatible with residential communities; and
   4. Establishing density designations to facilitate advanced area-wide planning for public facilities and services, and to protect environmentally critical sites from overdevelopment.

---

[3] The zoning changed from Regional Business to Public/Semi-Public in December 2008 with revisions to the Comprehensive Plan and adoption of the implementing development regulations for the Public/Private Facilities Comprehensive Plan designation (Ordinance 08-0293). *Exhibit 14, Staff Report, page 4.*

[4] Permitted uses in the R-18 zone include Single Detached Dwelling Unit, Townhouse, Apartment, Designated Manufactured Home, Mobile Home and Manufactured Home within a mobile home park, Community Residential Facilities, Dormitory, Senior Citizen Assisted Living, Residential Accessory Uses, Home Occupation, Park, Trails, Golf Course Facility, Amusement and Recreation Services, Library, Museum, Arboretum, Conference Center, Cemetery, Columbarium or Mausoleum, Family Child-Care Home, Day Care facilities, Church, Synagogue, Mosque, Temple, Social Services, Artist Studios, Interim Recycling Facility, Medical/Dental Office/Outpatient Clinic, Elementary School, Middle/Junior High School, Secondary or High School, Vocational School, Specialized Instruction School, School District Support Facility, Public Agency or Utility Office, Public Agency or Utility Yard, Police Facility, Utility Facility, Commuter Parking Lot, Private Stormwater Management Facility, Vactor Waste Receiving Facility, Construction and Trade, Professional Office, Automotive Parking, College/University, with certain limitations as found in the footnotes at KMC 18.21.040, Table C. Additional uses within the R-18 zone may be approved as a Conditional Use or Special Use. *KMC 18.21.040.Table C.*

KMC 18.15.040.A.

Comments and Staff Recommendation

8. The Northshore Utility District and Northshore Fire Department reviewed the application and did not request any conditions. City Department of Engineering review noted that the Department would review any future land use application or building permits required for development or reuse of the property. City Planner Andrew Bauer testified to request that the Hearing Examiner recommend that the City Council grant the zone reclassification. *Exhibit 6; Exhibit 7; Exhibit 8; Exhibit 14, Staff Report, page 5; Testimony of Mr. Bauer.*

CONCLUSIONS

Jurisdiction

The Hearing Examiner is authorized to hold a hearing on a zone reclassification as a Type 4 land use recommendation to the City Council. *Kenmore Municipal Code (KMC) 19.25.020, Exhibit A; KMC 19.30.050.A.* The Hearing Examiner's recommendation may be to grant or deny the application, or the Hearing Examiner may recommend that the council adopt the application with such conditions, modifications and restrictions as the Hearing Examiner finds necessary. *KMC 19.30.050.C.*

Criteria for Review

Properties that are designated Public/Semi-Public and that are less than one acre in size may be reclassified to the most prevalent zoning district surrounding the property through consideration of the Type 4 land use decision, provided the requested zoning classification does not conflict with the overall intent of the Public/Private Facilities Comprehensive Plan land use designation. *KMC 18.27.070.C.* A zone reclassification may be granted only if the applicant demonstrates that the proposal complies with the criteria for approval specified in KMC 19.30.210 and KMC 19.30.220 and is consistent with the comprehensive plan and applicable functional plans. *KMC 18.115.060.*

When the Hearing Examiner renders a decision or recommendation, he must enter findings of fact and conclusions from the record which support the decision, and the findings and conclusions must demonstrate the manner in which the decision or recommendation is consistent with and helps implement applicable state laws and regulations and the regulations, policies, objectives and goals of the comprehensive plan, subarea or neighborhood plans, the zoning code (KMC Title 18), the subdivision code (KMC Title 17), and other official laws, policies and objectives of the city, and show that the recommendation or decision will not be unreasonably incompatible with or detrimental to affected properties and the general public. *KMC 19.30.210.*

The Hearing Examiner's recommendation to City Council must provide findings to support the conclusion that the applicant has demonstrated that:

1. Since the last previous area zoning or shoreline designation of the subject property, authorized public improvements, permitted private development or other conditions

or circumstances affecting the subject property have undergone substantial and material change not anticipated or contemplated in the subarea plan or area zoning.

2. The impacts from the changed conditions or circumstances affect the subject property in a manner and to a degree different than other properties in the vicinity such that area rezoning or re-designation is not appropriate. For the purposes of this subsection, "changed conditions or circumstances" does not include actions taken by the current or former property owners to facilitate a more intense development of the property including but not limited to changing tax limitations, adjusting property lines, extending services, or changing property ownership.

3. For proposals to increase residential density, that the proposal meets the criteria in the Comprehensive Plan.

4. The requested reclassification or re-designation is in the public interest.

KMC 19.30.220.C.

The criteria for review adopted by the Kenmore City Council are designed to fulfill the requirement of Chapter 36.70B RCW to implement the Growth Management Act. In particular, RCW 36.70B.040 mandates that local jurisdictions review proposed development to ensure consistency with City development regulations considering the type of land use, the level of development, infrastructure, and the characteristics of development. *RCW 36.70B.040.*

<u>Conclusions Based on Findings</u>

1. **The site is less than one acre in size.** The subject site meets this criterion because it approximately 24,000 square feet (less than once acre). *Finding 3.*

2. **The site would be reclassified to the most prevalent zoning district surrounding the property.** The site is bordered on three sides by properties which are zoned R-18. The west side is bordered by 73rd Avenue NE thus reclassifying the site to R-18 is consistent with the surrounding zoning classification. The R-18 zone allows a range of land uses which are also allowed within the R-18 zone in the immediate vicinity of the site. *Findings 3 and 6.*

3. **The requested zoning classification does not conflict with the overall intent of the Public and Private Facilities Comprehensive Plan land use designation.** The purpose of the Public and Private Facilities District is to identify and retain public and private lands primarily utilized for parks, recreation, schools and other administrative or institutional uses. The Comprehensive Plan allows smaller properties to be reclassified to the zone most prevalent immediately surrounding the site subject to the provision of information by the institution about the need to convert to a different use. The King County Library System has relocated the public library approximately two blocks to the west and has informed the City that the site is no longer needed. *Findings 1, 3, 5-8.*

4. **Since the last previous area zoning or shoreline designation of the subject property, authorized public improvements, permitted private development or other conditions or circumstances affecting the subject property have undergone substantial and material change not anticipated or contemplated in the subarea plan or area zoning.** The site zoning was changed from Regional Business to Public Semi-Public in December 2008, including revisions to the Comprehensive Plan and development regulations for the Public and Private Facilities Comprehensive Plan designation. The site was occupied at that time by the Kenmore Library. The library has been relocated and the King County Library System has informed the City that the site is no longer needed and is for sale. Because this location change was not anticipated in 2008, it is now appropriate to allow the zoning of the site to be reclassified. *Findings 3, 5-8.*

5. **The impacts from the changed conditions or circumstances affect the subject property in a manner and to a degree different than other properties in the vicinity such that area rezoning or re-designation is not appropriate. For the purposes of this subsection, "changed conditions or circumstances" does not include actions taken by the current or former property owners to facilitate a more intense development of the property including but not limited to changing tax limitations, adjusting property lines, extending services, or changing property ownership.** While the changed conditions would include changing property ownership, the City code allows for zone reclassification of property under an acre and the Applicant intends to sell so that the property can be used, not to maximize profit. Properties surrounding the site are already zoned R-18. Area rezoning is not appropriate because surrounding uses are already consistent with the adjacent land use characteristics. *Findings 3, 5-8.*

6. **For proposals to increase residential density, that the proposal meets the criteria in the Comprehensive Plan.** The zone reclassification is consistent with the Comprehensive Plan because the implementing development regulations for the Public and Private Facilities Comprehensive Plan designation contain provisions for properties zoned Public/Semi-Public and less than one acre in size to be reclassified to the most prevalent zoning classification surrounding the site. The zone reclassification is to change the site's zoning to R-18, consistent with the zoning immediately adjacent to the site. No changes to the Comprehensive Plan are required. *Findings 3, 5-8.*

7. **The requested reclassification or re-designation is in the public interest.** The City provided reasonable public notice of the zone reclassification and associated open record hearing. The City reviewed the Applicant's environmental checklist and issued a DNS. The site is less than one acre. The zone reclassification to R-18 is consistent with the zoning classification adjacent to the site and consistent with the existing land use characteristics in the vicinity. The King County Library System would continue to provide library services to Kenmore at a site two blocks to the west. The zone reclassification would not be detrimental to surrounding properties or the general public. *Findings 1-8.*

RECOMMENDATION

Based upon the preceding Findings and Conclusions, the Hearing Examiner recommends that the City Council **GRANT** a zone reclassification to change the former Kenmore Library site zoning designation from "Public/Semi-Public" to "R-18" (residential 18 dwelling units per acre), at 18138 73rd Avenue NE, Kenmore, Washington.

Recommended this 14th day of May 2012.

Theodore Paul Hunter

THEODORE PAUL HUNTER
Hearing Examiner
Sound Law Center

CITY OF KENMORE
WASHINGTON
ORDINANCE NO. 12-0341

AN ORDINANCE OF THE CITY OF KENMORE, WASHINGTON, RECLASSIFYING THE PROPERTY LOCATED AT 18138 73RD AVE NE, KENMORE, WASHINGTON, FROM "PUBLIC/SEMI-PUBLIC" TO "R-18."

WHEREAS, the King County Library System relocated the Kenmore Library to 6531 NE 181st Street, Kenmore; and

WHEREAS, the relocation of the Kenmore Library has left vacant the former library site, located at 18138 73rd Avenue NE, Kenmore (parcel 011410-0961) ("Property"); and

WHEREAS, the Property is zoned "Public/Semi-Public"; and

WHEREAS, the Property owner has filed a request to reclassify the Property to "R-18" (residential 18 dwelling units per acre) to facilitate the sale of the Property; and

WHEREAS, the request to reclassify the Property has been reviewed and processed pursuant to chapter 19.25 KMC; and

WHEREAS, on May 2, 2012 the Hearing Examiner held a public hearing on the request and on May 14, 2012 issued his Findings, Conclusions and Recommendation to the City Council;

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

Section 1. Adoption of Recommendation. The City Council adopts the Findings and Conclusions of the *Findings, Conclusions and Recommendation* issued by the Hearing Examiner in "*In the Application of Gregory Smith, on behalf of the King County Library System for Approval of a Zone Reclassification,*" No. PRJ2011-113, attached to this Ordinance as Exhibit A ("Hearing Examiner's Recommendation"). The City Council further accepts the recommendation of the Hearing Examiner's Recommendation, which is to grant a zone reclassification of the property located at 18138 73rd Avenue NE, Kenmore, Washington ("Property"), from "Public/Semi-Public" to "R-18." The Property and its new approved zone designation are shown on Exhibit B attached to this Ordinance.

Section 2. Zone Reclassification. Pursuant to KMC 18.15.150, 18.115.060, 18.27.070.C and 19.25.020, and consistent with Section 1 of this Ordinance, the City Council amends the "Official Zoning Map of the City of Kenmore" by changing the zone designation for the Property from "Public/Semi-Public" to R-18". The amended "Official Zoning Map of the City of Kenmore" is attached to this Ordinance as Exhibit C.

Section 3. Effective Date. This ordinance shall be published in the official newspaper of the City, and shall take effect and be in full force five (5) days after the date of publication.

APPROVED by the City Council this 11th day of June, 2012.

CITY OF KENMORE

____
David Baker, Mayor

ATTEST/AUTHENTICATED:

____
Lynn Suskin, City Clerk

Approved as to form:

____
Rod Kaseguma, City Attorney

FILED WITH THE CITER CLERK:
PASSED BY THE CITY COUNCIL:
PUBLISHED:
EFFECTIVE DATE:
ORDINANCE NO. 12-0341

EXHIBIT A

BEFORE THE HEARING EXAMINER
FOR THE CITY OF KENMORE

In the Matter of the Application of	)	No. PRJ2011-113
	)	
Gregory Smith, on behalf of the	)	**Kenmore Library Property**
King County Library System	)	
	)	FINDINGS, CONCLUSIONS,
For Approval of a Zone Reclassification	)	AND RECOMMENDATION

SUMMARY OF RECOMMENDATION

The Hearing Examiner recommends that the City Council **GRANT** a zone reclassification to change the former Kenmore Library site zoning designation from "Public/Semi-Public" to "R-18" (residential 18 dwelling units per acre), at 18138 73rd Avenue NE, Kenmore, Washington.

SUMMARY OF RECORD

Request:
Gregory Smith, on behalf of the King County Library System, requests a zone reclassification to change the former Kenmore Library site zoning designation from "Public/Semi-Public" to "R-18" (residential 18 dwelling units per acre). The property is located at 18138 73rd Avenue NE, in Kenmore, Washington.

Hearing Date:
The City Hearing Examiner held an open record hearing on the request on May 2, 2012.

Testimony:
The following individuals presented testimony under oath at the open record hearing:

Andrew Bauer, City Planner
Gregory Smith, Director of Facilities, King County Library System, for Applicant

Exhibits:
The following exhibits were admitted into the record:

1. Zone reclassification application dated January December 1, 2011, and Conditional Use Permit application dated January 16, 2012
2. Existing & Proposed Zoning Maps, undated
3. Kenmore Library Site Plan, revised February 2, 1976
4. Zone reclassification justification letter from King County Library System to City, dated December 13, 2011
5. Certificate of Sewer Availability, dated December 8, 2011; Certificate of Water Availability, dated December 8, 2011

6. City Engineering review comments, dated January 4, 2012
7. Northshore Utility District review comments, dated December 29, 2012
8. Northshore Fire Department review comments, dated December 29, 2011
9. Letter of complete application, dated January 18, 2012
10. Notice of Application & Optional SEPA Notice, dated February 1, 2012
    a. Environmental Checklist for CUP application, received January 17, 2012
    b. Affidavit of Mailing, signed January 27, 2012, with attached mailing labels
    c. Affidavit of Publication, dated February 1, 2012, with attached *The Seattle Times* notice
    d. Affidavit of Posting, signed January 31, 2012
11. Email from Carhlos Chaves withdrawing Conditional Use Permit application, dated March 6, 2012
12. SEPA Determination of Nonsignificance, dated March 26, 2012
13. Notice of Hearing & SEPA Threshold Determination, dated March 26, 2012
    a. Environmental Checklist for zone reclassification application, received December 21, 2011
    b. Affidavit of Mailing, signed March 23, 2012, with attached mailing labels
    c. Affidavit of Publication, dated March 26, 2012, with attached *The Seattle Times* notice
    d. Affidavit of Posting, signed March 23, 2012
14. Staff Report, dated April 13, 2012

The Hearing Examiner enters the following Findings and Conclusions based upon the testimony and exhibits admitted at the open record hearing:

FINDINGS

Zone Reclassification Application and Notice

1. Gregory Smith, Director of Facilities, on behalf of the King County Library System (Applicant), requests a Zone reclassification to change the former Kenmore Library site zoning designation from "Public/Semi-Public" to "R-18" (residential 18 dwelling units per acre). The property is located at 18138 73rd Avenue NE, in Kenmore, Washington.[1] *Exhibit 1; Exhibit 2; Exhibit 4; Exhibit 14, Staff Report, page 1.*

2. The City of Kenmore (City) received the Zone reclassification application on December 21, 2011, and determined the application was complete on January 17, 2012.[2] The City provided notice of the application and optional SEPA notice by mailing notice on January 27, 2012 to a list of agencies and all property owners within 1,000 feet of the subject property; publishing notice in *The Seattle Times* on February 1, 2012; and posting notice on the property on January 31, 2012. The City provided notice of the open record

---

[1] The property is identified by tax parcel number 011410-0961. *Exhibit 14, Staff Report, page 1.* A legal description of the property is provided on the rezone application. *Exhibit 1.*

[2] The City received a separate Conditional Use Permit application on January 17, 2012, that was included in the Notice of Application. *Exhibit 1; Exhibit 10.* The CUP application was withdrawn on March 6, 2012. *Exhibit 11.*

hearing associated with the request and SEPA Threshold Determination by mailing notice to all parties within 1,000 feet of the project and all SEPA agencies on March 23, 2012, and publishing notice in *The Seattle Times* on March 26, 2012. The Applicant posted notice on the property on March 23, 2012. *Exhibit 9; Exhibit 10; Exhibit 12; Exhibit 13; Exhibit 14, Staff Report, page 2.*

Site and Access

3. The property is generally rectangular and approximately 24,000 square feet in size. The site is developed with a 2,092 square foot building, associated paved parking area, and a small stormwater facility in the east portion of the site. Class 1 wetlands are also located on the eastern portion of the site, extending off site to the east. The City issued a certificate of sewer availability and certificate of water availability for the site on December 8, 2011. The site is bordered by 73rd Avenue NE to the west, which provides access to the property throught an existing driveway. *Exhibit 3; Exhibit 5; Exhibit 13.a, page 4; Exhibit 14, Staff Report, page 3.*

Environmental Review

4. The City acted as lead agency and analyzed the environmental impact of the proposed zone reclassification under the State Environmental Policy Act (SEPA). The City reviewed the Applicant's environmental checklist and other information on file with the City. The City determined that with compliance with adopted City codes and regulations, the proposal would not have a probable significant adverse impact on the environment. The City issued a Determination of Nonsignificance (DNS) on March 26, 2012. No appeal of the DNS was received. *Washington Administrative Code (WAC) 197-11-340(2)(a); Exhibit 10; Exhibit 12; Exhibit 13; Exhibit 14, Staff Report, page 5.*

Zoning and Comprehensive Plan Designation

5. The City Comprehensive Plan, last amended December 2009, designates the property as Public and Private Facilities District in the Kenmore Comprehensive Plan. *Exhibit 13, page 7; Exhibit 14, Staff Report, page 1.* The purpose of the Public/Private Facilities is to identify and retain public and private lands primarily utilized for parks, recreation, schools, medical facilities (e.g. hospitals, clinics, medical districts etc.), non-profit service uses and organizations, utilities, government buildings, and other administrative or institutional uses. *City Comprehensive Plan, Land Use Element (Amended December 2009), Policy LU-2.1.2, page 4A-17; Comprehensive Plan, Kenmore Land Use Map, Figure LU-3.* The implementing development regulations for properties less than one acre and zoned Public and Private Facilities allows for reclassification to the most prevalent zoning classification surrounding the site. *Kenmore Municipal Code (KMC) 18.27.070.C.*

6. The property is presently zoned Public/Semi-Public[3] and was formerly occupied by the King County Library System Kenmore Library. In 2011, the Kenmore Library relocated to a new facility approximately two blocks to the west. Surrounding property to the north and south is zoned R-18 with multifamily residential uses. Property to the east is zoned R-18 and contains environmentally critical areas including wetlands and Swamp Creek. Property to the west, across 73rd Avenue NE, is zoned Downtown Residential and contains a senior associated living facility. Gregory Smith, King County Library Systems, Director of Facilities, testified that the Applicant no longer needs the old library site and intends to sell the property so that it can be utilized and not to maximize profit. He testified that four sales have fallen through due to the current zoning. If a rezone to R-18 is approved, a wide range of potential future uses would be permitted, which would make the property more saleable than it is now.[4] *KMC 18.27.070.C; Exhibit 2; Exhibit 3; Exhibit 4; Exhibit 14, Staff Report, page 3; Testimony of Mr. Smith.*

7. The Kenmore Zoning Code states that the purpose of residential zones (R) is to implement comprehensive plan goals and policies for housing quality, diversity and affordability, and to efficiently use residential land, public services and energy. These purposes are to be accomplished by:

   . . .

   2. Providing, in the R-12 through R-48 zones, for a mix of predominantly apartment and townhouse dwelling units, with a variety of densities and sizes in locations appropriate for residential use.
   3. Allowing only those accessory and complementary nonresidential uses that are compatible with residential communities; and
   4. Establishing density designations to facilitate advanced area-wide planning for public facilities and services, and to protect environmentally critical sites from overdevelopment.

---

[3] The zoning changed from Regional Business to Public/Semi-Public in December 2008 with revisions to the Comprehensive Plan and adoption of the implementing development regulations for the Public/Private Facilities Comprehensive Plan designation (Ordinance 08-0293). *Exhibit 14, Staff Report, page 4.*

[4] Permitted uses in the R-18 zone include Single Detached Dwelling Unit, Townhouse, Apartment, Designated Manufactured Home, Mobile Home and Manufactured Home within a mobile home park, Community Residential Facilities, Dormitory, Senior Citizen Assisted Living, Residential Accessory Uses, Home Occupation, Park, Trails, Golf Course Facility, Amusement and Recreation Services, Library, Museum, Arboretum, Conference Center, Cemetery, Columbarium or Mausoleum, Family Child-Care Home, Day Care facilities, Church, Synagogue, Mosque, Temple, Social Services, Artist Studios, Interim Recycling Facility, Medical/Dental Office/Outpatient Clinic, Elementary School, Middle/Junior High School, Secondary or High School, Vocational School, Specialized Instruction School, School District Support Facility, Public Agency or Utility Office, Public Agency or Utility Yard, Police Facility, Utility Facility, Commuter Parking Lot, Private Stormwater Management Facility, Vactor Waste Receiving Facility, Construction and Trade, Professional Office, Automotive Parking, College/University, with certain limitations as found in the footnotes at KMC 18.21.040, Table C. Additional uses within the R-18 zone may be approved as a Conditional Use or Special Use. *KMC 18.21.040.Table C.*

KMC 18.15.040.A.

Comments and Staff Recommendation

8. The Northshore Utility District and Northshore Fire Department reviewed the application and did not request any conditions. City Department of Engineering review noted that the Department would review any future land use application or building permits required for development or reuse of the property. City Planner Andrew Bauer testified to request that the Hearing Examiner recommend that the City Council grant the zone reclassification. *Exhibit 6; Exhibit 7; Exhibit 8; Exhibit 14, Staff Report, page 5; Testimony of Mr. Bauer.*

CONCLUSIONS

Jurisdiction

The Hearing Examiner is authorized to hold a hearing on a zone reclassification as a Type 4 land use recommendation to the City Council. *Kenmore Municipal Code (KMC) 19.25.020, Exhibit A; KMC 19.30.050.A.* The Hearing Examiner's recommendation may be to grant or deny the application, or the Hearing Examiner may recommend that the council adopt the application with such conditions, modifications and restrictions as the Hearing Examiner finds necessary. *KMC 19.30.050.C.*

Criteria for Review

Properties that are designated Public/Semi-Public and that are less than one acre in size may be reclassified to the most prevalent zoning district surrounding the property through consideration of the Type 4 land use decision, provided the requested zoning classification does not conflict with the overall intent of the Public/Private Facilities Comprehensive Plan land use designation. *KMC 18.27.070.C.* A zone reclassification may be granted only if the applicant demonstrates that the proposal complies with the criteria for approval specified in KMC 19.30.210 and KMC 19.30.220 and is consistent with the comprehensive plan and applicable functional plans. *KMC 18.115.060.*

When the Hearing Examiner renders a decision or recommendation, he must enter findings of fact and conclusions from the record which support the decision, and the findings and conclusions must demonstrate the manner in which the decision or recommendation is consistent with and helps implement applicable state laws and regulations and the regulations, policies, objectives and goals of the comprehensive plan, subarea or neighborhood plans, the zoning code (KMC Title 18), the subdivision code (KMC Title 17), and other official laws, policies and objectives of the city, and show that the recommendation or decision will not be unreasonably incompatible with or detrimental to affected properties and the general public. *KMC 19.30.210.*

The Hearing Examiner's recommendation to City Council must provide findings to support the conclusion that the applicant has demonstrated that:

1. Since the last previous area zoning or shoreline designation of the subject property, authorized public improvements, permitted private development or other conditions

or circumstances affecting the subject property have undergone substantial and material change not anticipated or contemplated in the subarea plan or area zoning.

2. The impacts from the changed conditions or circumstances affect the subject property in a manner and to a degree different than other properties in the vicinity such that area rezoning or re-designation is not appropriate. For the purposes of this subsection, "changed conditions or circumstances" does not include actions taken by the current or former property owners to facilitate a more intense development of the property including but not limited to changing tax limitations, adjusting property lines, extending services, or changing property ownership.

3. For proposals to increase residential density, that the proposal meets the criteria in the Comprehensive Plan.

4. The requested reclassification or re-designation is in the public interest.

KMC 19.30.220.C.

The criteria for review adopted by the Kenmore City Council are designed to fulfill the requirement of Chapter 36.70B RCW to implement the Growth Management Act. In particular, RCW 36.70B.040 mandates that local jurisdictions review proposed development to ensure consistency with City development regulations considering the type of land use, the level of development, infrastructure, and the characteristics of development. *RCW 36.70B.040.*

Conclusions Based on Findings

1. **The site is less than one acre in size.** The subject site meets this criterion because it approximately 24,000 square feet (less than once acre). *Finding 3.*

2. **The site would be reclassified to the most prevalent zoning district surrounding the property.** The site is bordered on three sides by properties which are zoned R-18. The west side is bordered by 73rd Avenue NE thus reclassifying the site to R-18 is consistent with the surrounding zoning classification. The R-18 zone allows a range of land uses which are also allowed within the R-18 zone in the immediate vicinity of the site. *Findings 3 and 6.*

3. **The requested zoning classification does not conflict with the overall intent of the Public and Private Facilities Comprehensive Plan land use designation.** The purpose of the Public and Private Facilities District is to identify and retain public and private lands primarily utilized for parks, recreation, schools and other administrative or institutional uses. The Comprehensive Plan allows smaller properties to be reclassified to the zone most prevalent immediately surrounding the site subject to the provision of information by the institution about the need to convert to a different use. The King County Library System has relocated the public library approximately two blocks to the west and has informed the City that the site is no longer needed. *Findings 1, 3, 5-8.*

4. **Since the last previous area zoning or shoreline designation of the subject property, authorized public improvements, permitted private development or other conditions or circumstances affecting the subject property have undergone substantial and material change not anticipated or contemplated in the subarea plan or area zoning.** The site zoning was changed from Regional Business to Public Semi-Public in December 2008, including revisions to the Comprehensive Plan and development regulations for the Public and Private Facilities Comprehensive Plan designation. The site was occupied at that time by the Kenmore Library. The library has been relocated and the King County Library System has informed the City that the site is no longer needed and is for sale. Because this location change was not anticipated in 2008, it is now appropriate to allow the zoning of the site to be reclassified. *Findings 3, 5-8.*

5. **The impacts from the changed conditions or circumstances affect the subject property in a manner and to a degree different than other properties in the vicinity such that area rezoning or re-designation is not appropriate. For the purposes of this subsection, "changed conditions or circumstances" does not include actions taken by the current or former property owners to facilitate a more intense development of the property including but not limited to changing tax limitations, adjusting property lines, extending services, or changing property ownership.** While the changed conditions would include changing property ownership, the City code allows for zone reclassification of property under an acre and the Applicant intends to sell so that the property can be used, not to maximize profit. Properties surrounding the site are already zoned R-18. Area rezoning is not appropriate because surrounding uses are already consistent with the adjacent land use characteristics. *Findings 3, 5-8.*

6. **For proposals to increase residential density, that the proposal meets the criteria in the Comprehensive Plan.** The zone reclassification is consistent with the Comprehensive Plan because the implementing development regulations for the Public and Private Facilities Comprehensive Plan designation contain provisions for properties zoned Public/Semi-Public and less than one acre in size to be reclassified to the most prevalent zoning classification surrounding the site. The zone reclassification is to change the site's zoning to R-18, consistent with the zoning immediately adjacent to the site. No changes to the Comprehensive Plan are required. *Findings 3, 5-8.*

7. **The requested reclassification or re-designation is in the public interest.** The City provided reasonable public notice of the zone reclassification and associated open record hearing. The City reviewed the Applicant's environmental checklist and issued a DNS. The site is less than one acre. The zone reclassification to R-18 is consistent with the zoning classification adjacent to the site and consistent with the existing land use characteristics in the vicinity. The King County Library System would continue to provide library services to Kenmore at a site two blocks to the west. The zone reclassification would not be detrimental to surrounding properties or the general public. *Findings 1-8.*

RECOMMENDATION

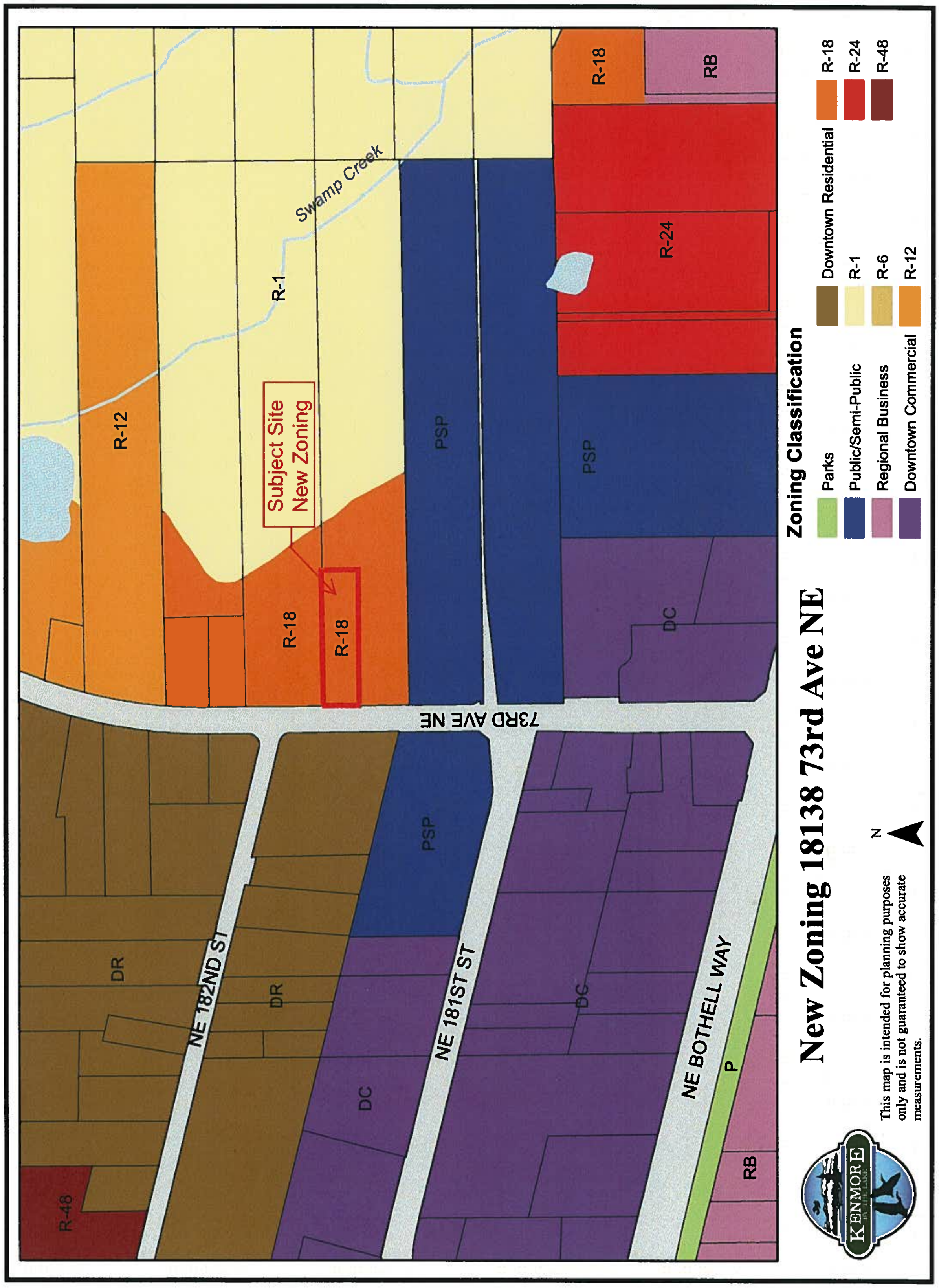
Based upon the preceding Findings and Conclusions, the Hearing Examiner recommends that the City Council **GRANT** a zone reclassification to change the former Kenmore Library site zoning designation from "Public/Semi-Public" to "R-18" (residential 18 dwelling units per acre), at 18138 73rd Avenue NE, Kenmore, Washington.

Recommended this 14th day of May 2012.

Theodore Paul Hunter

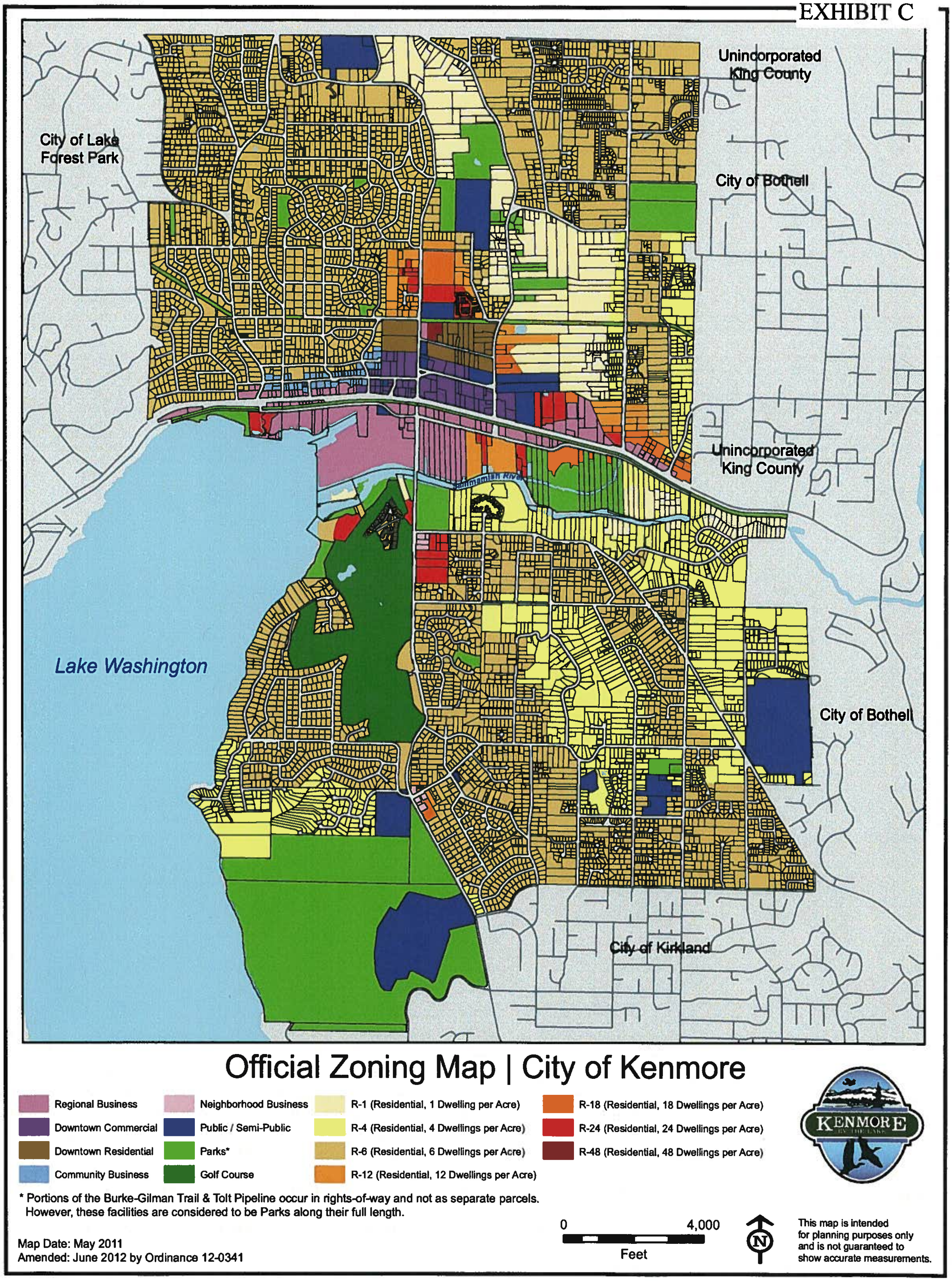
THEODORE PAUL HUNTER
Hearing Examiner
Sound Law Center

EXHIBIT B



VIIB. Motion to Adopt Ordinance 12-0341 to Reclassify the Land
Use Zoning Designation for the Property Located at 18138 73rd Ave.

EXHIBIT C



VIIB. Motion to Adopt Ordinance 12-0341 to Reclassify the Land Use Zoning Designation for the Property Located at 18138 73rd Ave.

City Council Business Agenda Items
City of Kenmore, WA

Subject/Topic:	For Council Meeting Agenda of: 11 June 2012
Regional Animal Services Interlocal Agreement 2013-2015	Department: Executive Prepared by: Nancy Ousley
Proposed Council Action/Motion:	Initial & Date Approved by Department Head: NKO 31 May 2012 Approved by City Attorney: DR 6/1/2012 Approved by Finance Director: [illegible] 6/1/2012 Approved by City Manager: RBK 6/1/2012
Motion to Authorize the City Manager to Execute Contract No. 12-C1033, Animal Services Interlocal Agreement 2013-2015 with King County	Exhibits/Attachments: 1) Summary and Background Documents 2) Proposed Contract No. 12-C1033

Expenditure Required $6,324	Amount Budgeted $	Appropriation Required $
Estimated net annual cost for this contract	This contract begins in the next biennial budget period	

INFORMATION/BACKGROUND:

The proposed contract with King County for Regional Animal Services provides animal field services, licensing and regional shelter services for three years January 1, 2013 through December 31, 2015. Kenmore is one of 25 cities that would be part of the regional system; the City of Auburn is not continuing in the system which was initiated in 2010. The Cities of Shoreline and Kirkland had considered establishing their own programs, but have since indicated their intent to remain with the regional system.

As discussed with the Council on April 23, 2012, this contract framework responds to several fundamental issues that were raised by cities in contract discussions. System costs allocated to cities have decreased, and cities' costs are determined more heavily by system use (80% use and 20% population) than in the current contract, which allocates cost by 50% use and 50% population. In addition, animal field services will be provided on at least one weekend day per week, which eliminates the need for the City to pay extra for weekend service, though cities have the option to contract for additional field service hours for an added cost. Animal control officers will be based closer to the cities served, as opposed to all being based in the King County facility in Kent.

The contract also provides more certainty for costs in years 2 and 3 during the contract term, by basing the costs on system-wide allocable cost changes rather than on individual parties' costs. As in the current contract, license revenues in each jurisdiction offset service costs.

Kenmore's costs for sheltering dogs and cats through PAWS are not included in this contract, and based on 2011 costs, the 2012 expenditure for PAWS is estimated at $7000. Kenmore, Lake Forest Park, Shoreline and Woodinville use PAWS for sheltering services for dogs and cats. The City of Bothell, which has its own animal services program, also uses PAWS for shelter services.

The City of Bothell initiated a proposal to provide animal field services for Kenmore. After review by the Police Chief and City Manager's Office, staff is recommending that Kenmore remain with the regional framework, on the basis of service depth, cost and ability to deal with cases involving livestock.

Following discussion of a Draft Interlocal Agreement on April 23, 2012, the City Council approved sending a non-binding statement of intent to participate in Regional Animal Services of King County, for the purpose of cost and service analysis. Formal adoption and execution of the proposed Interlocal Agreement is required by July 1, 2012.

FISCAL CONSIDERATION:
The estimated annual cost, including PAWS sheltering services, is approximately $13,500, depending on licensing revenue and shelter costs. King County plans to examine options for a sustainable funding source for regional animal services during the term of this contract.

COUNCIL GOAL/BUDGET OBJECTIVE BEING ADDRESSED:

Council Vision Statement: a community that is attentive to, and provides for, the health, safety and welfare of all citizens

King County/Cities Work Group for Animal Services
Final Proposed Interlocal Agreement May 16, 2012

The King County/Cities Workgroup has reached consensus on a Final Proposed **Animal Services Interlocal Agreement (ILA) for 2013 through 2015.** This Final Proposed ILA has been reviewed by a group of city and county attorneys.

ILA: The ILA is summarized on **Attachment A** "Summary of Key Provisions" and **Attachment C** "Outline of Terms for Agreement." It will be an amended successor ILA to the current Agreement.

ESTIMATED INDIVIDUAL CITY COSTS: A model showing the estimated cost allocation for 2013 is provided in **Attachment B** "Draft 2013 Estimated Payment Calculation". It includes all cities currently in the system, except Auburn, reflecting this city's notice that it will leave the regional system. This document will be updated if Auburn decides to remain in the system.

KEY CHANGES PROPOSED: (1) shift to a cost allocation method based more on use, and less on city population in year 1 to establish the base costs; (2) provide cost stability for jurisdiction in years 2 and 3 by capping the total net allocable costs in 2013 to a level similar to the system inflationary cap (CPI + population growth); (3) increase the County's level of financial support to the system and hold that support steady over the 3-year contract term (2013-2015); (3) adjust animal control district boundaries to maintain service levels and control costs; (4) increase focus on system revenue generation and future regional revenue possibilities; and (5) implement efficiencies and other changes to reduce allocable costs while maintaining service levels.

PROCESS/TIMELINE: City representatives and King County began working in November 2011, meeting weekly, in order to reach agreement in principle on changes to the current Animal Services Interlocal Agreement necessitated by Auburn's indication in September 2011 of its intent to depart the system. Auburn's notice required a renegotiation discussion per the ILA. The current ILA will not be extended beyond December 31, 2012, and the parties have until July 1, 2012, to sign a new ILA. Timeline as follows:

- **February 1, 2012**: Completed and circulated Agreement in Principle and process timeline
- **February 14, 2012**: First non-binding statement of interest from Cities
- **April 6, 2012**: Completed final draft of amended ILA for distribution
- **May 1, 2012:** Second non-binding statement of interest. This will provide parties greater assurance regarding their expected share of system costs moving forward
- **May 17, 2012**: Final cost estimates and ILA circulated based on second non-binding statement of interest
- **July 1, 2012**: Both parties will have <u>executed</u> the Animal Services Interlocal Agreement for 2013 through 2015.

Attachment A: Summary of Key Provisions
Attachment B: Draft 2013 Estimated Payment Calculation
Attachment C: Outline of Terms of Agreement
Attachment D: Benefits of a Regional Animal Services System
Attachment E: Districts Map
Attachment F: RASKC ILA Revenue Work Plan
Attachment G: ILA Negotiations Joint Work Group
Attachment H: May 16, 2012 PowerPoint Presentation
Final Proposed Animal Services Interlocal Agreement for 2013 Through 2015

Attachment A

Summary of Key Provisions: Final Proposed ILA

	Current ILA (June 2010 – December 31,2012— provides for extension through 2014) **2012**	**Final Proposed Animal Services Interlocal Agreement for 2013 Through 2015**
Costs distributed through model	$5.84 m (2012)	$5.26 m (2013)
General cost allocation model – for shelter, licensing and control	50% usage, 50% population	80% usage, 20% population sets base in 2013. Total net allocable costs are essentially capped to a level similar to the system inflationary cap (CPI + population growth) for 2014 and 2015. 2013 base share is adjusted only for changes in revenues from year to year and by major annexations, and latecomers.
Jurisdictional Cost stability	Costs change each year based on actual system use and revenues of each jurisdiction.	To provide more cost predictability from year to year, costs in 2014 and 2015 will be based on the 2013 costs, adjusted for growth in the total program budget (subject to a cost inflator cap), changes in revenues, and changes in population attributable to annexations over 2,500 and latecomers.
Service term	2.5 years, possible 2 year extension	3 years, re-opener with possible 2 year extension (effective 7/1/12, service begins 1/1/13); limited re-opener for cost/revenue allocation provided if a voter approved regional levy is proposed that generates revenues before 2016.Termination allowed if such a measure were to be approved and either party not satisfied with the results of the re-opener discussions.

Attachment A

Summary of Key Provisions: Final Proposed ILA

Total County sponsored and mitigation contribution	$1.37m (2012)	$1.76 m (2013) * *does not include potential costs of licensing support which would be additional to this amount and potentially recoverable through license revenues.
Revenue Focus	Licensing	Bridge to sustainability: Joint commitment to aggressively explore variety of specific mechanisms to increase system revenues and achieve sustainability at the end of the 3 years County commits to working with joint city county workgroup and elected officials if a regional levy is considered
Shelter replacement	Not Included	Not included
New regional revenues	Not included	New revenues from donation, foundation, marketing, entrepreneurial activities or grants that are not designated for specific purposes will be used to reduce allocable costs for all jurisdictions and to help offset costs to the county for credits and non-allocable costs
Service Days	5 days (Monday-Friday)	Will include at least one weekend day; coverage may be provided 7 days per week, with 40 hours per week guaranteed in agreement to control costs
Service Protocols	Established in ILA	Cities to be involved in developing service protocols

Attachment A

Summary of Key Provisions: Final Proposed ILA

Control Districts	4 Districts Officers home base at Shelter	3 Districts Officers hosted in each district

Summary of Key Provisions: Final Proposed ILA

Goal of model: maintain or lower costs for cities from the estimated 2012 levels

- Increasing county support, adjusting the cost allocation formula, providing credits and licensing support

- Cost efficiencies included for 2013, or sooner if possible
  - Reduce costs by aligning staffing with current operations
    - i. Shelter: $276,000 reduction due to projected lower number of animals in the shelter
    - ii. Licensing: Program efficiencies resulting in reductions of $121,000.
    - iii. Developing a project to bring laundry in-house instead of using commercial services $65,000 budget savings annually
- Key changes from current ILA:
  - Shifted cost allocation model to (80% use/20% population) to place more emphasis on system use rather than population - responsive to low use cities
  - Cost stability provided in 2014 and 2015 by capping the total net allocable costs in 2013 to a level similar to the system inflationary cap (CPI + population growth) for 2014 and 2015. (2013 base is adjusted only for changes in revenues from year to year and by major annexation and latecomers.
  - Removed additional shelter staff from the cost allocation model: County will fund additional $240,003 annually
  - Included licensing support for cities to generate license revenues and lower net costs with cities providing in-kind support
  - Provide County financial contribution to higher use cities over 3 year contract term to provide cost stability
  - Reduced control districts from 4 to 3 by collapsing two south districts into one in response to Auburn indicating it will leave the system
- Service levels:
  - No shelter capital upgrades included in the cost model for the 3 year period
  - High quality shelter service levels retained, costs decreased
  - Control service levels maintained and coverage extended to at least one weekend day
  - Licensing service levels retained, costs decreased
- System Revenues: Joint commitment to aggressively explore variety of specific mechanisms to increase system revenues and achieve system stability by end of 3 years
- Northern PAWS cities assumed to continue to purchase shelter services from PAWS

Attachment B

Regional Animal Services of King County

DRAFT 2013 Estimated Payment Calculation

Auburn Out, Allocation Method: Population = 20%, Usage = 80%, Three (3) Control Districts: 200, 220, with Control Districts 240 and 260 combined into one (500), costs to districts 25%, 25%, 50%. Usage and Licensing Revenue based on 2011 Preliminary Year End.

OPTION #1

	Control	Shelter	Licensing	Total Allocated Costs (1)	2011 Licensing Revenue (est)	Estimated Net Cost
Budgeted Total Allocable Costs	$1,770,487	$2,819,960	$673,640	$5,264,087		
Budgeted Non-Licensing Revenue	$80,040	$112,507	$13,265	$205,812		
Budgeted New Regional Revenue (50%)	$0	$0	$0	$0		
Budgeted Net Allocable Costs	$1,690,447	$2,707,453	$660,375	$5,058,275	$2,480,689	-$2,577,586

Animal Control District Number	Jurisdiction	Estimated Animal Control Cost Allocation (2)	Estimated Sheltering Cost Allocation (3)	Estimated Licensing Cost Allocation (4)	Estimated Total Animal Services Cost Allocation	Program Load Factor (9)	2011 Licensing Revenue (Estimated)	Estimated Net Cost Allocation	2013-2015 Transition Funding (Annual) (5)	2013 - 2015 Shelter Credits (Annual) (6)	Estimated Net Costs with Transition Funding and Credits	Estimated Revenue from Proposed Licensing Support (7)	Estimated Net Final Cost (8)
200	Carnation	$4,118	$3,497	$1,239	$8,854	0.1750%	$4,752	-$4,102	$552	$0	-$3,550	$966	-$2,584
	Duvall	$11,261	$15,264	$5,351	$31,876	0.6302%	$21,343	-$10,533		$0	-$10,533	$7,658	-$2,875
	Estimated Unincorporated King County	$83,837	*(see total below)*	*(see total below)*	*(see total below)*		*(see total below)*	*(see total below)*	*NA*	*NA*	*NA*	*NA*	*NA*
	Kenmore	$37,911	$11,592	$15,423	$64,926	1.2836%	$58,602	-$6,324	$0	$0	-$6,324	$0	-$6,324
	Kirkland	$84,595	$99,626	$59,940	$244,162	4.8270%	$208,000	-$36,162		$0	-$36,162	$23,853	-$12,309
	Lake Forest Park	$22,894	$7,034	$12,099	$42,027	0.8309%	$48,504	$6,477	$0	$0	$6,477	$0	$6,477
	Redmond	$37,867	$54,303	$32,308	$124,478	2.4609%	$116,407	-$8,071	$0	$0	-$8,071	$0	-$8,071
	Sammamish	$35,341	$44,214	$31,129	$110,684	2.1882%	$117,649	$6,965	$0	$0	$6,965	$0	$6,965
	Shoreline	$92,519	$29,677	$38,194	$160,391	3.1709%	$145,689	-$14,702	$0	$0	-$14,702	$0	-$14,702
	Woodinville	$12,268	$6,103	$7,708	$26,079	0.5156%	$29,220	$3,141	$0	$0	$3,141	$0	$3,141
SUBTOTAL FOR CITIES IN 200 (excludes unincorporated area)		**$338,775**	**$271,310**	**$203,392**	**$813,477**		**$750,166**	**-$63,311**	**$552**	**$0**	**-$62,759**	**$32,477**	**-$30,282**
220	Beaux Arts	$86	$167	$246	$500	0.0099%	$930	$430	$0	$0	$430	$0	$430
	Bellevue	$142,322	$161,486	$75,249	$379,056	7.4938%	$273,931	-$105,125		$0	-$105,125	$34,449	-$70,676
	Clyde Hill	$1,866	$3,168	$1,952	$6,985	0.1381%	$7,170	$185	$0	$0	$185	$0	$185
	Estimated Unincorporated King County	$166,199	*(see total below)*	*(see total below)*	*(see total below)*		*(see total below)*	*(see total below)*	*NA*	*NA*	*NA*	*NA*	*NA*
	Issaquah	$53,351	$46,167	$16,279	$115,797	2.2893%	$55,947	-$59,850	$0	$0	-$59,850	$0	-$59,850
	Mercer Island	$13,581	$18,177	$13,853	$45,611	0.9017%	$49,962	$4,351	$0	$0	$4,351	$0	$4,351
	Newcastle	$16,484	$12,318	$4,657	$33,459	0.6615%	$15,271	-$18,188	$0	$0	-$18,188	$2,599	-$15,589
	North Bend	$15,851	$16,273	$4,128	$36,252	0.7167%	$15,694	-$20,558	$1,376	$586	-$18,596	$6,463	-$12,133
	Snoqualmie	$12,248	$11,116	$6,737	$30,101	0.5951%	$25,065	-$5,036	$0	$0	-$5,036	$0	-$5,036
	Yarrow Point	$625	$561	$760	$1,945	0.0385%	$2,700	$755	$0	$0	$755	$0	$755
SUBTOTAL FOR CITIES IN 220 (excludes unincorporated area)		**$256,413**	**$269,432**	**$123,862**	**$649,707**		**$446,670**	**-$203,037**	**$1,376**	**$586**	**-$201,075**	**$43,511**	**-$157,564**
500	Kent	$263,232	$794,101	$69,400	$1,126,733	22.2750%	$253,944	-$872,789	$110,495	$495,870	-$266,424	$0	-$266,424
	SeaTac	$79,732	$184,894	$13,311	$277,938	5.4947%	$47,232	-$230,706	$7,442	$116,611	-$106,653	$0	-$106,653
	Tukwila	$49,635	$110,787	$9,229	$169,652	3.3539%	$32,705	-$136,947	$5,255	$61,987	-$69,705	$0	-$69,705
	Black Diamond	$8,084	$14,340	$2,685	$25,108	0.4964%	$10,185	-$14,923	$1,209	$3,263	-$10,451	$2,001	-$8,450
	Covington	$52,490	$82,456	$12,634	$147,580	2.9176%	$48,982	-$98,598	$5,070	$36,409	-$57,119	$0	-$57,119
	Enumclaw	$41,747	$56,672	$6,920	$105,340	2.0825%	$25,307	-$80,033	$11,188	$28,407	-$40,438	$5,973	-$34,465
	Estimated Unincorporated King County	$309,089	*(see total below)*	*(see total below)*	*(see total below)*		*(see total below)*	*(see total below)*	*NA*	*NA*	*NA*	*NA*	*NA*
	Maple Valley	$41,215	$68,380	$15,080	$124,675	2.4648%	$56,628	-$68,047	$6,027	$6,867	-$55,153	$6,956	-$48,197
SUBTOTAL FOR CITIES IN 500 (excludes unincorporated area)		**$536,135**	**$1,311,631**	**$129,259**	**$1,977,025**		**$474,983**	**-$1,502,042**	**$146,686**	**$749,414**	**-$605,942**	**$14,930**	**-$591,012**
	TOTAL FOR CITIES	**$1,131,322**	**$1,852,373**	**$456,514**	**$3,440,209**		**$1,671,819**	**-$1,768,390**	**$148,614**	**$750,000**	**-$869,776**	**$90,918**	**-$778,858**
	Total King County Unincorporated Area Allocation	***$559,125***	***$855,080***	***$203,861***	***$1,618,065***	31.9885%	***$808,870***	***-$809,195***					***-$809,195***
		$1,690,447	$2,707,453	$660,375	$5,058,275	100.00%	$2,480,689	-$2,577,586					

Source: Regional Animal Services of King County

Date: Jan 30, 2012 (Draft) Updated 5-7-12

Numbers are estimates only for the purpose of negotiation discussions. The numbers and allocation methodology are subject to change while negotiations are underway.

VIIC. Motion to Authorize the City Manager to Execute Contract No. 12-C1033, Animal Services Interlocal Agreement 2013-2015 with

Notes:

1. Based on various efficiencies and changes to the RASKC operating budget, adjustments for reduced intakes overall, reduced usage with Auburn out, and shifting two positions out of the model (county sponsored), the 2013 Estimated Budgeted Total Allocable Cost has been reduced to $5,264,087.
2. One quarter of control services costs are allocated to control districts 200 and 220, and one half of control costs are allocated to district 500, then costs are further allocated 80% by total call volume (2011 Calls - Preliminary year end) and 20% by 2011 population.
3. This excludes the cost to northern cities of sheltering their animals at PAWS under separate contracts. Shelter costs are allocated 80% by King County shelter volume intake (2011 Preliminary year end) and 20% by 2011 population.
4. Licensing costs are allocated 20% by population (2011) and 80% by total number of Pet Licenses issued (2011) less $0.00 Sr. Lifetime Licenses.

5. Transition funding is allocated per capita in a two tier formula to cities with certain per capita net cost allocations. For additional detail, see 2010 Interlocal Agreement Exhibit C-4 (2013 column) for more information. Transition Funding does not change for years 2013 - 2015.
6. Credits are allocated to those jurisdictions whose shelter intakes per capita exceeded the system average (.0043) and are intended to help minimize the impact of changing the cost allocation methodology from 50% population/50 usage to the new 20% population/80% usage model. See Interlocal Agreement Exhibit C-4 for more detail.
7. New Transition License Funding has been included for certain jurisdictions to help limit the Estimated Net Final Cost to the 2012 estimated level. Receipt of support is contingent on city providing in-kind services and county ability to provide resources and/or recover costs
8. Net Final Costs greater than $0 will be reallocated to remaining jurisdictions with a negative net final cost, northern cities Net Final Costs shall be inclusive of their PAWS Sheltering costs.
9. Program Load Factor (LF) , per ILA Exhibit C, Part 4, Estimated Payment Calculation Formula, is the City's share of Budgeted Total Net Allocable Costs: it is the City's 2013 Service Year Total Animal Services Cost Allocation expressed as a percentage of the Budgeted Total Net Allocable Costs for 2013. Refer to the ILA for additional details.

Outline Animal Services Interlocal Agreement for 2013 Through 2015– *changes from current ILA noted in italics* ***Attachment C***

Item	Control	Shelter	Licensing
Parties	County and all cities in current system with exception of Auburn		
Services Exhibit A, B and E	1. *Reduce control districts from 4 to 3* 2. Maintain staffing level of 6 total - 1 ACO in districts 200 and 220, and 2 ACO in district 500 on a regular basis, plus two floaters *3.* Maintain 40 hours of service coverage per week, *with coverage for at least 1 weekend day* *4. Station officers at host sites within districts where service and travel time improvements or efficiencies result* *5.* Cities may continue to purchase enhanced services in *addition to regular field services, provided they are not receiving a shelter or transition credit.*	No changes proposed	Change III (5) to allow mail *or e-mail* notice for renewals *County will provide detailed licensing data to any city promptly upon request.*
Cost Allocation (Exhibit C) ■For Service Year 2013	*1. Costs allocated to districts as follows:* *a) 25% each to districts 200 and 220 and 50% to district 500* *2) Costs allocated in 2013 to all jurisdictions within each district based 80% on use and 20% on population* (current 50%/50%)	*Costs allocated in 2013 to all jurisdictions* based *80% on use and 20% on population* (current 50%/50%)	*Costs allocated in 2013 to all jurisdictions* based *80% on use and 20% on population* (current 50%/50%)

Item	Control	Shelter	Licensing
■ For Service Years 2014-2015	*In 2014 and 2015, each jurisdiction's costs are adjusted using the 2013 cost allocation as a base (that is, not recalculating in detail for usage), inflated by the growth in the total net program allocable costs. Growth in allocable system costs are subject to an inflator cap (population growth plus inflation).* *In addition, changes in revenues (licensing, non-licensing, credits, etc.) are considered in the calculation in these years, as well as changes in population attributable solely to annexations (in or out of the total program service area) of areas with a population ≥ 2,500 and latecomers.*		
■ If ILA is extended to 2016, 2017	*In 2016, cost allocation will be determined using the same formulas as used to determine costs in 2013 (details of population, use, etc.)* *In 2017, the cost allocation will be adjusted for total program allocable cost growth and for changes in revenues, major annexations—as per 2014, 2015.*		

Revenue Allocation	*As a general principle, the parties agree that animal services should not be a profit making enterprise. It is critical to bring additional revenue into the system to reduce the need for general fund support and there should be appropriate incentives to promote revenue generation.* *1. License revenues will first offset costs of jurisdiction where the revenue is generated (cost includes PAWS costs and enhanced control services purchased)* *a. License revenues above a jurisdiction's cost will be re-allocated to reduce costs for others.* *2. New fundraising, marketing, entrepreneurial, donation or foundation funds will be allocated as follows, unless designated for specific purposes* *a. 50% to offset county mitigation funds first, then county sponsored costs, then to reduce the 20% component of the cost allocation model* *b. 50% to reduce the overall costs (benefits all jurisdictions)* *3. Major capital expenditures are not included in the cost allocation model. If there are new revenues that are designated for capital these will be held separately from operating revenues noted above.*

	--See Graphic on Revenue Allocation Framework.—
Conditions for ILA to become Effective Section 15	1. Preliminary *2013* payment cannot exceed the Pre-commitment 2013 payment (in Exhibit C-1) by 5% or $3,500, whichever is greater --either party may waive 2. Minimum contiguity—may be waived by County 3. *60 day emergency agreement and minimum 6 month contract not included in this ILA extension. Parties will know no later than August 15 of this year whether they need to make other arrangements for animal services by January 1, 2013.*
Payment Method/Timing Section 5	1. Reconciliation of revenues due by June 30th each year. *Reconciliation focused on changes in revenues as compared to estimates--not changes in usage, population (other than annexations of areas with population ≥ 2,500) or latecomers.* 2. Non-binding preliminary estimate of Estimated Payment for upcoming year provided by county to cities by *September 1st* 3. Final Estimated Payment provided in writing to cities by December 15th each year 4. *Exhibit C –allows adjustments to estimates of use and license revenue to include consideration of recent trending. County will work with joint city-county committee to determine the adjustments. Absent agreement on adjustments, the default will be to use actual license revenue and use data from last reconciliation year.* 5. Exhibit C7 – updated Payment and Calculation Schedule (**see attachment**)
Cost Inflator Cap Exhibit C-1 (page 29)	Retain Annual Budget cap on allocable cost of inflation plus population growth for 3 year term

Contract term and termination provisions Section 4	1) *Takes effect 7/1/2012* 2) *Three year term for services (1/1/2013-12/31/2015)* 3) Extension i) *Optional* two year renewal *(renewal no longer automatic, but at option of County whether to extend on same terms; re-opener provided so that parties can consider other amendments in connection with any extension.)* ii) *County must convene cities in September 2014 to discuss extension with existing terms or renewal with reopener of terms* iii) Notice of intent not to renew must be given by *March 15, 2015 (rather than May 1 as in current ILA)* iv) Parties must reach agreement in writing by *July 1, 2015* or ILA terminates *12/31/2015* *Re-opener for cost and revenue allocation required if a countywide voter-approved measure is proposed. Either party may terminate with 180 days notice, or when levy imposed, whichever is earlier if re-opener negotiations are not concluded to the satisfaction of both parties.*
Services purchased	Section 2 Maintain language providing county discretion over staffing assignments and manner of handling calls, *but add new language for cities to provide input through the Joint City-County committee to recommend service delivery metrics and to assist with developing service delivery modifications for handling and responding to calls within districts (build the flexibility in to Exhibit A. at Part I.2.d, d.)*

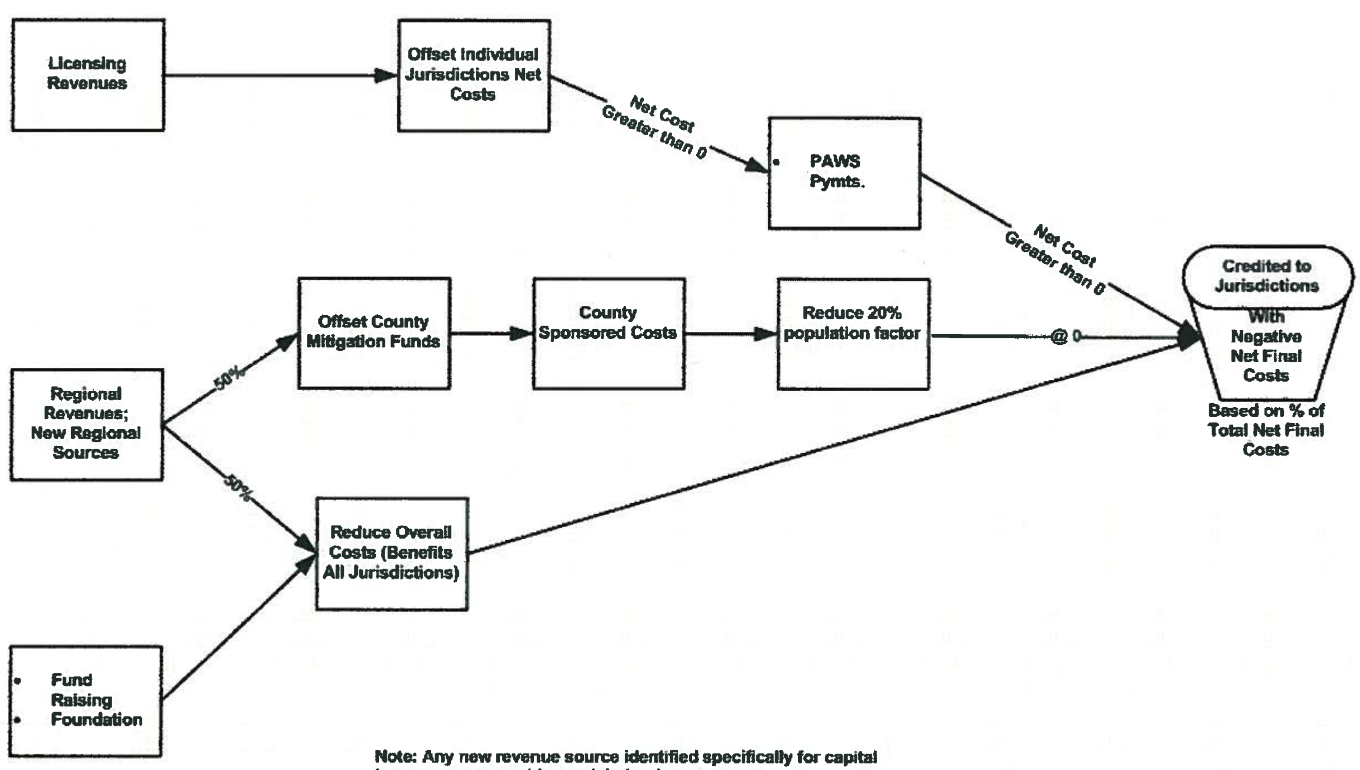
Credits	Exhibit C 1. *Carry forward the 2013 transition funding credit from existing agreement for each year of the 3 year term* 2. *New shelter credit for each year of the 3 year term has been provided to cities with a per-capita shelter use greater than the average in 2011 (capped at a total amount of $750,000 per year for this credit category). Credit fixed at same level in all three years (2013-2015).* 3. *County will give serious consideration to maintaining credits under an extension of the agreement into 2016, 2017.* 4. *Licensing Revenue Support Credit: Nine cities will receive assistance from the County in 2013 to boost their licensing revenues. The assistance is based on the gap in licensing revenues that would need to be filled to assure 2013 net costs do not exceed 2012 net costs. To receive this assistance in 2014 and 2015, cities must sign an agreement to provide in-kind support, and the County must have staff capacity to provide the service. All other cities may also sign an agreement for such support in 2014 and 2015 if the County has staff capacity (priority will go to the nine original cities). Cities with licensing revenue targets over $20K/year (Kirkland, Bellevue) may be assured of the assistance in all 3 years and will be provided with an incentive for the city to help increase license revenues, by signing an agreement to provide the higher level of in-kind support for all 3 years. If licensing revenues received exceed the revenue goal amount established in the ILA C-5 Exhibit, the County's costs of providing such service are recouped before additional revenues are allocated to the city (subject to details provided in C-5 and Exhibit F).*

License revenue support Section 7	1. County will maintain system marketing efforts to generate license revenue across system

Joint City-County committee and collaborative initiatives Section 11	1. Maintain committee structure. 2. The collaborative initiatives that <u>shall be reviewed</u> by the committee include items from existing ILA: • private licensing; • non-profit services; • marketing/licensing; • service delivery efficiencies *refocused to be a continuous improvement effort*; • review results of reconciliation; • review preliminary proposed budgets for animal services; provide input to reports; • review and provide input to proposed animal services operational initiatives; • item F – *Changed as follows: No major capital expenditures in the Kent facility are contemplated within the contract term. The County will update the estimate of facility needs as part of re-negotiation and/or new regional revenue discussions* *3. Add new:* *1. Maintain a marketing subcommittee* *2. Collaborate on response and service improvements including communication with 911 centers* *3. Engage in two-way problem solving* *4. Develop alternative dispute mechanisms that could be used to resolve low level issues such as barking dog complaints* *5. Work with cities to plan disaster response* *6. Review and collaborate on billing protocol* *7. Ensure there is at least one meeting each year between ACOs and law enforcement in each district* *8. Revenue ideas (near and mid-term)*

Proposed Revenue Allocation – Draft Framework

Draft 2-1-12



Note: Any new revenue source identified specifically for capital improvements would go solely for that purpose.

Benefits of a Regional Animal Services System

Effective and Efficient Service

- Provides a consistent level of service, common regulatory approach, and humane animal care across the region.
- Allows local police agencies to focus on traditional law enforcement instead of civil animal offenses (barking, off-leash, unlicensed animals).
- Builds economies of scale to provide a full range of services, making it less expensive to develop operations, training, licensing and care programs than it would be for cities to duplicate services at the local level.
- Provides a low-cost spay and neuter program which is key to reducing the population of homeless animals and thus reducing the costs of the system over time.
- Reduces the demand on individual jurisdictions to respond to communications from the media, advocacy groups and other interested parties (public disclosure requests).
- Use of volunteers and partnerships with private animal welfare groups increases humane animal treatment with minimal public cost: In 2011, volunteers contributed over 60,000 hours of support to the County animal services system, equivalent to 30 full time employees.
- Takes advantage of current technology – offices can access calls and database in the field; customers receive email notices prior to mailed renewal notices; citizens can locate lost pets online or by phone; cities get detailed, monthly reports on level and types of activity in their jurisdiction.
- King County Board of Appeals hears appeals to civil offenses thus centralizing the adjudication to a forum that is familiar with the issues.

Customer Service

- Provides a single access point for residents searching for a lost pet or seeking animal control help.
- Provides one single point of contact for citizen complaints.
- Pet Adoption Center is open and provides services 7 days a week.
- A regional, uniform pet licensing program that is simpler for the public to access and understand, with a broad range of accompanying services to encourage licensing; marketing, partnering with third parties to encourage license sales, and database management.
- Online licensing sales increase the ease of compliance for pet owners.

Public Health and Safety

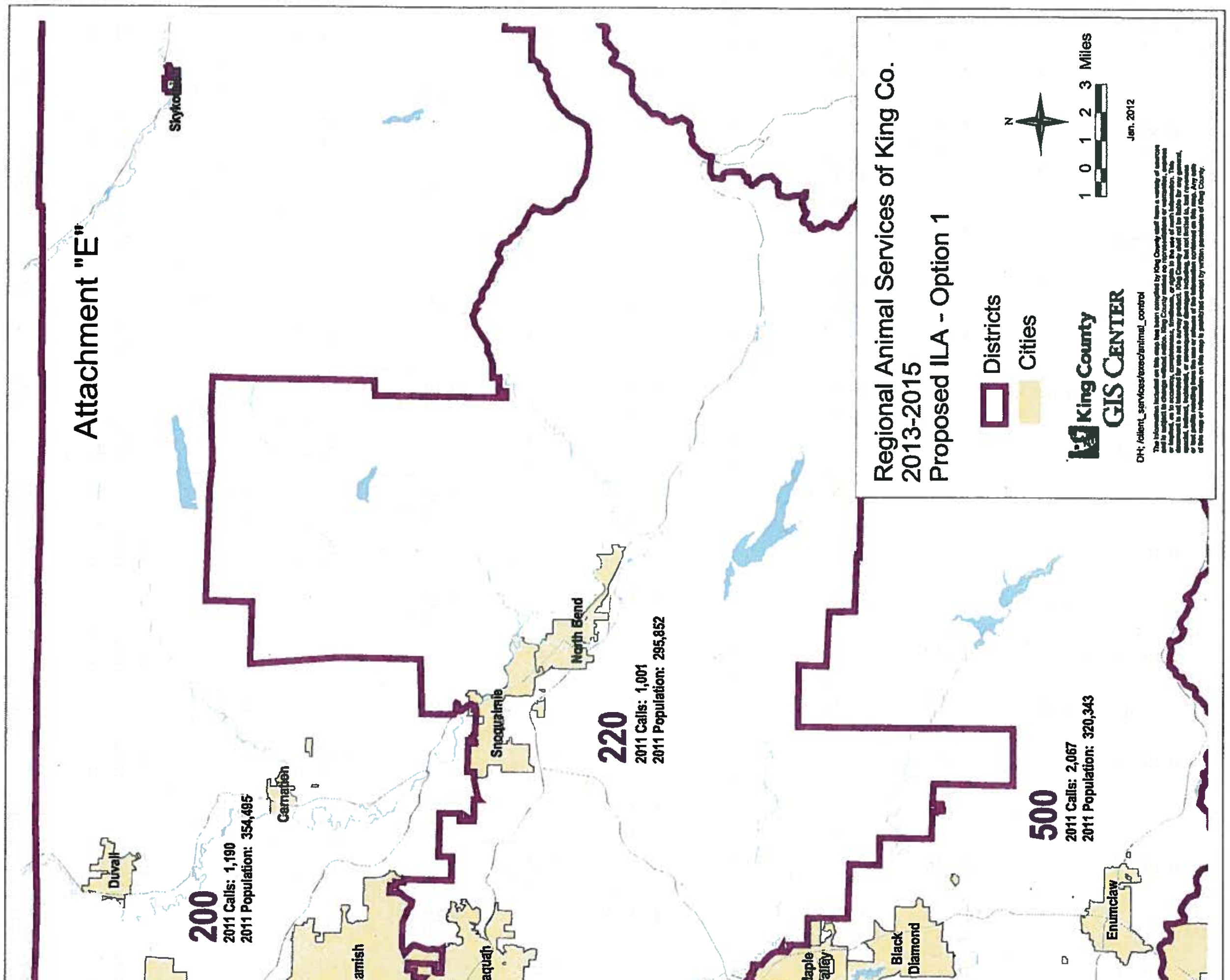
- Provides the ability to identify and track rabies and other public health issues related to animals on a regional basis.
- Reduces public health threats through routine vaccination of animals.
- Provides capacity to handle unusual and multi-jurisdictional events involving animals that often require specialized staff, such as: horse cruelty, animal hoarding, loose livestock, dog-fighting,

animal necropsies and quarantine, holding of animals as evidence in criminal cases and retrieval of dead animals.

- Provides consistent and knowledgeable services to over 4800 callers per year. Calls are dispatched on a prioritized basis. Emergency response services are available 24 hours per day.

Animal Welfare

- Reduces pressure on non-profit shelters through capacity at public shelter. Non-profit animal welfare groups contribute by accepting transfers of publicly sheltered animals for care and adoption.
- Animals find new homes and are not euthanized for capacity. Euthanasia rates have been reduced.
- Engages citizens through foster homes and other volunteer programs (on-site and adoption events).
- Provides regional response to animal cruelty cases.
- Provides regional preparedness planning and coordination for emergency and disaster response.
- Provides regional capacity for seasonal events (kitten season).
- Avoids competition across jurisdictions for sheltering space and comparisons across jurisdictions on animal welfare outcome statistics.
- Benefit fund allows private donors to contribute to the heroic care of animals—these services are not publicly funded and are not usually available in publicly funded animal service programs.



VIIC. Motion to Authorize the City Manager to Execute Contract No.
12-C1033, Animal Services Interlocal Agreement 2013-2015 with

Attachment: F

RASKC ILA Revenue Workplan

Revenue Sustainability

All partners in RASKC share the goal of creating revenue sustainability for the regional system. Revenues from license sales have historically provided less than 50% of the funding for the system. The majority of additional funding under the current interlocal agreement is provided by the jurisdictions.

The items listed below reflect the partners current thinking of items that could increase revenues for the RASKC model and should be implemented or further evaluated. New ideas may emerge and/or items on the list may be removed if determined not cost efficient or effective. The County will take the lead on the items and work in conjunction with the Joint City County Committee.

Near term - Potentially Implementable in 2012

- Create licensing tool-box for cities
- Increase canvassing effort
- Improve the RASKC website and promote linkages to it from city websites
- Increase public service announcements, media spotlight opportunities
- Utilize e-mail to reach out to supporters
- Consider implementing a second penalty-free licensing period

Medium Term - Potentially Implementable in 2012-2015

- Review/Analyze Licensing fee pricing structure and amount
- Improve options for making donations through the licensing program
- Investigate creation of entrepreneurial options with pet stores to provide discounts on pet items to people with licenses
- Targeted partnerships with private sector businesses that provide high volume license sales (e.g. license sales in exchange for a share of the license fee)
- Create 501(c)3 for donations and improve efforts to secure donations
- Evaluate feasibility of regional levy to support all, or components of the system
- Evaluate feasibility of new legislative authority to levy a regional sales tax on pet related items

May 16, 2012

Attachment G:

Regional Animal Services of King County

Interlocal Agreement – Negotiation Joint Work Group

Cities representatives

- City of SeaTac, James Graddon
- City of Issaquah, Ross Hoover
- City of Newcastle, Melinda Irvine
- City of Woodinville, Sydney Jackson
- City of SeaTac, Annette Louie
- City of Mercer Island, Dave Jokinen
- City of Enumclaw, Michael Thomas
- City of Covington, Derek Matheson
- City of Tukwila, Peggy McCarthy
- City of Kirkland, Lorrie McKay
- City of Lake Forest Park, Cheryl Niclai
- City of Kenmore, Nancy Ousley
- City of Lake Forest Park, Dennis Peterson
- City of Redmond, Nina Rivkin
- City of Bellevue, Sheida Sahandy
- City of Kent, Jeff Watling
- City of Sammamish, Mike Sauerwein

County representatives

- Diane Carlson, Executive Office
- Norm Alberg, Interim Director, Records and Licensing Services Division
- Eric Swansen, Records and Licensing Services Division – Shelter Operations
- Sean Bouffiou, Records and Licensing Services Division
- Yiling Wong, Office of Performance Strategy & Budget

- **Neutral facilitator, Karen Reed**

Cities represented in Interlocal Agreement

District 200	District 220	District 500
Carnation	Beaux Arts	Covington
Duvall	Bellevue	Black Diamond
Kenmore	Clyde Hill	Enumclaw
Kirkland	Issaquah	Kent
Lake Forest Park	Mercer Island	Maple valley
Redmond	Newcastle	SeaTac
Sammamish	North Bend	Tukwila
Shoreline	Snoqualmie	
Woodinville	Yarrow Point	

May 16, 2012

Final Proposed Interlocal Agreement for Provision of Regional Animal Services 2013 Through 2015

May 16, 2012

Introduction

- Today's Presentation
  - Background on Regional Animal Services
  - Summary of the Current ILA – regional animal services, costs and cost allocation
  - Recommended changes to ILA
  - Timeline and process to reach final agreement by July 1.

May 16, 2012

Background

- Regional Animal Services of King County (RASKC) serves 26 cities and unincorporated King County
  - Interlocal Agreement entered into in mid- 2010.
  - Over 1 million citizens
  - Estimated pet population of over 500,000

- ILA provides for 3 core services, and ancillary support
  - **Shelter** (5,300 animals in 2011)*
  - **Animal control** (4,800 calls for service in 2011)
  - **Licensing** (99K licenses issued; approx. 18% of pet population is currently licensed)
  - Ancillary support includes responding to Public Disclosure Requests, adjudication of civil infractions, animal cruelty investigations, etc.

*4 cities receive shelter services from PAWS

Background, cont'd.

- Cities and County have very different service demand patterns—difficult to find a single, simple cost allocation formula that works for everyone.

- Current ILA: July 2010–December 2012
  - Implemented following uncertainty about County ability to continue providing animal services
  - Allocates cost 50 % population / 50 % usage
  - Variety of credits mitigate impact of allocation formula

- Total system costs allocated under ILA in 2012: $5.84M.
  - License fees support 50% of system costs
  - 6 % from penalties, adoption fees, other revenues
  - County and City funding cover the balance
  - County fully funds an additional $1.37M through credits and costs not included in the model

Benefits of Regional Model

- Consistent level of service, humane animal care, and regulatory approach countywide.
- Euthanasia rate continues to be reduced, in 2011the rate was 14.3%
- Uniform, regional licensing system and a central location for citizens to license their pets, find lost pets and track health related animal issues
- Economies of scale for marketing/licensing, field services and shelter operations

May 16, 2012

Benefits of Regional System, cont'd.

- Pet Adoption Shelter open to the public 7 days a week ; provides 24/7/365 on-call response to owners looking for lost pets

- Ancillary Services
  - Animal cruelty investigations

  - Civil offenses handled by Board of Appeals (not law enforcement or courts)

  - Respond to hundreds of Public Disclosure Requests (PDR's) annually; a centralized approach reducing the impacts to local jurisdictions for PDR's as well as media and/or advocacy group inquiries

Since the 2010 ILA Began

- Increased the humane treatment of animals and reduced euthanasia
- Improved citizen support, over 500 volunteers
- Upgraded software to improve reporting accuracy and timeliness
- Hired a marketing manager who helps individual cities develop plans
- A regional "branding effort" began this year to increase awareness and revenues

RASKC

May 16, 2012

VIIC. Motion to Authorize the City Manager to Execute Contract No. 12-C1033, Animal Services Interlocal Agreement 2013-2015 with

Why negotiate a new ILA?

- Contract ends in 2012; automatically extended for 2 years unless a party drops out—which compels renegotiation.
- City of Auburn, a high user of services, notified County of intent to depart model at end of 2012 – will create unsustainable cost shifts for remaining parties unless ILA is amended.
- City-County renegotiation workgroup formed in November 2011. Has considered many options for changing system costs, cost allocation, service delivery that can best support continuation of this regional service option for cities.
- New cost model has been developed. Cities have been held harmless for Auburn leaving.

Cost Issues

Cost Issues

- Cost is major issue for all cities.
- Reallocation of existing costs is not sufficient
- Costs must be reduced, by additional savings and efficiencies.
- PAWS Cities cost allocations for shelter must be reduced.

Draft 2013-2015 ILA

- County has significantly reduced allocated costs:
  - $148k (2013) transition funding — continues.
  - $750k/year additional credits to high-use cities
  - $240k more in shelter staffing will be fully funded by County (Vet Director and Volunteer Coordinator)
  - $340k reduction in operational expenses
- Shift in cost allocation: 80% usage / 20 % population

Revenue Issues

Revenue issues

- Stable long-term financing structure and sustainable operating model needed.
- Additional effort is needed to bring new revenues to the system from other means.
- Licensing revenues need to be increased: they have generally been lower than forecast in 2010.

Draft 2013-2015 ILA

- Increased focus on revenue generation: "bridge to sustainability to reduce city/county costs."
- Aggressively pursue numerous revenue generating ideas (enhanced marketing, donations, new regional revenue streams)
- Increase support for licensing – Better tools for marketing and ongoing canvassing support

Service Issues

Services issues

- Cities want services to be efficient and effective
- Cities want input into response protocols -best use of scarce resources
- With potential for 1 city departure, the control district boundaries need to be adjusted to re-balance cost, service demand

Draft 2013-2015 ILA

- Service levels retained, costs reduced.
- Joint City-County Committee collaborate on issues—including response protocols, efficiency ideas, revenue ideas
- New district boundaries - combine four districts into three.

May 16, 2012

Summary

	2013-2015 ILA
Allocated System cost	$5.26M
Cost allocation	• 80% use / 20% pop in 2013 to set base • Costs in 2014, 2015 are based on 2013 total allocable costs; capped by CPI and population growth. • Costs in 2014, 2015 also adjusted for changes in revenues, and for major annexations (≥2,500 pop.) and latecomers
Term	3 years, re-opener for possible 2 yr. ext.
County support and mitigation payments-	$1.76M (license support costs may be additional)
Current service levels maintained	

May 16, 2012

Summary, cont'd.

	2013-2015 ILA
# of Control Districts	3
ACO Staffing, Response	•6 ACOs (same as current ILA) •40 hour/week coverage in each District •Weekend coverage starts in 2012 •ACOs hosted in each district •Cities give input to shape response protocols
• ***Bridge to Sustainability***. working with City-County committee, focus on new system revenue generation	

May 16, 2012

Timeline

- February 1, 2012 – Reach agreement in principle
- February 14, 2012 – Cities provide County an initial non-binding statement of interest
- April 6, 2012 – finalize amendments to the Agreement and cost model based on initial statements of interest
- May 1, 2012 – Cities provide County 2nd nonbinding statement of interest
- May 17, 2012 – Final cost estimates circulated, with final proposed ILA and briefing materials
- July 1, 2012 – service under formal adoption *and execution* of Agreement by both parties
- If approved, the new ILA will take effect January 1, 2013 and run for 3 years through December 31, 2015, with option to extend an additional 2 years.

Thank you.

May 16, 2012

Animal Services Interlocal Agreement for 2013 Through 2015

This AGREEMENT is made and entered into effective as of this 1st day of July, 2012, by and between KING COUNTY, a Washington municipal corporation and legal subdivision of the State of Washington (the "County") and the City of Kenmore, a Washington municipal corporation (the "City").

WHEREAS, the provision of animal control, sheltering and licensing services protects public health and safety and promotes animal welfare; and

WHEREAS, providing such services on a regional basis allows for enhanced coordination and tracking of regional public and animal health issues, consistency of regulatory approach across jurisdictional boundaries, economies of scale, and ease of access for the public; and

WHEREAS, the Contracting Cities are partners in making regional animal services work effectively, and are customers of the Animal Services Program provided by the County; and

WHEREAS, in light of the joint interest among the Contracting Parties in continuing to develop a sustainable program for regional animal services, including achievement of sustainable funding resources, the County intends to include cities in the process of identifying and recommending actions to generate additional revenues through the Joint City-County Committee, and further intends to convene a group of elected officials with a representative from each Contracting City to discuss and make recommendations on any potential countywide revenue initiative for animal services requiring voter approval, the implementation of which would be intended to coincide with the end of the term of this Agreement; and

WHEREAS, by executing this Agreement, the City is not implicitly agreeing to or supportive of any potential voter approved levy initiative in support of animal services; and

WHEREAS, the City and the County are parties to an Animal Services Interlocal Agreement dated July 1, 2010, which will terminate on December 31, 2012 (the "2010 Agreement"); and

WHEREAS, the City and County have negotiated a successor agreement to the 2010 Agreement in order to extend delivery of Animal Services to the City for an additional three years beginning January 1, 2013; and

WHEREAS, certain notification and other commitments under this successor Agreement arise before January 2013, but the delivery of Animal Services under this Agreement will not commence until January 1, 2013; and

WHEREAS, nothing in this Agreement is intended to alter the provision of service or manner and timing of compensation and reconciliation specified in the 2010 Agreement for services provided in 2012; and

WHEREAS, the City pursuant to the Interlocal Cooperation Act (RCW Chapter 39.34) , is authorized and desires to contract with the County for the performance of Animal Services; and

WHEREAS, the County is authorized by the Interlocal Cooperation Act, Section 120 of the King County Charter and King County Code 11.02.030 to render such services and is willing to render such services on the terms and conditions hereinafter set forth; and

WHEREAS, the County is offering a similar form of Animal Services Interlocal Agreement to cities in King County listed in Exhibit C-1 to this Agreement, and has received a non-binding statement of intent to sign such agreement from those cities;

NOW THEREFORE, in consideration of the promises, covenants and agreements contained in this Agreement, the parties agree as follows:

1. **Definitions.** Unless the context clearly shows another usage is intended, the following terms shall have these meanings in this Agreement:
   a. "**Agreement**" means this Animal Services Interlocal Agreement for 2013 Through 2015 between the Parties including any and all Exhibits hereto, unless the context clearly indicates an intention to reference all such Agreements by and between the County and other Contracting Cities.
   b. "**Animal Services**" means Control Services, Shelter Services and Licensing Services combined, as these services are described in **Exhibit A.** Collectively, "Animal Services" are sometimes referred to herein as the "**Program.**"
   c. "**Enhanced Control Services**" are additional Control Services that the City may purchase under certain terms and conditions as described in **Exhibit E** (the "Enhance Control Services Contract").
   d. "**Contracting Cities**" means all cities that are parties to an Agreement.
   e. "**Parties**" means the City and the County.
   f. "**Contracting Parties**" means all Contracting Cities and the County.
   g. "**Estimated Payment**" means the amount the City is estimated to owe to the County for the provision of Animal Services over a six month period per the

formulas set forth in **Exhibit C**. The Estimated Payment calculation may result in a credit to the City payable by the County.

h. "**Pre-Commitment Estimated 2013 Payment**" means the preliminary estimate of the amount that will be owed by (or payable to) each Contracting Party for payment June 15, 2013 and December 15, 2013 as shown on **Exhibit C-1.**

i. "**Preliminary Estimated 2013 Payment**" means the amount estimated by the County on or before August 1, 2012 per Section 5, to be owed by each Contracting Party on June 15, 2013 and December 15, 2013 based on the number of Contracting Cities with respect to which the Agreement goes into effect per Section 15. This estimate will also provide the basis for determining whether the Agreement meets the "2013 Payment Test" in Section 15.

j. The "**Final Estimated 2013 Payment**" means the amount owed by each Contracting Party on June 15, 2013 and December 15, 2013, notice of which shall be given to the City by the County no later than December 15, 2012.

k. "**Control District**" means one of the three geographic areas delineated in **Exhibit B** for the provision of Animal Control Services.

l. "**Reconciliation Adjustment Amount**" means the amount payable each August 15 by either the City or County as determined per the reconciliation process described in **Exhibit D**. "**Reconciliation**" is the process by which the Reconciliation Adjustment Amount is determined.

m. "**Service Year**" means the calendar year in which Animal Services are or were provided.

n. "**2010 Agreement**" means the Animal Services Agreement between the Parties effective July 1, 2010, and terminating at midnight on December 31, 2012.

o. "**New Regional Revenue**" means revenue received by the County specifically for support of Animal Services generated from regional marketing campaigns (excluding local licensing canvassing efforts by Contracting Cities or per Section 7), and new foundation, grant, donation and entrepreneurial activities, except where revenues from these sources are designated for specific purposes within the Animal Services program; *provided that* New Regional Revenue does not include Licensing Revenue, Non-Licensing Revenue or Designated Donations, as defined in **Exhibit C**. The manner of estimating and allocating New Regional Revenue is prescribed in **Exhibit C-4** and **Exhibit D**.

p. "**Latecomer City**"means a city receiving animal services under an agreement with the County executed after July 1, 2012, per the conditions of Section 4.a.

2. **Services Provided**. Beginning January 1, 2013, the County will provide the City with Animal Services described in **Exhibit A**. The County will perform these services consistent with governing City ordinances adopted in accordance with Section 3. In providing such Animal Services consistent with **Exhibit A**, the County will engage in good faith with the Joint City-County Committee to develop potential adjustments to field protocols; provided that, the County shall have sole discretion as to the staffing assigned to receive and dispatch calls and the manner of handling and responding to calls for Animal Service. Except as set forth in Section 9 (Indemnification and Hold Harmless), services to be provided by the County pursuant to this Agreement do not include services of legal counsel, which shall be provided by the City at its own expense.
    a. Enhanced Control Services. The City may request Enhanced Control Services by completing and submitting **Exhibit E** to the County. Enhanced Services will be provided subject to the terms and conditions described in **Exhibit E**, including but not limited to a determination by the County that it has the capacity to provide such services.

3. **City Obligations.**
    a. Animal Regulatory Codes Adopted. To the extent it has not already done so, the City shall promptly enact an ordinance or resolution that includes license, fee, penalty, enforcement, impound/ redemption and sheltering provisions that are substantially the same as those of Title 11 King County Code as now in effect or hereafter amended (hereinafter "the City Ordinance"). The City shall advise the County of any City animal care and control standards that differ from those of the County.
    b. Authorization to Act on Behalf of City. Beginning January 1, 2013, the City authorizes the County to act on its behalf in undertaking the following:
        i. Determining eligibility for and issuing licenses under the terms of the City Ordinance, subject to the conditions set forth in such laws.
        ii. Enforcing the terms of the City Ordinance, including the power to issue enforcement notices and orders and to deny, suspend or revoke licenses issued thereunder.
        iii. Conducting administrative appeals of those County licensing determinations made and enforcement actions taken on behalf of the City. Such appeals shall be considered by the King County Board of Appeals unless either the City or the County determines that the particular matter should be heard by the City.
        iv. Nothing in this Agreement is intended to divest the City of authority to independently undertake such enforcement actions as it deems appropriate to respond to violations of any City ordinances.

c. Cooperation and Licensing Support. The City will assist the County in its efforts to inform City residents regarding animal codes and regulations and licensing requirements and will promote the licensing of pets by City residents through various means as the City shall reasonably determine, including but not limited to offering the sale of pet licenses at City Hall, mailing information to residents (using existing City communication mechanisms such as bill inserts or community newsletters) and posting a weblink to the County's animal licensing program on the City's official website. The City will provide to the County accurate and timely records regarding all pet license sales processed by the City. All proceeds of such sales shall be remitted to the County by the City on a quarterly basis (no later than each March 31, June 30, September 30, and December 31).

4. **Term.** Except as otherwise specified in Section 15, this Agreement will take effect as of July 1, 2012 and, unless extended pursuant to Subparagraph 4.b below, shall remain in effect through December 31, 2015. The Agreement may not be terminated for convenience.
   a. Latecomers. The County may sign an agreement with additional cities for provision of animal services prior to the termination or expiration of this Agreement, but only if the later agreement will not cause an increase in the City's costs payable to the County under this Agreement. Cities that are party to such agreements are referred to herein as "Latecomer Cities."
   b. Extension of Term. The Parties may agree to extend the Agreement for an additional two-year term, ending on December 31, 2017. For purposes of determining whether the Agreement shall be extended, the County will invite all Contracting Cities to meet in September 2014, to discuss both: (1) a possible extension of the Agreement under the same terms and conditions; and (2) a possible extension with amended terms.
      i. Either Party may propose amendments to the Agreement as a condition of an extension.
      ii. Nothing in this Agreement shall be construed to compel either Party to agree to an extension or amendment of the Agreement, either on the same or different terms.
      iii. The County agrees to give serious consideration to maintaining the various credits provided to the Contracting City under this Agreement in any extension of the Agreement.
   c. Notice of Intent to Not Extend. No later than March 1, 2015, the Parties shall provide written notice to one another of whether they wish to extend this Agreement on the same or amended terms. The County will include a written reminder of this March 1 deadline when providing the City notice of

its 2015 Estimated Payments (notice due December 15, 2014 per Section 5). By April 5, 2015, the County will provide all Contracting Cities with a list of all Contracting Parties submitting such notices indicating which Parties do not seek an extension, which Parties request an extension under the same terms, and which Parties request an extension under amended terms.

d. Timeline for Extension. If the Contracting Parties wish to extend their respective Agreements (whether under the same or amended terms) through December 31, 2017, they shall do so in writing no later than July 1, 2015. Absent such an agreed extension, the Agreement shall terminate on December 31, 2015.

e. Limited Reopener and Termination. If a countwide, voter approved property tax levy for funding some or all of the Animal Services program is proposed that would impose new tax obligations before January 1, 2016, this Agreement shall be re-opened for the limited purposes of negotiating potential changes to the cost and revenue allocation formulas herein. Such changes may be made in order to reasonably ensure that the Contracting Cities are receiving equitable benefits from the proposed new levy revenues. Re-opener negotiations shall be initiated by the County no later than 60 days before the date of formal transmittal of such proposal to the County Council for its consideration. Notwithstanding anything in this Agreement to the contrary, if the re-opener negotiations have failed to result in mutually agreed upon changes to the cost and revenue allocation formulas (as reflected in either an executed amendment to this Agreement or a memorandum of understanding signed between the chief executive officers of the Parties) within 10 days of the date that the election results confirming approval of such proposal are certified, either Party may terminate this Agreement by providing notice to the other Party no sooner than the date the election results are certified and no later than 15 days following the end of such 10-day period. Any termination notice so issued will become effective 180 days following the date of the successful election, or the date on which the levy is first imposed, whichever is sooner.

f. The 2010 Agreement remains in effect through December 31, 2012. Nothing in this Agreement shall limit or amend the obligation of the County to provide Animal Services under the 2010 Agreement as provided therein and nothing in this Agreement shall amend the obligations therein with respect to the calculation, timing, and reconciliation of payment of such services.

5. **Compensation.** The County will develop an Estimated Payment calculation for each Service Year using the formulas described in **Exhibit C**, and shall transmit the payment information to the City according to the schedule described below. The

County will also calculate and inform the City as to the Reconciliation Adjustment Amount on or before June 30 of each year, as described in Section 6 below and **Exhibit D**, in order to reconcile the Estimated Payments made by the City in the prior Service Year. The City (or County, if applicable) will pay the Estimated Payment, and any applicable Reconciliation Adjustment Amounts as follows (a list of all payment-related notices and dates is included at **Exhibit C-7**):

a. Service Year 2013: The County will provide the City with a calculation of the Preliminary Estimated Payment amounts for Service Year 2013 on or before August 1, 2012, which shall be derived from the Pre-Commitment Estimated 2013 Payment Amount set forth on **Exhibit C-1**, adjusted if necessary based on the Contracting Cities and other updates to Calendar Year 2011 data in **Exhibit C-2**. The County will provide the City with the Final Estimated Payment calculation for Service Year 2013 by December 15, 2012. The City will pay the County the Preliminary Estimated Payment Amounts for Service Year 2013 on or before June 15, 2013 and December 15, 2013. If the calculation of the Preliminary Estimated Payment shows the City is entitled to receive a payment from the County, the County will pay the City such amount on or before June 15, 2013 and December 15, 2013. The Reconciliation Adjustment Amount for Service Year 2013 shall be paid on or before August 15, 2014, as described in Section 6.

b. Service Years after 2013.

   i. Initial Estimate by September 1. To assist the City with its budgeting process, the County will provide the City with a non-binding, preliminary indication of the Estimated Payments for the upcoming Service Year on or before each September 1.

   ii. Estimated Payment Determined by December 15. The Estimated Payment amounts for the upcoming Service Year will be determined by the County following adoption of the County's budget and applying the formulas in **Exhibit C**. The County will by December 15 provide written notice to all Contracting Parties of the schedule of Estimated Payments for the upcoming Service Year.

   iii. Estimated Payments Due Each June 15 and December 15**.** The City will pay the County the Estimated Payment Amount on or before each June 15 and December 15. If the calculation of the Estimated Payment shows the City is entitled to receive a payment from the County, the County will pay the City such amount on or before each June 15 and December 15.

   iv. The Reconciliation Adjustment Amount for the prior Service Year shall be paid on or before August 15 of the following calendar year, as described in Section 6.

v. If a Party fails to pay an Estimated Payment or Reconciliation Adjustment Amount within 15 days of the date owed, the Party owed shall notify the owing Party that they have ten (10) days to cure non-payment. If the Party fails to cure its nonpayment within this time period following notice, the amount owed shall accrue interest thereon at the rate of 1% per month from and after the original due date and, if the nonpaying Party is the City, the County at its sole discretion may withhold provision of Animal Services to the City until all outstanding amounts are paid. If the nonpaying Party is the County, the City may withhold future Estimated Payments until all outstanding amounts are paid. Each Party may examine the other's books and records to verify charges.

vi. Unless the Parties otherwise direct, payments shall be submitted to the addresses noted at Section 14.g.

c. Payment Obligation Survives Expiration or Termination of Agreement. The obligation of the City (or as applicable, the County), to pay an Estimated Payment Amount or Reconciliation Adjustment Amount for a Service Year included in the term of this Agreement shall survive the Expiration or Termination of this Agreement. For example, if this Agreement terminates on December 31, 2015, the Final Estimated 2015 Payment is nevertheless due on or before December 15, 2015, and the Reconciliation Adjustment Amount shall be payable on or before August 15, 2016.

d. The Parties agree the payment and reconciliation formulas in this Agreement (including all Exhibits) are fair and reasonable.

6. **Reconciliation of Estimated Payments and Actual Costs and Revenues.** In order that the Contracting Parties share costs of the regional Animal Services Program based on their actual, rather than estimated, licensing revenues, there will be an annual reconciliation. Specifically, on or before June 30 of each year, the County will reconcile amounts owed under this Agreement for the prior Service Year by comparing each Contracting Party's Estimated Payments to the amount derived by recalculating the formulas in **Exhibit C** using actual revenue data for such Service Period as detailed in **Exhibit D**. There will also be an adjustment if necessary to account for annexations of areas with a population of 2,500 or more and for changes in relative population shares of Contracting Parties' attributable to Latecomer Cities. The County will provide the results of the reconciliation to all Contracting Parties in writing on or before June 30. The Reconciliation Adjustment Amount will be paid on or before August 15 of the then current year, regardless of the prior termination of the Agreement as per Section 5.c.

7. **Regional Revenue Generation and Licensing Revenue Support**
   a. The Parties intend that the provision of Animal Services becomes significantly more financially sustainable over the initial three year term of this Agreement through the development of New Regional Revenue and the generation of additional Licensing Revenue. The County will develop proposals designed to support this goal. The County will consult with the Joint City-County Committee before proceeding with efforts to implement proposals to generate New Regional Revenue.
   b. The Parties do not intend for the provision of Animal Services or receipt of such Services under this Agreement to be a profit-making enterprise. Where a Contracting Party receives revenues in excess of its costs under this Agreement (including costs of PAWS shelter service and Enhanced Control Service, if applicable), they will be reinvested in the Program to reduce the costs of other Contracting Parties and to improve service delivery: the cost allocation formulas of this Agreement are intended to achieve this outcome.
   c. <u>Licensing Revenue Support</u>.
      i. In 2013, the County will provide licensing revenue support to the nine Contracting Cities identified on **Exhibit C-5** (the "Licensing Revenue Support Cities").
      ii. The City may request licensing revenue support from the County in 2014 and 2015 by executing **Attachment A** to **Exhibit F**. The terms and conditions under which such licensing revenue support will be provided are further described at **Exhibit C-5** and **Exhibit F**. Except as otherwise provided in **Exhibit C-5** with respect to Licensing Revenue Support Cities with a Licensing Revenue Target of over $20,000 (per Table 1 of **Exhibit C-5)**, provision of licensing revenue support in 2014 and 2015 is ***subject to*** the County determining it has capacity to provide such services, with priority allocation of any available services going first to Licensing Revenue Support Cities on a first-come, first-served basis and thereafter being allocated to other Contracting Cities requesting service on a first-come, first-served basis. Provision of licensing revenue support is further subject to the Parties executing a Licensing Support Contract (**Exhibit F**).
      iii. In addition to other terms described in **Exhibit F**, receipt of licensing revenue support is subject to the recipient City providing in-kind services, including but not limited to: assisting in communication with City residents; publicizing any canvassing efforts the Parties have agreed should be implemented; assisting in the recruitment of canvassing staff, if applicable; and providing information to the County to assist in targeting its canvassing activities, if applicable.

8. **Mutual Covenants/Independent Contractor.** The Parties understand and agree that the County is acting hereunder as an independent contractor with the intended following results:
   a. Control of County personnel, standards of performance, discipline, and all other aspects of performance shall be governed entirely by the County;
   b. All County persons rendering service hereunder shall be for all purposes employees of the County, although they may from time to time act as commissioned officers of the City;
   c. The County contact person for the City staff regarding all issues arising under this Agreement, including but not limited to citizen complaints, service requests and general information on animal control services is the Manager of Regional Animal Services.

9. **Indemnification and Hold Harmless.**

   a. <u>City Held Harmless.</u> The County shall indemnify and hold harmless the City and its officers, agents, and employees, or any of them from any and all claims, actions, suits, liability, loss, costs, expenses, and damages of any nature whatsoever, by any reason of or arising out of any negligent act or omission of the County, its officers, agents, and employees, or any of them relating to or arising out of performing services pursuant to this Agreement. In the event that any such suit based upon such a claim, action, loss, or damages is brought against the City, the County shall defend the same at its sole cost and expense; provided that the City reserves the right to participate in said suit if any principle of governmental or public law is involved; and if final judgment in said suit be rendered against the City, and its officers, agents, and employees, or any of them, or jointly against the City and the County and their respective officers, agents, and employees, or any of them, the County shall satisfy the same.

   b. <u>County Held Harmless.</u> The City shall indemnify and hold harmless the County and its officers, agents, and employees, or any of them from any and all claims, actions, suits, liability, loss, costs, expenses, and damages of any nature whatsoever, by any reason of or arising out of any negligent act or omission of the City, its officers, agents, and employees, or any of them relating to or arising out of performing services pursuant to this Agreement. In the event that any suit based upon such a claim, action, loss, or damages is brought against the County, the City shall defend the same at its sole cost and expense; provided that the County reserves the right to participate in said suit if any principle of governmental or public law is involved; and if final judgment be rendered against the County, and its officers, agents, and employees, or any of them, or jointly against the County and the City and their respective officers, agents, and employees, or any of them, the City shall satisfy the same.

c. Liability Related to City Ordinances, Policies, Rules and Regulations. In executing this Agreement, the County does not assume liability or responsibility for or in any way release the City from any liability or responsibility that arises in whole or in part as a result of the application of City ordinances, policies, rules or regulations that are either in place at the time this Agreement takes effect or differ from those of the County; or that arise in whole or in part based upon any failure of the City to comply with applicable adoption requirements or procedures. If any cause, claim, suit, action or administrative proceeding is commenced in which the enforceability and/or validity of any such City ordinance, policy, rule or regulation is at issue, the City shall defend the same at its sole expense and, if judgment is entered or damages are awarded against the City, the County, or both, the City shall satisfy the same, including all chargeable costs and reasonable attorney's fees.

d. Waiver Under Washington Industrial Insurance Act. The foregoing indemnity is specifically intended to constitute a waiver of each party's immunity under Washington's Industrial Insurance Act, Chapter 51 RCW, as respects the other party only, and only to the extent necessary to provide the indemnified party with a full and complete indemnity of claims made by the indemnitor's employees. The parties acknowledge that these provisions were specifically negotiated and agreed upon by them.

10. **Dispute Resolution.** Whenever any dispute arises between the Parties or between the Contracting Parties under this Agreement which is not resolved by routine meetings or communications, the disputing parties agree to seek resolution of such dispute in good faith by meeting, as soon as feasible. The meeting shall include the Chief Executive Officer (or his/her designee) of each party involved in the dispute and the Manager of the Regional Animal Services Program. If the parties do not come to an agreement on the dispute, any party may pursue mediation through a process to be mutually agreed to in good faith by the parties within 30 days, which may include binding or nonbinding decisions or recommendations. The mediator(s) shall be individuals skilled in the legal and business aspects of the subject matter of this Agreement. The parties to the dispute shall share equally the costs of mediation and assume their own costs.

11. **Joint City-County Committee and Collaborative Initiatives**. A committee composed of 3 county representatives (appointed by the County) and one

representative from each Contracting City that chooses to appoint a representative shall meet upon reasonable request of a Contracting City or the County, but in no event shall the Committee meet less than twice each year. Committee members may not be elected officials. The Committee shall review service issues and make recommendations regarding efficiencies and improvements to services, and shall review and make recommendations regarding the conduct and findings of the collaborative initiatives identified below. Subcommittees to focus on individual initiatives may be formed, each of which shall include membership from both county and city members of the Joint City-County Committee. Recommendations of the Joint City-County Committee are non-binding. The collaborative initiatives to be explored shall include, but are not necessarily limited to:

a. Proposals to update animal services codes, including fees and penalties, as a means to increase revenues and incentives for residents to license, retain, and care for pets.
b. Exploring the practicability of engaging a private for-profit licensing system operator.
c. Pursuing linkages between County and private non-profit shelter and rescue operations to maximize opportunities for pet adoption, reduction in homeless pet population, and other efficiencies.
d. Promoting licensing through joint marketing activities of Contracting Cities and the County, including recommending where the County's marketing efforts will be deployed each year.
e. Exploring options for continuous service improvement, including increasing service delivery efficiencies across the board.
f. Studying options for repair and/or replacement of the Kent Shelter.
g. Reviewing the results of the County's calculation of the Reconciliation Adjustment Amounts.
h. Reviewing preliminary proposed budgets for Animal Services.
i. Providing input into the formatting, content and details of periodic Program reports as per Section 12 of this Agreement.
j. Reviewing and providing input on proposed Animal Services operational initiatives.
k. Providing input on Animal Control Services response protocols with the goal of supporting the most appropriate use of scarce Control Services resources.
l. Establishing and maintaining a marketing subcommittee with members from within the Joint City-County committee membership and additional staff as may be agreed.
m. Collaborating on response and service improvements, including communication with 911 call centers.

n. Developing alternative dispute mechanisms that may be deployed to assist the public in resolving low-level issues such as barking dog complaints.
o. Working with Contracting Cities to plan disaster response for animal sheltering and care.
p. Ensuring there is at least one meeting each year within each Control District between the County animal control officer representatives and Contracting Cities' law enforcement representatives.
q. Identifying, discussing and where appropriate recommending actions to implement ideas to generate additional revenue to support operation and maintenance of the Animal Services Program, including but not limited to providing input and advice in shaping the terms of any proposed Countywide voted levy to provide funding support for the Animal Services Program.

12. **Reporting.** The County will provide the City with an electronic report not less than monthly summarizing call response and Program usage data for each of the Contracting Cities and the County and the Animal Services Program. The formatting, content and details of the report will be developed in consultation with the Joint City-County Committee.

13. **Amendments.** Any amendments to this Agreement must be in writing. This Agreement shall be deemed to incorporate amendments to Agreements between the Contracting Parties that are approved by the County and at least two thirds (66%) of the legislative bodies of all other Contracting Parties (in both number and in the percentage of the prior total Estimated Payments owing from such Contracting Parties in the then current Service Year), evidenced by the authorized signatures of such approving Parties as of the effective date of the amendment; *provided that* this provision shall not apply to any amendment to this Agreement affecting the Party contribution responsibilities, hold harmless and indemnification requirements, provisions regarding duration, termination or withdrawal, or the conditions of this Section.

14. **General Provisions.**
    a. Other Facilities. The County reserves the right to contract with other shelter service providers for housing animals received from within the City or from City residents, whose levels of service meet or exceed those at the County shelter for purposes of addressing shelter overcrowding or developing other means to enhance the effectiveness, efficiency or capacity of animal care and sheltering within King County.

b. Survivability. Notwithstanding any provision in this Agreement to the contrary, the provisions of Section 9 (Indemnification and Hold Harmless) shall remain operative and in full force and effect, regardless of the withdrawal or termination of this Agreement.

c. Waiver and Remedies. No term or provision of this Agreement shall be deemed waived and no breach excused unless such waiver or consent shall be in writing and signed by the Party claimed to have waived or consented. Failure to insist upon full performance of any one or several occasions does not constitute consent to or waiver of any later non-performance nor does payment of a billing or continued performance after notice of a deficiency in performance constitute an acquiescence thereto. The Parties are entitled to all remedies in law or equity.

d. Grants. Both Parties shall cooperate and assist each other toward procuring grants or financial assistance from governmental agencies or private benefactors for reduction of costs of operating and maintaining the Animal Services Program and the care and treatment of animals in the Program.

e. Force Majeure. In the event either Party's performance of any of the provisions of this Agreement becomes impossible due to war, civil unrest, and any natural event outside of the Party's reasonable control, including fire, storm, flood, earthquake or other act of nature, that Party will be excused from performing such obligations until such time as the Force Majeure event has ended and all facilities and operations have been repaired and/or restored.

f. Entire Agreement. This Agreement represents the entire understanding of the Parties and supersedes any oral representations that are inconsistent with or modify its terms and conditions.

g. Notices. Except as otherwise provided in this Agreement, any notice required to be provided under the terms of this Agreement shall be delivered by E-mail (deemed delivered upon E-mail confirmation of receipt by the intended recipient), certified U.S. mail, return receipt requested or by personal service to the following person (or to any other person that the Party designates in writing to receive notice under this Agreement):

For the City:

For the County: Caroline Whalen, Director
King County Dept. of Executive Services
401 Fifth Avenue, Suite 135
Seattle WA. 98104

h. Assignment. No Party may sell, transfer or assign any of its rights or benefits under this Agreement without the approval of the other Party.

i. Venue. The Venue for any action related to this Agreement shall be in Superior Court in and for King County, Washington.

j. Records. The records and documents with respect to all matters covered by this Agreement shall be subject to inspection and review by the County or City for such period as is required by state law (Records Retention Act, Ch. 40.14 RCW) but in any event for not less than 1 year following the expiration or termination of this Agreement.

k. No Third Party Beneficiaries. This Agreement is for the benefit of the Parties only, and no third party shall have any rights hereunder.

l. Counterparts. This Agreement and any amendments thereto, shall be executed on behalf of each Party by its duly authorized representative and pursuant to an appropriate motion, resolution or ordinance. The Agreement may be executed in any number of counterparts, each of which shall be an original, but those counterparts will constitute one and the same instrument.

15. **Terms to Implement Agreement.** Because it is unknown how many parties will ultimately approve the Agreement, and participation of each Contracting Party impacts the costs of all other Contracting Parties, the Agreement will go into effect as of July 1, 2012, only if certain "Minimum Contracting Requirements" are met or waived as described in this section. These Minimum Contracting Requirements will not be finally determined until August 15, 2012. If it is determined on or about August 15 that Minimum Contracting Requirements are **not** met and not waived, then the Agreement will be deemed to have never gone into effect, regardless of the July 1, 2012 stated effective date. If the Minimum Contracting Requirements are met or waived, the Agreement shall be deemed effective as of July 1, 2012. The Minimum Contracting Requirements are:

a. **For both the City and the County:**

1. **2013 Payment Test:** The Preliminary Estimated 2013 Payment, calculated on or before August 1, 2012, to include the County and all cities that have executed the Agreement on or prior to July 1, 2012, does not exceed the Pre-Commitment Estimated 2013 Payment as set forth in **Exhibit C-1** by more than five percent (5%) or $3,500, whichever is greater. **If the 2013 Payment Test is not met,** either Party may waive this condition and allow the Agreement to go into effect, provided that such waiver must be exercised by giving notice to the other Party (which notice shall meet the requirements of Section 14.g) no later than August 15, 2012.

b. **For the County**: The **Minimum Contiguity of Service Condition** must be met, such that the County is only obligated to enter into the Agreement if the County will be providing Animal Services in areas contiguous to the City, whether by reason of having an Agreement with another City or due to the fact that the City is contiguous to unincorporated areas (excluding unincorporated islands within the City limits). The Minimum Contiguity of Service Condition may be waived by the County in its sole discretion. The County shall provide the City notice meeting the requirements of Section 14.g no later than July 21, 2012 if the Minimum Contiguity of Service Condition has not been met.

c. On or before August 21, 2012, the County shall send all Contracting Cities an informational email notice confirming the final list of all Contracting Cities with Agreements that have gone into effect.

16. **Administration**. This Agreement shall be administered by the County Administrative Officer or his/her designee, and by the City Manager, or his/her designee.

IN WITNESS WHEREOF, the Parties hereto have caused this Agreement to be executed effective as of July 1, 2012.

King County	**City of Kenmore**
______________________	______________________
Dow Constantine King County Executive	Rob Karlinsey City Manager
______________________	______________________
Date	Date
Approved as to Form:	Approved as to Form:
______________________	______________________
King County Deputy Prosecuting Attorney	City Attorney
______________________	______________________
Date	Date

List of Exhibits

Exhibit A: Animal Services Description

Exhibit B: Control Service District Map Description

Exhibit B-1: Map of Control Service District

Exhibit C: Calculation of Estimated Payments

Exhibit C-1: Pre-Commitment Estimated 2013 Payment *(showing participation only by jurisdictions that have expressed interest in contracting for an additional 3 year term)*

Exhibit C-2: Estimated Population, Calls for Service, Shelter Use and Licensing Data for Jurisdictions, Used to Derive the Pre-Commitment Estimated 2013 Payment

Exhibit C-3: Calculation of Budgeted Total Allocable Animal Services Costs, Budgeted Total Non-Licensing Revenue and Budget Net Allocable Animal Services Costs for 2013

Exhibit C-4: Calculation and Allocation of Transition Credit, Shelter Credit, and Estimated New Regional Revenue

Exhibit C-5: Licensing Revenue Support

Exhibit C-6: Summary of Calculation Periods for Use and Population Components

Exhibit C-7: Payment and Calculation Schedule

Exhibit D: Reconciliation

Exhibit E: Enhanced Control Services Contract (Optional)

Exhibit F: Licensing Support Contract (Optional)

Exhibit A
Animal Service Description

Part I: Control Services

Control Services include the operation of a public call center, the dispatch of animal control officers in response to calls, and the handling of calls in the field by animal control officers, including the collection and delivery of animals to the Kent Shelter (or such other shelters as the County may utilize in accordance with this Agreement).

1. **Call Center**
    a. The County will operate an animal control call center five days every week (excluding holidays and County-designated furlough days, if applicable) for a minimum of eight hours per day (normal business hours). The County will negotiate with applicable unions with the purpose of obtaining a commitment for the five day call center operation to include at least one weekend day. The County may adjust the days of the week the call center operates to match the final choice of Control District service days.
    b. The animal control call center will provide callers with guidance, education, options and alternative resources as possible/appropriate.
    c. When the call center is not in operation, callers will hear a recorded message referring them to 911 in case of emergency, or if the event is not an emergency, to either leave a message or call back during regular business hours.
2. **Animal Control Officers**
    a. The County will divide the area receiving Control Services into three Control Districts as shown on **Exhibit B**. Subject to the limitations provided in this Section 2, Control Districts 200 and 220 will be staffed with one Animal Control Officer during Regular ACO Service Hours and District 500 will be staffed with two Animal Control Officers (ACOs) during Regular ACO Service Hours. Regular ACO Service Hours is defined to include not less than 40 hours per week. The County will negotiate with applicable unions with the intention of obtaining a commitment for Regular ACO Service Hours to include service on at least one weekend day. Regular ACO Service Hours may change from time to time.
        i. Except as the County may in its sole discretion determine is necessary to protect officer safety, ACOs shall be available for responding to calls within their assigned Control District and will not be generally available to respond to calls in other Control Districts. **Exhibit B-1** shows the map of Control Districts.

ii. Countywide, the County will have a total of not less than 6 ACOs (Full-Time Equivalent employees) on staff to maximize the ability of the County to staff all Control Districts notwithstanding vacation, sick-leave, and other absences, and to respond to high workload areas on a day-to-day basis. While the Parties recognize that the County may at times not be able to staff all Control Districts as proposed given unscheduled sick leave or vacancies, the County will make its best efforts to establish regular hourly schedules and vacations for ACOs in order to minimize any such gaps in coverage. In the event of extended absences among the 6 ACOs, the County will re-allocate remaining ACOs as practicable in order to balance the hours of service available in each Control District. In the event of ACO absences (for any causes and whether or not such absences are extended as a result of vacancies or other issues), the first priority in allocating ACOs shall be to ensure there is an ACO assigned in each Control District during Regular ACO Service Hours.

b. Control District boundaries have been designed to balance work load, correspond to jurisdictional boundaries and facilitate expedient transportation access across each district. The County will arrange a location for an Animal Control vehicle to be stationed overnight in Control Districts ("host sites") in order to facilitate service and travel time improvements or efficiencies.

c. The County will use its best efforts to ensure that High Priority Calls are responded to by an ACO during Regular ACO Service Hours on the day such call is received. The County shall retain full discretion as to the order in which High Priority calls are responded. High Priority Calls include those calls that pose an emergent danger to the community, including:
   1. Emergent animal bite,
   2. Emergent vicious dog,
   3. Emergent injured animal,
   4. Police assist calls—(police officer on scene requesting assistance from an ACO),
   5. Emergent loose livestock or other loose or deceased animal that poses a potential danger to the community, and
   6. Emergent animal cruelty.

d. Lower priority calls include all calls that are not High Priority Calls. These calls will be responded to by the call center staff over the telephone, referral to other resources, or by dispatching of an ACO as necessary or available, all as determined necessary and appropriate in the sole discretion of the

County. Particularly in the busier seasons of the year (spring through fall), lower priority calls may only receive a telephone response from the Call Center. Lower Priority calls are non-emergent requests for service, including but not limited to:

1. Non-emergent high priority events,
2. Patrol request – (ACO requested to patrol a specific area due to possible code violations),
3. Trespass,
4. Stray Dog/Cat/other animal confined,
5. Barking Dog,
6. Leash Law Violation,
7. Deceased Animal,
8. Trap Request,
9. Female animal in season, and
10. Owner's Dog/Cat/other animal confined.

e. The Joint-City County Committee is tasked with reviewing response protocols and recommending potential changes to further the goal of supporting the most appropriate use of scarce Control Service resources countywide. The County will in good faith consider such recommendations but reserves the right to make final decisions on response protocols. The County will make no changes to its procedures that are inconsistent with the terms of this **Exhibit A**, *except that* upon the recommendation of the Joint City-County Committee, the County may agree to modify response with respect to calls involving animals other than horses, livestock, dogs and cats.

f. In addition to the ACOs serving specific districts, the following Control Service resources will be available on a shared basis for all Parties and shall be dispatched as deemed necessary and appropriate by the County.

1. An animal control sergeant will provide oversight of and back-up for ACOs five days per week at least 8 hours/day (subject to vacation/sick leave/training/etc.).
2. Staff will be available to perform animal cruelty investigations, to respond to animal cruelty cases, and to prepare related reports (subject to vacation/sick leave/training/etc.).
3. Not less than 1 ACO will be on call every day at times that are not Regular ACO Service Hours (including the days per week that are not included within Regular ACO Service Hours), to respond to High Priority Calls posing an extreme life and safety danger, as determined by the County.

g. The Parties understand that rural areas of the County will generally receive a less rapid response time from ACOs than urban areas.

h. Contracting Cities may contract with King County for "Enhanced Control Services" through separate agreement (as set forth in **Exhibit E**); ***provided that*** a City may not purchase Enhanced Control Services under Option 1 as described in **Exhibit E** if such City is receiving a Transition Funding Credit, Shelter Credit, or licensing revenue support the cost of which is not reimbursed to the County.

Part II: Shelter Services

Shelter services include the general care, cleaning and nourishment of owner-released, lost or stray dogs, cats and other animals. Such services shall be provided 7-days per week, 365 days per year at the County's animal shelter in Kent (the "Shelter") or other shelter locations utilized by the County, including related services described in this section. The County's Eastside Pet Adoption Center in the Crossroads area of Bellevue will be closed to the public.

During 2013-2015, major maintenance of the Shelter will continue to be included in the Program costs allocated under this Agreement (as part of the central County overhead charges allocated to the Program), but no major renovation, upgrades or replacements of the Shelter established as a capital project within the County Budget are anticipated nor will any such capital project costs be allocated to the Contracting Cities in Service Years 2013-2015.

1. **Shelter Services**
    a. Services provided to animals will include enrichment, exercise, care and feeding, and reasonable medical attention.
    b. The Public Service Counter at the Shelter will be open to the public not less than 30 hours per week and not less than 5 days per week, excluding holidays and County designated furlough days, for purposes of pet redemption, adoption, license sales services and (as may be offered from time to time) pet surrenders. The Public Service Counter at the shelter may be open for additional hours if practicable within available resources.
    c. The County will maintain a volunteer/foster care function at the Shelter to encourage use of volunteers working at the shelter and use of foster families to provide fostering/transitional care between shelter and permanent homes for adoptable animals.
    d. The County will maintain an animal placement function at the Shelter to provide for and manage adoption events and other activities leading to the placement of animals in appropriate homes.
    e. Veterinary services will be provided and will include animal exams, treatment and minor procedures, spay/neuter and other surgeries. Limited

emergency veterinary services will be available in non-business hours, through third-party contracts, and engaged if and when the County determines necessary.

f. The County will take steps through its operating policies, codes, public fee structures and partnerships to reduce the number of animals and their length of stay in the Shelter, and may at times limit owner-surrenders and field pick-ups, adjust fees and incentivize community-based solutions.

2. **Other Shelter services**
    a. Dangerous animals will be confined as appropriate/necessary.
    b. Disaster/emergency preparedness for animals will be coordinated regionally through efforts of King County staff.
3. **Shelter for Contracting Cities contracting with PAWS (Potentially including Woodinville, Shoreline, Lake Forest Park, Kenmore ("Northern Cities")).** For so long as a Northern City has a contract in effect for sheltering dogs and cats with the Progressive Animal Welfare Society in Lynnwood (PAWS), the County will not shelter dogs and cats picked up within the boundaries of such City(s), except in emergent circumstances and when the PAWS Lynwood shelter is not available. Dogs and cats picked up by the County within such City(s) will be transferred by the County to the PAWS shelter in Lynnwood for shelter care, which will be provided and funded solely through separate contracts between each Northern City and PAWS, and the County will refer residents of that City to PAWS for sheltering services. The County will provide shelter services for animals other than dogs and cats that are picked up within the boundaries of Northern Cities contracting with PAWS on the same terms and conditions that such shelter services are provided to other Contracting Parties. Except as provided in this Section, the County is under no obligation to drop animals picked up in any Contracting City at any shelter other than the County shelter in Kent.
4. **County Contract with PAWS.** Nothing in this Agreement is intended to preclude the County from contracting with PAWS in Lynnwood to care for animals taken in by County ACOs.
5. **Service to Persons who are not Residents of Contracting Cities.** The County will not provide routine shelter services for animals brought in by persons who are not residents of Contracting Cities, but may provide emergency medical care to such animals, and may seek to recover the cost of such services from the pet owner and/or the City in which the resident lives.

Part III: Licensing Services

Licensing services include the operation and maintenance of a unified system to license pets in Contracting Cities.

1. The public will be able to purchase pet licenses in person at the County Licensing Division public service counter in downtown Seattle (500 4th Avenue), King County Community Service Centers and the Kent Animal Shelter during regular business hours. The County will maintain on its website the capacity for residents to purchase pet licenses on-line.
2. The County may seek to engage and maintain a variety of private sector partners (e.g. veterinary clinics, pet stores, grocery stores, city halls, apartment complexes) as hosts for locations where licenses can be sold or promoted in addition to County facilities.
3. The County will furnish licenses and application forms and other materials to the City for its use in selling licenses to the public at City facilities and at public events.
4. The County will publicize reminders and information about pet licensing from time to time through inserts in County mailings to residents and on the County's public television channel.
5. The County will annually mail or E-mail at least one renewal form, reminder and late notice (as applicable) to the last known addresses of all City residents who purchased a pet license from the County within the previous year (using a rolling 12-month calendar).
6. The County may make telephone reminder calls in an effort to encourage pet license renewals.
7. The County shall mail pet license tags or renewal notices as appropriate to individuals who purchase new or renew their pet licenses.
8. The County will maintain a database of pets owned, owners, addresses and violations.
9. The County will provide limited sales and marketing support in an effort to maintain the existing licensing base and increase future license sales. The County reserves the right to determine the level of sales and marketing support provided from year to year in consultation with the Joint City-County Committee. The County will work with any City in which door-to-door canvassing takes place to reach agreement with the City as to the hours and locations of such canvassing.
10. The County will provide current pet license data files (database extractions) to a Contracting City promptly upon request. Data files will include pets owned, owners, addresses, phone numbers, E-mail addresses, violations, license renewal status, and any other relevant or useful data maintained in the County's database on pets licensed within the City's limits. A City's database extraction will be provided in electronic format agreed to by both parties in a timely fashion and in a standard data release format that is easily usable by the City.

Exhibit B: Control Service District Map

The attached map (**Exhibit B-1**) shows the boundaries of the 3 Control Service Districts as established at the commencement of this Amended and Restated Agreement.

The cities and towns included in each Control District are as follows:

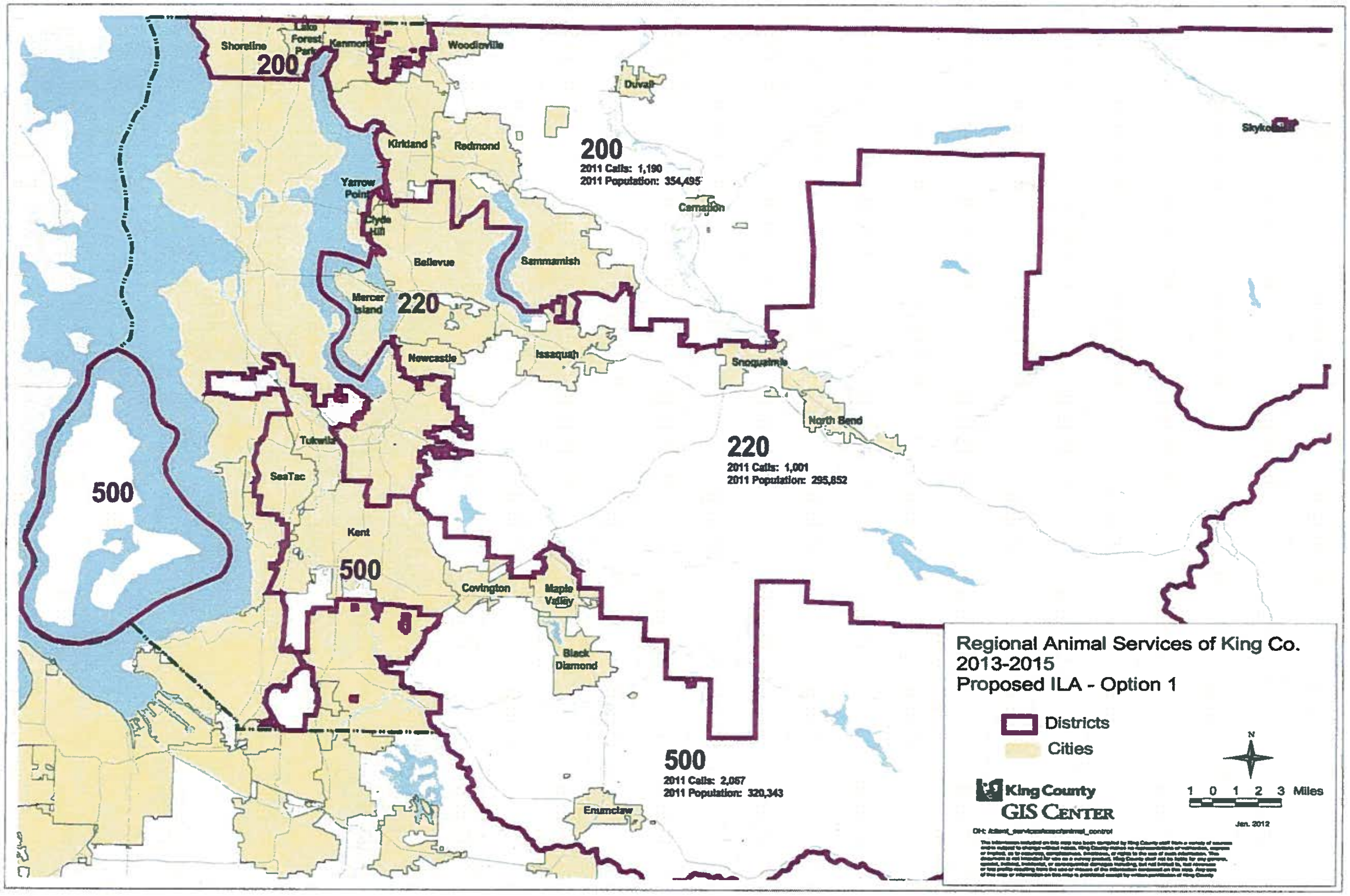
District 200 (Northern District)	District 220 (Eastern District)
Shoreline	Bellevue
Lake Forest Park	Mercer Island
Kenmore	Yarrow Point
Woodinville	Clyde Hill
Kirkland	Town of Beaux Arts
Redmond	Issaquah
Sammamish	Snoqualmie
Duvall	North Bend
Carnation	Newcastle
District 500 (Southern District)	
Tukwila	
SeaTac	
Kent	
Covington	
Maple Valley	
Black Diamond	
Enumclaw	

The Districts shall each include portions of unincorporated King County as illustrated on **Exhibit B-1.**

VIIC. Motion to Authorize the City Manager to Execute Contract No. 12-C1033, Animal Services Interlocal Agreement 2013-2015 with

Exhibit B-1

Control District Map



Document Dated 5-29-12

Exhibit C
Calculation of Estimated Payments

The Estimated Payment is the amount, before reconciliation, owed by the City to the County (or owed by the County to the City if the amount calculated is less than $0) for the provision of six months of Animal Services, based on the formulas below.

In summary and subject to the more detailed descriptions below, an initial cost allocation is made for Service Year 2013 based on the cost factors described in **Part 1** below; costs are offset by various revenues as described in **Part 2**. An annual reconciliation is completed as described in **Part 3**. In Service Years 2014 and 2015, the Contracting Parties' allocable costs are adjusted based on: (1) the actual change in total allocable costs over the previous Service Year (subject to an inflator cap), (2) changes in revenues, and (3) to account for annexations (in or out of the Program service area) of areas with a population of 2,500 or more, and for changes in relative population share of all Contracting Parties due to any Latecomer Cities. If the Agreement is extended past 2015, the cost allocation in 2016 will be recalculated in the same manner as for Service Year 2013 and adjusted in 2017 per the process used for Service Years 2014 and 2015.

Based on the calculation process described in **Parts 1** and **2**, an "Estimated Payment" amount owed by each City for each Service Year is determined. Each Estimated Payment covers six months of service. Payment for service is made by each City every June 15 and December 15.

<u>Part 1: Service Year 2013 Cost Allocation Process</u>

- Control Services costs are to be shared among the 3 geographic Control Districts; one quarter of such costs are allocated to Control District 200, one quarter to Control District 220, and one half are allocated to Control District 500. Each Contracting Party located within a Control District is to be allocated a share of Control District costs based 80% on the Party's relative share of total Calls for Service within the Control District and 20% on its relative share of total population within the Control District.

- Shelter Services costs are to be allocated among all Contracting Parties based 20% on their relative population and 80% on the total shelter intake of animals attributable to each Contracting Party, except that cities contracting for shelter services with PAWS will pay only a population-based charge.

- Licensing Services costs are to be allocated among all Contracting Parties, based 20% on their relative population and 80% on the number of licenses issued to residents of each Contracting Party.

Part 2: Revenue and Other Adjustments to the 2013 Cost Allocation.

In 2013 and each Service Year thereafter, the costs allocable to each Contracting Party are reduced by various revenues and credits:

- Licensing revenue will be attributed to each Contracting Party based on the residency of the individual purchasing the license (see **Part 3** for reconciliation of Licensing Revenues). As Licensing Revenue and Non-Licensing Revenues change from year to year, the most recent historical actual data for these amounts will be incorporated to offset costs (See **Exhibit C-6** for calculation periods).

- Two credits are applicable to various Contracting Cities to reduce the amount of their Estimated Payments: a Transition Funding Credit (fixed at 2013 level, payable annually through 2015) for cities with high per-capita costs and a Shelter Credit (for Contracting Cities with the highest per capita intakes (usage)) (also fixed at a 2013 level, payable annually through 2015). Application of these Credits is limited such that the Estimated Payment cannot fall below zero (before or after the annual Reconciliation calculation).

- In addition to the Transition Funding and Shelter credits, in 2013 the County will provide Licensing Revenue Support to nine identified Contracting Cities (selected based on the general goal of keeping 2013 costs the same or below 2012 costs). In exchange for certain in-kind support, these "Licensing Revenue Support Cities" are assured in 2013 of receiving an identified amount of additional licensing revenue or credit equivalent (the "Licensing Revenue Target"). In 2014 and 2015, all Contracting Cities may request licensing revenue support by entering into a separate licensing support contract with the County (**Exhibit F**): this support is subject to availability of County staff, with priority going to the nine Licensing Revenue Support Cities, *provided that,* Licensing Revenue Support Cities with a Licensing Revenue Target over $20,000/year will be assured such service in 2013-2015 by entering into a licensing support contract by September 1, 2012.

- As New Regional Revenues are received by the County to support the Animal Services Program, those Revenues shall be allocated as follows:

- Half of New Regional Revenues shall be applied to reduce allocable Control Services Costs, Shelter Services Costs, and Licensing Services Costs (in 2013, by 17%, 27% and 6%, respectively, of total New Regional Revenues; in 2014 and 2015 the 50% reduction is simply made against Total Allocable Costs).
- The remaining half of New Regional Revenues shall be applied in the following order of priority:

  (a) to offset amounts expended by the County as Transition Funding Credits, Shelter Credits and unreimbursed licensing revenue support;
  (b) to offset other County Animal Services Program costs that are not allocated in the cost model;
  (c) to reduce on a *pro-rata* basis up to 100% of the costs allocated to each Contracting Party by the population factor of the cost allocation formulas (20%) with the intent of reducing or eliminating the population-based cost allocation; and
  (d) if any funds remain thereafter, as an offset against each Contracting Party's final reconciled payment obligation. Items(c) and (d) above are unlikely to arise during the 3 year term of the Agreement and shall be calculated only at Reconciliation.

- In Service Years 2014 and 2015, allocable costs are adjusted for each Contracting Party based on the actual increase or decrease in allocable costs from year to year for the whole Program. Total Budgeted Allocable Costs cannot increase by more than the Annual Budget Inflator Cap. The Annual Budget Inflator Cap is the rate of inflation (based on the annual change in the September CPI-U for the Seattle-Tacoma-Bremerton area over the rate the preceding year) plus the rate of population growth for the preceding year for the County (including the unincorporated area and all Contracting Cities).

- In all Service Years, costs are also adjusted for annexations (in or out of the Program service area) of areas with a population greater of 2,500 or more and the shift in relative population shares among all Contracting Parties as a result of any Latecomer Cities.

Part 3: Reconciliation

- Estimated Payments are reconciled to reflect actual revenues as well as changes in population attributable to annexations of areas with a population of 2,500 or more (in or out of the Program) and the shifts in relative population among all Contracting Parties as a result of any Latecomer Cities. The Reconciliation occurs by June 30 of the following calendar year. The Reconciliation calculation and payment process is described in **Exhibit D**.

- The receipt of Transition Funding Credits or Shelter Credits can never result in the amount of the Estimated Reconciliation Adjustment Payment falling below $0.

- If a jurisdiction's licensing revenues exceed its net costs payable under this Agreement, then in the annual reconciliation process, the excess licensing revenue is reallocated *pro rata* amongst all Contracting Parties which will otherwise incur net costs; *provided that,* the determination of net costs shall be adjusted as follows: (1) for a Contracting City purchasing shelter services from PAWS, net costs includes consideration of the amounts paid by such City to PAWS; and (2) for a Contracting City purchasing Enhanced Control Services per Exhibit E, net costs includes consideration of the amounts paid for such services.

Part 4: Estimated Payment Calculation Formulas

For Service Year 2013:[1]

EP = [(EC + ES + EL) – (ER + T + V)] ÷ 2

For Service Years 2014 and 2015:

EP = [(B x LF) – (ER +T + V)] ÷ 2

Where:

"EP" is the Estimated Payment. For Contracting Cities receiving a Transition Credit or Shelter Credit, the value of EP may not be less $0.

"EC" or "Estimated Control Services Cost" is the City's estimated share of the Budgeted Net Allocable Control Services Cost for the Service Year. *See formula below for deriving "EC."*

"ES" or "Estimated Shelter Services Cost" is the City's estimated share of the Budged Net Allocable Shelter Services Cost for the Service Year. *See formula below for deriving "ES."*

[1] This formula also applies to Service Year 2016 if the Agreement is extended. The EP formula for Years 2014 and 2015 would apply to Service Years after 2016.

"EL" or "Estimated Licensing Services Cost" is the City's estimated share of the Budgeted Net Allocable Licensing Services Cost for the Service Year. *See formula below for deriving "EL."*

"ER" is Estimated Licensing Revenue attributable to the City. For purposes of determining the Estimated Payment in Year 2013, ER is based on the number of each type of active license issued to City residents in years 2011 (the "Calculation Period"). **Exhibit C-2** shows a preliminary estimate of 2011 Licensing Revenue; the numbers in this exhibit are subject to Reconciliation by June 30, 2012. For Licensing Revenue Support Cities identified in **Exhibit C-5,** or other Contracting Cities which have entered into a Licensing Support Contract per **Exhibit F, ER** is increased by adding the amount of revenue, if any, estimated to be derived as a result of licensing revenue support provided to the City (the "Licensing Revenue Target" or "**RT**"); this amount is also shown in the column captioned "Estimated Revenue from Proposed Licensing Support" on **Exhibit C-1**). License Revenue that cannot be attributed to a specific Party (e.g., License Revenue associated with incomplete address information), which generally represents a very small fraction of overall revenue, is allocated amongst the Parties based on their respective percentages of ER as compared to Total Licensing Revenue. Notwithstanding the foregoing, "**ER**" may be based on a *estimated* amount of licensing for the Service Year for the City if, in the reasonable judgment of the County, an estimated Licensing Revenue amount can be proposed that is likely to more closely approximate the actual Licensing Revenue for the Service Year than the data from the Calculation Period; *provided that* the use of any estimates shall be subject to the conditions of this paragraph. The County shall work with the Joint City-County Committee to develop estimated Licensing Revenue amounts for all Contracting Cities for the upcoming Service Year. If the Joint City County Committee develops a consensus proposal (agreement shall be based on the consensus of those Contracting Cities present at the Joint City/County meeting in which Licensing Revenue estimates are presented in preparation for the September 1 Preliminary Estimated Payment Calculation notification), it shall be used in developing the September 1 Preliminary Estimated Payment Calculation. If a consensus is ***not*** reached, the County shall apply the actual Licensing Revenue from the Calculation Period for the Service Year to determine the Preliminary Estimated Payment. For the Final Estimated Payment Calculation (due December 15), the County may revisit the previous estimate with the Joint City-County Committee and seek to develop a final consensus revenue estimate. If a consensus is not reached, the County shall apply the Actual Licensing Revenue from the applicable Calculation Period in the calculation of the Final Estimated Payment.

"T" is the **Transition Funding Credit**, if any, allocable to the City for each Service Year calculated per **Exhibit C-4.**

"V" is the **Shelter Credit**, if any, allocable to the City for each Service Year calculated per **Exhibit C-4**.

"B" is the **"Budgeted Total Net Allocable Costs"** estimated for the Service Year for the provision of Animal Services which are allocated among all the Contracting Parties for the purposes of determining the Estimated Payment. The Budgeted Total Net Allocable Costs are calculated as the **Budgeted Total Allocable Costs** (subject to the **Annual Budget Inflator Cap)** ***less*** **Budgeted Total Non-Licensing Revenue** and *less* **50% of Estimated New Regional Revenues.** The Budgeted Total Allocable Costs *exclude* any amount expended by the County as Transition Funding Credits, or Shelter Credits (described in **Exhibit C-4**), or to provide Licensing Revenue Support (described in **Section 7** and **Exhibit C-5**). A preliminary calculation (by service area—Control, Shelter, Licensing) of Budgeted Total Net Allocable Costs, Budgeted Total Allocable Costs and Budgeted Total Non-Licensing Revenue for purposes of calculating the Pre-Commitment Estimated 2013 Payments is set forth in **Exhibit C-3**.

"**LF**" is the "**Program Load Factor**" attributable to the City. **LF** has two components, one fixed, and one subject to change each Service Year and at Reconciliation. The first, fixed component relates to the City's share of Budgeted Total Net Allocable Costs: it is the City's 2013 Service Year Total Animal Services Cost Allocation (See Column 6 of **Exhibit C-1**) *expressed as a percentage* of the Budgeted Total Net Allocable Costs for 2013. The pre-commitment estimate of **LF** appears in column 7 of **Exhibit C-1**. This component of **LF** (as determined based on the Final 2013 Estimated Payment) remains constant for Service Years 2014 and 2015. The second component of **LF** relates to annexations of areas with a population of 2,500 or more or to Latecomer Cities. This second component is calculated as described in the definition of "**Population,**" below.

"**Total Licensing Revenue**" means all revenue received by the County's Animal Services Program attributable to the sale of pet licenses excluding late fees. With respect to each Contracting Party, the amount of "**Licensing Revenue**" is the revenue generated by the sale of pet licenses to residents of the jurisdiction. (With respect to the County, the jurisdiction is the unincorporated area of King County.)

"**Total Non-Licensing Revenue**" means all revenue from fine, forfeitures, and all other fees and charges imposed by the County's Animal Services program in connection with the operation of the Program, *but excluding* **Total Licensing Revenue, Estimated New Regional Revenues** and **Designated Donations.**

"Estimated New Regional Revenues" (**"ENR"**) are revenues projected to be received by the County specifically for support of Animal Services which result from regional marketing campaigns (thus excluding local licensing canvassing efforts pursuant to **Section 7**), and new foundation, grant, donation and entrepreneurial activities, except where revenues from these sources are designated for specific purposes within the Animal Services Program. Calculation and allocation of Estimated and Actual New Regional Revenues are further described in **Exhibit C-4**. For Service Year 2013, Estimated New Regional Revenues are assumed to be zero. If New Regional Revenues are received in 2013, they will be accounted for in the reconciliation of 2013 Payments. **ENR** excludes **Designated Donations, Total Non-Licensing Revenue** and **Total Licensing Revenue.**

"Designated Donations" mean donations from individuals or other third parties to the County made for the purpose of supporting specific operations, programs or facilities within the Animal Services Program.

"Licensing Revenue Support" means activities or funding to be undertaken in specific cities to enhance licensing revenues, per **Section 7, Exhibit C-5** and **Exhibit F.**

"Annual Budget Inflator Cap" means the maximum amount by which the Budgeted Total Allocable Costs may be increased from one Service Year to the next Service Year, and year to year, which is calculated as the rate of inflation (based on the annual change in the September CPI-U for the Seattle-Tacoma-Bremerton area over the rate the preceding year) plus the rate of population growth for the preceding year for the County (including the unincorporated area and all Contracting Cities), as identified by comparing the two most recently published July OFM city and county population reports. The cost allocations to individual services (e.g. Control Services, Shelter Services or Licensing Services) or specific items within those services may be increased or decreased from year to year in so long as the Budgeted Total Annual Allocable Costs do not exceed the Annual Budget Inflator Cap.

"Service Year" is the calendar year in which Animal Services are/were provided.

"Calculation Period" is the time period from which data is used to calculate the Estimated Payment. The Calculation Period differs by formula component and Service Year. **Exhibit C-6** sets forth in table form the Calculation Periods for all formula factors for Service Years 2013, 2014 and 2015.

"Population" with respect to any Contracting Party for Service Year 2013 means the population number derived from the State Office of Financial Management (OFM) most recent annually published report of population used for purposes of allocating state shared revenues in the subsequent calendar year (typically published by OFM each July, reflecting final population estimates <u>*as of April of the same calendar year*</u>). For each Service Year, the OFM reported population will be adjusted for annexations of 2,500 or more residents known to be occurring after April, 2012 and before the end of the Service Year. *For example*, when the final Estimated Payment calculation for 2013 is provided on December 15, 2012, the population numbers used will be from the OFM report issued in July 2012 and will be adjusted for all annexations of 2,500 or more residents that occurred (or are known to be occurring) between April 2012 and December 31, 2013. In any Service Year, if: (1) annexations of areas with a population of 2,500 or more people occurs to impact the population within the jurisdiction of a Contracting Party; or (2) a Latecomer City is brought under contract with the County, these changes shall be accounted for in the calculation of the Estimated Payment for such Service Year by adjusting the "**Program Load Factor**" (or "**LF**") for each Contracting Party. Such adjustment shall be made at the next occurring possibility (e.g., at calculation of the Preliminary Estimated Payment, Final Estimated Payment, or Reconciliation, whichever is soonest). The adjustment in **LF** will be made on a *pro rata* basis to reflect the portion of the year in which the population change was in effect.

- In the case of an annexation, the LF calculation will consider the time the annexed area was in the Contracting Party's jurisdiction and the portion of the year in which the area was not in such Party's jurisdiction, as well as the relative shift in population (if any) *attributable solely to the annexation* as between all Contracting Parties, by adding (or subtracting) to the **LF** for each Contracting Party an amount that is 20% (reflecting the general allocation of cost under the Agreement based on population) of the *change in population* for each Contracting Party (*expressed as a percentage* of the Contracting Party's population as compared to the total population for all Contracting Parties) derived by comparing the Final 2013 Estimated Payment population percentage (**LF**) to the population percentage after considering the annexation. The population of an annexed area will be as determined by the Boundary Review Board, in consultation with the annexing city. The population of the unincorporated area within any District will be determined by the County's demographer.
- In the case of a Latecomer City, the population shall be similarly adjusted among all Contracting Parties in the manner described above for annexations, by considering the change in population between all Contracting Parties *attributable solely* to the Latecomer City becoming a Contracting Party.

Exhibit C-1 shows the calculation of Pre-Commitment **EP** for Service Year 2013, assuming that the County and all Cities that have expressed interest in signing this Agreement as of May 16, 2012, do in fact approve and sign the Agreement and as a result the Minimum Contract Requirements with respect to all such Cities and the County are met per **Section 15**.

<u>Component Calculation Formulas (used in Service Year 2013):</u>

EC is calculated as follows:

EC = {[(C x .5) x .8] x CFS} + {[(C x .5) x .2] x D-Pop}

Where:

"C" is the **Budgeted Net Allocable Control Services Cost** for the Service Year, which equals the County's Budgeted Total Allocable Costs for Control Services in the Service Year, ***less*** the Budgeted Total Non-Licensing Revenue attributable to Control Services in the Service Year (for example, fines issued in the field) ***and less 17%*** of Estimated New Regional Revenues ("**ENR**"). For purposes of determining the Pre-Commitment Estimated Payments for 2013, the Budgeted Net Allocable Control Services Cost is $1,690,447, calculated as shown on **Exhibit C-3,** and shall be similarly derived to determine the Preliminary and Final Estimated Payment for 2013 and for Service Year 2016 if the Agreement is extended beyond December 31, 2015.

"CFS" is the total annual number of Calls for Service for the Service Year for Control Services originating within the City *expressed as a percentage* of the CFS for all Contract Parties within the same Control District. A Call for Service is defined as a request from an individual, business or jurisdiction for a control service response to a location within the City, or a response initiated by an Animal Control Officer in the field, which is entered into the County's data system (at the Animal Services call center or the sheriff's dispatch center acting as back-up to the call center) as a request for service. Calls for information, hang-ups and veterinary transfers are not included in the calculation of Calls for Service. A response by an Animal Control Officer pursuant to an Enhanced Control Services Contract will not be counted as a Call for Service. For purposes of determining the Estimated Payment in 2013, the Calculation Period for CFS is calendar year 2011 actual data. **Exhibit C-2** shows a preliminary estimate of 2011 **CFS** used to determine the Pre-Commitment Estimated 2013 Payment; the numbers in this Exhibit C-2 are subject to Reconciliation by June 30, 2012.

"D-Pop" is the **Population** of the City, *expressed as a percentage* of the Population of all jurisdictions within the applicable Control District.

ES for Service Year 2013 is calculated as follows:

If, as of the effective date of this Agreement, the City has entered into a contract for shelter services with the Progressive Animal Welfare Society (PAWS) in Lynnwood, WA, then, for so long as such contract remains in effect, the City will not pay a share of shelter costs associated with shelter usage ("**A**" as defined below) and instead the Estimated Payment will include a **population-based charge only,** reflecting the regional shelter benefits nonetheless received by such City, calculated as follows (the components of this calculation are defined as described below).

ES = (S x.2 x Pop)

If the City **does not** qualify for the population-based shelter charge only, ES is determined as follows:

ES = (S x .2 x Pop) + (S x .8 x A)

Where:

"S" is the Budgeted Net Allocable Shelter Services Cost for the Service Year, which equals the County's Budgeted Total Allocable Costs for Shelter Services ***less*** Budgeted Total Non-Licensing Revenue attributable to Shelter operations (i.e., adoption fees, microchip fees, impound fees, owner-surrender fees, from all Contracting Parties) ***and less*** 27% of Estimated New Regional Revenues (**ENR**) in the Service Year. For purposes of determining the Pre-Commitment Estimated Payments for 2013, the Budgeted Net Allocable Shelter Services Cost is $2,707,453, calculated as shown on **Exhibit C-3**, and shall be similarly derived to determine the Preliminary and Final Estimated Payments for 2013 and for Service Year 2016 if the Agreement is extended beyond December 31, 2015.

"Pop" is the population of the City expressed as a percentage of the Population of all Contracting Parties.

"A" is the total number of animals that were: (1) picked up by County Animal Control Officers from within the City, (2) delivered by a City resident to the County shelter, or (3) delivered to the shelter that are owned by a resident of the City *expressed as a percentage* of the total number of animals in the County Shelter during the Calculation Period. For purposes of the 2013 Estimated Payment, the Calculation Period for "**A**" is calendar year 2011. **Exhibit C-2** shows a preliminary estimate of "**A**" for 2011 used to determine the Pre-Commitment Estimated 2013 Payments; the numbers in this exhibit are subject to Reconciliation by June 30, 2012.

EL for Service Year 2013 is calculated as follows:

EL = (L x .2 x Pop) + (L x .8 x I)

Where:

"L" is the Budgeted Net Licensing Services Cost for the Service Year, which equals the County's Budgeted Total Allocable Costs for License Services in the Service Year ***less*** Budgeted Total Non-Licensing Revenue attributable to License Services (for example, pet license late fees) in the Service Year ***and less*** **6%** of Estimated New Regional Revenues (ENR) in the Service Year. For purposes of determining the Pre-Commitment Estimated Payments for 2013, the Budgeted Net Licensing Cost is $660,375, calculated as shown on **Exhibit C-3**, and shall be similarly derived to determine the Preliminary and final Estimated Payments for 2013 and for Service Year 2016 if the Agreement is extended beyond December 31, 2015.

"Pop" is the Population of the City expressed as a percentage of the population of all Contracting Parties.

"I" is the number of active paid regular pet licenses (e.g., excluding 'buddy licenses" or temporary licenses) issued to City residents during the Calculation Period. For purposes of calculating the Estimated Payment in 2013, the Calculation Period for **"I"** is calendar year 2011. **Exhibit C-2** shows a preliminary estimate of "**I**" to be used for calculating the Pre-Commitment Estimated 2013 Payments; the numbers in this Exhibit are subject to reconciliation by June 30, 2012.

Exhibit C-1

Regional Animal Services of King County

Pre-Commitment Estimated 2013 Payment Calculation (Annualized)

Allocation Method: Population = 20%, Usage = 80%, Three (3) Control Districts: 200, 220, with Control Districts 240 and 260 combined into one (500), costs to districts 25%, 25%, 50%. Usage and Licensing Revenue based on 2011 Preliminary Year End.

	Control	Shelter	Licensing	Total Allocated Costs (1)	2011 Licensing Revenue (est)	Estimated Net Cost
Budgeted Total Allocable Costs	$1,770,487	$2,819,960	$673,640	$5,264,087		
Budgeted Non-Licensing Revenue	$80,040	$112,507	$13,265	$205,812		
Budgeted New Regional Revenue (50%)	$0	$0	$0	$0		
Budgeted Net Allocable Costs	$1,690,447	$2,707,453	$660,375	$5,058,275	$2,480,689	-$2,577,586

Animal Control District Number	Jurisdiction	Estimated Animal Control Cost Allocation (2)	Estimated Sheltering Cost Allocation (3)	Estimated Licensing Cost Allocation (4)	Estimated Total Animal Services Cost Allocation	Program Load Factor (9)	2011 Licensing Revenue (Estimated)	Estimated Net Cost Allocation	2013-2015 Transition Funding (Annual) (5)	2013 - 2015 Shelter Credits (Annual) (6)	Estimated Net Costs with Transition Funding and Credits	Estimated Revenue from Proposed Licensing Support (7)	Estimated Net Final Cost (8)
200	Carnation	$4,118	$3,497	$1,239	$8,854	0.1750%	$4,752	-$4,102	$552	$0	-$3,550	$966	-$2,584
	Duvall	$11,261	$15,264	$5,351	$31,876	0.6302%	$21,343	-$10,533		$0	-$10,533	$7,658	-$2,875
	Estimated Unincorporated King County	$83,837	(see total below)	(see total below)	(see total below)		(see total below)	(see total below)	NA	NA	NA	NA	NA
	Kenmore	$37,911	$11,592	$15,423	$64,926	1.2836%	$58,602	-$6,324	$0	$0	-$6,324	$0	-$6,324
	Kirkland	$84,595	$99,626	$59,940	$244,162	4.8270%	$208,000	-$36,162		$0	-$36,162	$23,853	-$12,309
	Lake Forest Park	$22,894	$7,034	$12,099	$42,027	0.8309%	$48,504	$6,477	$0	$0	$6,477	$0	$6,477
	Redmond	$37,867	$54,303	$32,308	$124,478	2.4609%	$116,407	-$8,071	$0	$0	-$8,071	$0	-$8,071
	Sammamish	$35,341	$44,214	$31,129	$110,684	2.1882%	$117,649	$6,965	$0	$0	$6,965	$0	$6,965
	Shoreline	$92,519	$29,677	$38,194	$160,391	3.1709%	$145,689	-$14,702	$0	$0	-$14,702	$0	-$14,702
	Woodinville	$12,268	$6,103	$7,708	$26,079	0.5156%	$29,220	$3,141	$0	$0	$3,141	$0	$3,141
SUBTOTAL FOR CITIES IN 200 (excludes unincorporated area)		**$338,775**	**$271,310**	**$203,392**	**$813,477**		**$750,166**	**-$63,311**	**$552**	**$0**	**-$62,759**	**$32,477**	**-$30,282**
220	Beaux Arts	$86	$167	$246	$500	0.0099%	$930	$430	$0	$0	$430	$0	$430
	Bellevue	$142,322	$161,486	$75,249	$379,056	7.4938%	$273,931	-$105,125		$0	-$105,125	$34,449	-$70,676
	Clyde Hill	$1,866	$3,168	$1,952	$6,985	0.1381%	$7,170	$185	$0	$0	$185	$0	$185
	Estimated Unincorporated King County	$166,199	(see total below)	(see total below)	(see total below)		(see total below)	(see total below)	NA	NA	NA	NA	NA
	Issaquah	$53,351	$46,167	$16,279	$115,797	2.2893%	$55,947	-$59,850	$0	$0	-$59,850	$0	-$59,850
	Mercer Island	$13,581	$18,177	$13,853	$45,611	0.9017%	$49,962	$4,351	$0	$0	$4,351	$0	$4,351
	Newcastle	$16,484	$12,318	$4,657	$33,459	0.6615%	$15,271	-$18,188	$0	$0	-$18,188	$2,599	-$15,589
	North Bend	$15,851	$16,273	$4,128	$36,252	0.7167%	$15,694	-$20,558	$1,376	$586	-$18,596	$6,463	-$12,133
	Snoqualmie	$12,248	$11,116	$6,737	$30,101	0.5951%	$25,065	-$5,036	$0	$0	-$5,036	$0	-$5,036
	Yarrow Point	$625	$561	$760	$1,945	0.0385%	$2,700	$755	$0	$0	$755	$0	$755
SUBTOTAL FOR CITIES IN 220 (excludes unincorporated area)		**$256,413**	**$269,432**	**$123,862**	**$649,707**		**$446,670**	**-$203,037**	**$1,376**	**$586**	**-$201,075**	**$43,511**	**-$157,564**
500	Kent	$263,232	$794,101	$69,400	$1,126,733	22.2750%	$253,944	-$872,789	$110,495	$495,870	-$266,424	$0	-$266,424
	SeaTac	$79,732	$184,894	$13,311	$277,938	5.4947%	$47,232	-$230,706	$7,442	$116,611	-$106,653	$0	-$106,653
	Tukwila	$49,635	$110,787	$9,229	$169,652	3.3539%	$32,705	-$136,947	$5,255	$61,987	-$69,705	$0	-$69,705
	Black Diamond	$8,084	$14,340	$2,685	$25,108	0.4964%	$10,185	-$14,923	$1,209	$3,263	-$10,451	$2,001	-$8,450
	Covington	$52,490	$82,456	$12,634	$147,580	2.9176%	$48,982	-$98,598	$5,070	$36,409	-$57,119	$0	-$57,119
	Enumclaw	$41,747	$56,672	$6,920	$105,340	2.0825%	$25,307	-$80,033	$11,188	$28,407	-$40,438	$5,973	-$34,465
	Estimated Unincorporated King County	$309,089	(see total below)	(see total below)	(see total below)		(see total below)	(see total below)	NA	NA	NA	NA	NA
	Maple Valley	$41,215	$68,380	$15,080	$124,675	2.4648%	$56,628	-$68,047	$6,027	$6,867	-$55,153	$6,956	-$48,197
SUBTOTAL FOR CITIES IN 500 (excludes unincorporated area)		**$536,135**	**$1,311,631**	**$129,259**	**$1,977,025**		**$474,983**	**-$1,502,042**	**$146,686**	**$749,414**	**-$805,942**	**$14,930**	**-$591,012**
	TOTAL FOR CITIES	$1,131,322	$1,852,373	$456,514	$3,440,209		$1,671,819	-$1,768,390	$148,614	$750,000	-$869,776	$90,918	-$778,858
	Total King County Unincorporated Area Allocation	*$559,125*	*$855,080*	*$203,861*	*$1,618,065*	31.9885%	*$808,870*	*-$809,195*					*-$809,195*
		$1,690,447	$2,707,453	$660,375	$5,058,275	100.00%	$2,480,689	-$2,577,586					

Source: Regional Animal Services of King County

Date: Jan 30, 2012 (Draft) Updated 5-25-12

Numbers are estimates only for the purpose of negotiation discussions. The numbers and allocation methodology are subject to change while negotiations are underway.

Exhibit C-1, cont'd.

Notes:

1. Based on various efficiencies and changes to the RASKC operating budget, adjustments for reduced intakes overall, reduced usage with Auburn out, and shifting two positions out of the model (county sponsored), the 2013 Estimated Budgeted Total Allocable Cost has been reduced to $5,264,087.
2. One quarter of control services costs are allocated to control districts 200 and 220, and one half of control costs are allocated to district 500, then costs are further allocated 80% by total call volume (2011 Calls - Preliminary year end) and 20% by 2011 population.
3. This excludes the cost to northern cities of sheltering their animals at PAWS under separate contracts. Shelter costs are allocated 80% by King County shelter volume intake (2011 Preliminary year end) and 20% by 2011 population.
4. Licensing costs are allocated 20% by population (2011) and 80% by total number of Pet Licenses issued (2011) less $0.00 Sr. Lifetime Licenses.

5. Transition funding is allocated per capita in a two tier formula to cities with certain per capita net cost allocations. For additional detail, see 2010 Interlocal Agreement Exhibit C-4 (2013 column) for more information. Transition Funding does not change for years 2013 - 2015.
6. Credits are allocated to those jurisdictions whose shelter intakes per capita exceeded the system average (.0043) and are intended to help minimize the impact of changing the cost allocation methodology from 50% population/50 usage to the new 20% population/80% usage model. See Interlocal Agreement Exhibit C-4 for more detail.
7. New Transition License Funding has been included for certain jurisdictions to help limit the Estimated Net Final Cost to the 2012 estimated level. Receipt of support is contingent on city providing in-kind services and county ability to provide resources and/or recover costs
8. Net Final Costs greater than $0 will be reallocated to remaining jurisdictions with a negative net final cost, northern cities Net Final Costs shall be inclusive of their PAWS Sheltering costs.
9. Program Load Factor (LF) , per ILA Exhibit C, Part 4, Estimated Payment Calculation Formula, is the City's share of Budgeted Total Net Allocable Costs: it is the City's 2013 Service Year Total Animal Services Cost Allocation expressed as a percentage of the Budgeted Total Net Allocable Costs for 2013. Refer to the ILA for additional details.

Exhibit C-2

Population, Calls for Service, Shelter Use and Licensing Data for Jurisdictions, Used to Derive the Pre-Commitment 2013 Estimated

Source: Wash. St. Office of Financial Management, KC Office of Management and Budget, Regional Animal Services of KC
Date: February 22, 2012

Proposed District	Jurisdiction	2011 Population	Estimated 2013 Calls	Estimated 2013 Intakes	Estimated 2013 Licenses
200	Bothell				
	Carnation	1,780	13	5	160
	Duvall	6,715	34	23	712
	Estimated Unincorporated King County	65,642	240	*(see total below)*	*(see total below)*
	Kenmore	20,780	116	0	2,021
	Kirkland	80,738	230	109	7,855
	Lake Forest Park	12,610	70	0	1,666
	Redmond	55,150	87	47	3,980
	Sammamish	46,940	85	36	3,970
	Shoreline	53,200	281	0	4,967
	Woodinville	10,940	34	0	998
220	Beaux Arts	300	0	0	33
	Bellevue	123,400	317	185	9,380
	Clyde Hill	2,985	3	3	248
	Estimated Unincorporated King County	87,572	418	*(see total below)*	*(see total below)*
	Issaquah	30,690	132	58	1,942
	Mercer Island	22,710	21	11	1,727
	Newcastle	10,410	40	13	520
	North Bend	5,830	42	26	535
	Snoqualmie	10,950	27	10	842
	Yarrow Pt	1,005	1	0	100
500	Kent (Includes Panther Lake Annexation)	118,200	614	1,454	8,555
	SeaTac	27,110	200	339	1,544
	Tukwila	19,050	121	200	1,065
	Auburn	0	0	0	0
	Black Diamond	4,160	18	24	340
	Covington	17,640	132	145	1,642
	Enumclaw	10,920	110	101	872
	Estimated Unincorporated King County	100,333	783	*(see total below)*	*(see total below)*
	Maple Valley	22,930	89	111	1,919
City Totals		**782,785**	**2,817**	**2,900**	**57,593**
King County Unincorporated Area Totals		187,905	1,441	1,425	27,175
TOTALS		***970,690***	***4,258***	***4,325***	***84,768***

Note: Usage data from 2011 activity. License count excludes Senior Lifetime Licenses

Exhibit C-3

Calculation of Budgeted Total Allocable Costs, Budgeted Total Non-Licensing Revenue, and Budgeted Net Allocable Costs

This Exhibit Shows the Calculation of Budgeted Total Allocable Costs, Budgeted Total Non-Licensing Revenue, and Budgeted Net Allocable Costs to derive Pre-Commitment Estimated 2013 Payments. All values shown are based on annualized costs and revenues. The staffing levels incorporated in this calculation are for year 2013 only and except as otherwise expressly provided in the Agreement may change from year to year as the County determines may be appropriate to achieve efficiencies, etc.

Control Services: Calculation of Budgeted Total Allocable Costs, Budgeted Total Non-Licensing Revenue, and Budgeted Net Allocable Costs

The calculation of Pre-Commitment Estimated 2013 Control Services Costs is shown below (all costs in 2012 dollars).

		Cost Methodology
1	Direct Service Management Staff Costs	$148,361
2	Direct Service Field Staff Costs	$725,879
3	Call Center Direct Service Staff Costs	$229,697
4	Overtime, Duty, Shift Differential and Temp Costs	$80,891
5	Facilities Costs	$8,990
6	Office and Other Operational Supplies and Equipment	$17,500
7	Printing, Publications, and Postage	$34,000
8	Medical Costs	$22,500
9	Other Services	$80,000
10	Transportation	$141,904
11	Communications Costs	$38,811
12	IT Costs and Services	$50,626
13	Misc Direct Costs	$41,900
14	General Fund Overhead Costs	$15,842
15	Division Overhead Costs	$110,490
16	Other Overhead Costs	$23,096
	2010 Budgeted Total Allocable Control Services Cost	$1,770,487
17	Less 2010 Budgeted Total Non-Licensing Revenue Attributable to Control Services	$80,040
18	Less 17% of Estimated New Regional Revenues for 2013	0
	2010 Budgeted Net Allocable Control Services Cost	$1,690,447

NOTES:

4 These additional salary costs support complete response to calls at the end of the day, limited response to emergency calls after hours, and extra help during peak call times.

5 Facilities costs include maintenance and utilities for a portion (5%) of the Kent Shelter (which houses the call center staff operations and records retention as well as providing a base station for field officers). Excludes all costs associated with the Crossroads facility.

6 This item includes the office supplies required for both the call center as well as a wide variety of non-computer equipment and supplies related to animal control field operations (e.g., uniforms, tranquilizer guns, boots, etc.).

7 This cost element consists of printing and publication costs for various materials used in the field for animal control.

8 Medical costs include the cost for ambulance and hospital care for animals requiring emergency services.

9 Services for animal control operations vary by year but consist primarily of consulting vets and laboratory costs associated with cruelty cases.

10 Transportation costs include the cost of the maintenance, repair, and replacement of the animal care and control vehicles and cabs, fuel, and reimbursement for occasional job-related use of a personal vehicle.

11 Communication costs involve the direct service costs for telephone, cell phone, radio, and pager use.

12 Information technology direct costs include IT equipment replacement as well as direct services costs. Excludes approximately $50,000 in service costs associated with mainframe systems.

13 Miscellaneous direct costs consist of all animal control costs not listed above including but not limited to contingency, training, certification, and bad checks.

14 General fund overhead costs included in this model include building occupancy charges and HR/personnel services. No other General Fund overhead costs are included in the model.

15 Division overhead includes a portion of the following personnel time as well as a portion of division administration non-labor costs, both based on FTEs: division director, assistant division director, administration, program manager, finance officer, payroll/accounts payable, and human resource officer.

16 Other overhead costs include IT, telecommunications, finance, and property services.

17 Non-licensing revenue attributable to field operations include animal control violation penalties, charges for field pickup of deceased/owner relinquished animals, and fines for failure to license.

Shelter Services: Calculation of Budgeted Total Allocable Costs, Budgeted Total Non-Licensing Revenue, and Budgeted Net Allocable Costs

The calculation of Pre-Commitment Estimated 2013 Shelter Services Costs is shown below (all costs in 2012 dollars).

		Cost Methodology
1	Direct Service Management Staff Costs	$214,815
2	Direct Service Shelter Staff Costs	$1,168,436
3	Direct Service Clinic Staff Costs	$286,268
4	Overtime, Duty, Shift Differential and Temp Costs	$159,682
5	Facilities Costs	$170,814
6	Office and Other Operational Supplies and Equipment	$94,200
7	Printing, Publications, and Postage	$20,000
8	Medical Costs	$127,500
9	Other Services	$122,500
10	Transportation	$10,566
11	Communications Costs	$6,200
12	IT Costs and Services	$51,360
13	Misc Direct Costs	$60,306
14	General Fund Overhead Costs	$113,614
15	Division Overhead Costs	$176,572
16	Other Overhead Costs	$37,124
	2010 Budgeted Total Allocable Shelter Services Cost	$2,819,960
17	Less 2010 Budgeted Total Non-Licensing Revenue Attributable to Shelter Services	$112,507
18	Less 27% of Estimated New Regional Revenues for 2013	0
	2010 Budgeted Net Allocable Shelter Services Cost	$2,707,453

NOTES:

5 Facilities costs include maintenance and utilities for the majority (95%) of the Kent Shelter (which also houses the call center staff operations and records retention as well as providing a base station for field officers). It excludes all costs associated with the Crossroads facility.

6 This item includes the office supplies as well as a wide variety of non-computer equipment and supplies related to animal care (e.g., uniforms, food, litter, etc.).

7 This cost element consists of printing and publication costs for various materials used at the shelter.

8 Medical costs include the cost for ambulance and hospital care for animals requiring emergency services as well as the cost for consulting vets, laboratory costs, medicine, and vaccines.

9 Services for animal control operations vary by year but include costs such as shipping of food provided free of charge and sheltering of large animals.
10 Transportation costs include the cost of the maintenance, repair, and replacement of and fuel for the animal care and control vehicles used by the shelter to facilitate adoptions, as well as reimbursement for occasional job-related use of a personal vehicle.
11 Communication costs involve the direct service costs for telephone, cell phone, radio, and pager use.
12 Information technology direct costs include IT equipment replacement as well as direct services costs.
13 Miscellaneous direct costs consist of all animal care costs not listed above including but not limited to contingency, training, certification, and bad checks.
14 General fund overhead costs included in this model include building occupancy charges and HR/personnel services. No other General Fund overhead costs are included in the model.
15 Division overhead includes a portion of the following personnel time as well as a portion of division administration non-labor costs, both based on FTEs: division director, assistant division director, administration, program manager, finance officer, payroll/accounts payable, and human resource officer.
16 Other overhead costs include IT, telecommunications, finance, and property services.
17 Non-licensing revenue attributable to sheltering operations include impound fees, microchip fees, adoption fees, and owner relinquished euthanasia costs.

Licensing Services: Calculation of Budgeted Total Allocable Costs, Budgeted Total Non-Licensing Revenue, and Budgeted Net Allocable Costs

The calculation of Pre-Commitment Estimated 2013 Licensing Services Costs is shown below (all costs in 2012 dollars).

		Cost Methodology
1	Direct Service Management Staff Costs	$52,917
2	Direct Service Licensing Staff Costs	$346,523
3	Overtime, Duty, Shift Differential and Temp Costs	$26,295
4	Facilities Costs	$13,100
5	Office and Other Operational Supplies and Equipment	$3,300
6	Printing, Publications, and Postage	$74,600
7	Other Services	$14,500
8	Communications Costs	$2,265
9	IT Costs and Services	$77,953
10	Misc Direct Costs	$2,000
11	General Fund Overhead Costs	$9,884
12	Division Overhead Costs	$39,280
13	Other Overhead Costs	$11,023
	2010 Budgeted Total Allocable Licensing Services Cost	$673,640
14	Less 2010 Budgeted Total Non-Licensing Revenue Attributable to Licensing Services	$13,265
15	Less 6% of Estimated New Regional Revenue	-0-
	2010 Budgeted Net Allocable Licensing Services Cost	$660,375

NOTES:

4 Facilities costs include maintenance and utilities for the portion of the King County Administration building occupied by the pet licensing staff and associated records.

5 This item includes the office supplies required for the licensing call center.

6 This cost element consists of printing, publication, and distribution costs for various materials used to promote licensing of pets, including services to prepare materials for mailing.

7 Services for animal licensing operations include the purchase of tags and monthly fees for online pet licensing hosting.

8 Communication costs involve the direct service costs for telephone, cell phone, radio, and pager use.

9 Information technology direct costs include IT equipment replacement as well as direct services costs. Excludes approximately $120,000 in service costs associated with mainframe systems.

10 Miscellaneous direct costs consist of all pet licensing costs not listed above including but not limited to training, certification, transportation, and bad checks.

11 General fund overhead costs included in this model include building occupancy charges and HR/personnel services. No other General Fund overhead costs are included in the model.

12 Division overhead includes a portion of the following personnel time as well as a portion of division administration non-labor costs, both based on FTEs: division director, assistant division director, administration, program manager, finance officer, payroll/accounts payable, and human resource officer.

13 Other overhead costs include IT, telecommunications, finance, and property services.

14 Non-licensing revenue attributable to licensing operations consists of licensing late fees.

Exhibit C-4

Calculation and Allocation of Transition Funding Credit ("T"), Shelter Credit ("V"), and Estimated New Regional Revenue ("ENR")

A. Transition Funding Credit

The Transition Funding Credit as originally calculated in the 2010 Agreement offset costs to certain Contracting Cities that would have otherwise paid the highest per capita costs for Animal Services in 2010. The credit was scheduled on a declining basis over four years (2010-2013). In this Agreement, the Contracting Cities qualifying for this credit are listed in Table 1 below; these cities will receive the credit at the level calculated for 2013 in the 2010 Agreement for Service Years 2013, 2014 and 2015, provided that, application of the credit can never result in the Estimated Payment Amount being less than zero ($0) (i.e., cannot result in the County owing the City an Estimated Payment). The allocation of the Transition Funding Credit is shown in **Table 1** below.

Table 1: Transition Funding Credit – Annual Amount to be allocated each year in the period from 2013-2015

Jurisdiction	Transition Funding Credit
Carnation	$552
North Bend	$1,376
Kent	$110,495
SeaTac	$7,442
Tukwila	$5,255
Black Diamond	$1,209
Covington	$5,070
Enumclaw	$11,188
Maple Valley	$6,027

Note: The Transitional Funding Credit is the same regardless of which cities sign the Agreement.

B. Shelter Credit

The Shelter Credit is designed to offset costs for those Contracting Cities whose per capita shelter intakes ("A") exceed the average for all Contracting Parties. A total of $750,000 will be applied as a credit in each of the Service Years 2013-2015 to Contracting Cities whose per capita average shelter intakes ("A") exceeds the average for all Contracting Parties; *provided that* application of the Shelter Credit can never result in the Estimated Payment amount being less than zero ($0) (i.e., cannot result in the County owing the City an Estimated Payment.) The 2013 Shelter Credit was determined based on estimated animal intakes ("A") for Calendar Year 2011 as shown on **Exhibit C-2**. The $750,000 was allocated between every Contracting City with animal intakes over the estimated 2011 Program average, based on each Contracting City's relative per capita animal intakes in excess of the average for all Contracting Parties. The Shelter Credit will be paid at the 2013 level in Service Years 2014 and 2015. The County will consider providing the Shelter Credit in Service Years 2016 and 2017 at the same level as for Service Year 2013.

Table 3: Annual Shelter Credit Allocation—2013 through 2015

City	Shelter Credit
North Bend	$586
Kent	$495,870
SeaTac	$116,611
Tukwila	$61,987
Black Diamond	$3,263
Covington	$36,409
Enumclaw	$28,407
Maple Valley	$6,867

C. New Regional Revenue: Estimation and Allocation

Goal

New Regional Revenue for each Service Year shall be estimated as part of the development of the Estimated Payment calculations for such Service Year. The goal of the estimate shall be to reduce the amount of Estimated Payments where New Regional Revenue to be received in the Service Year can be calculated with reasonable certainty. The Estimated New Regional Revenue will be reconciled annually to account for actual New Regional Revenue received, per **Exhibit D**.

Calculation of Estimated New Regional Revenue (ENR)

1. The value of the Estimated New Regional Revenue for Service Year 2013 is zero.

2. For Service Years after 2013, the Estimated New Regional Revenue will be set at the amount the County includes for such revenue in its adopted budget for the Service Year. For purposes of the Preliminary Estimated Payment calculation, the County will include its best estimate for New Regional Revenue at the time the calculation is issued, after first presenting such estimate to the Joint City County Committee for its input.

Application of ENR

1. For Service Years 2013 and 2016, 50% of the Estimated New Regional Revenue is incorporated into the calculations of **EC** and **ES** and **EL** as described in **Exhibit C, specifically:**
   a. 17% of total Estimated New Regional Revenue is applied to reduce the total Budgeted Net Allocable Control Services Cost.
   b. 27% of total Estimated New Regional Revenue is applied to reduce the total Budgeted Net Allocable Shelter Services Cost.
   c. 6% of total Estimated New Regional Revenue is applied to reduce the total Budgeted Net Allocable Licensing Services Cost.

   These amounts are reconciled as against actual New Regional Revenue (**ENR$_A$**) in the annual Reconciliation process. In 2014, 2015 and 2017 the 50% is simply deducted against Budgeted Total Allocable Costs to derive Budgeted Total Net Allocable Costs.

2. For each Service Year, the remaining 50% of Estimated New Regional Revenue is first applied to offset County contributions to the Program, in the following order of priority.
   a. Offset payments made by the County to fund Transition Funding Credits, Shelter Credits, Impact Mitigation Credits (if any) and un-reimbursed Licensing Revenue Support.
   b. Offset County funding of Animal Services Program costs that are not included in the cost allocation model described in **Exhibit C**, specifically, costs of:
      i. The medical director and volunteer coordinator staff at the Kent Shelter.
      ii. Other County-sponsored costs for Animal Services that are not included in the cost models described in **Exhibit C**.
   c. In the event any of the 50% of Estimated New Regional Revenue remains after applying it to items (a) and (b) above, the remainder ("**Residual New Regional Revenue**") shall be held in a reserve and applied to the benefit of all Contracting Parties as part of the annual Reconciliation process, in the following order of priority:
      i. First, to reduce *pro-rata* up to 20% of each Contracting Party's Estimated Total Animal Services Cost Allocation (6th column in the spreadsheet at **Exhibit C-1**), thereby reducing up to all cost allocations based on population. This is the factor "**X**" in the Reconciliation formula.
      ii. Second, to reduce *pro rata* the amount owing from each Contracting Party with net final costs > 0 after consideration of all other factors in the Reconciliation formula.

Offsets described in (a) and (b) above do not impact the calculation of Estimated Payments or the Reconciliation of Estimated Payments since they are outside the cost model. The allocations described in (c) above, if any, will be considered in the annual Reconciliation as described in **Exhibit D**.

Exhibit C-5
Licensing Revenue Support

A. The Contracting Cities that will receive licensing revenue support in 2013 are listed below (collectively, these nine cities are referred to as the "Licensing Revenue Support Cities"). These Cities have been selected by comparing the estimated 2013 Net Final Costs shown in **Exhibit C-1** to the 2012 Estimated Net Final Cost.[2] Where the 2013 Net Final Cost estimate was higher than the 2012 estimate, the difference was identified as the 2013 Licensing Revenue Target.

B. For any Licensing Revenue Support City in **Table 1** whose Preliminary 2013 Estimated Payment is lower than the Pre-Commitment Estimate shown in **Exhibit C-1**, the Licensing Revenue Target ("**RT**") and the Revenue Goal ("**RG**") will be the reduced by an amount equivalent to the reduction between the Pre-Commitment and Preliminary Estimated Payment amounts for 2013.

Table 1:
2013 Licensing Revenue Support Cities, Licensing Revenue Targets and Revenue Goals*

City	2013 Licensing Revenue Target "RT" (*increment*)	Base Year Revenue (2011 Estimate per Exhibit C-2) "Base Amount"	Revenue Goal "RG" (*total*)
City of Carnation	$966	$4,752	$5,718
City of Duvall	$7,658	$21,343	$29,001
City of Kirkland	$23,853	$208,000	$231,853
City of Bellevue	$34,449	$273,931	$308,380
City of Newcastle	$2,599	$15,271	$17,870
City of North Bend	$6,463	$15,694	$22,157
City of Black Diamond	$2,001	$10,185	$12,186
City of Enumclaw	$5,973	$25,307	$31,280
City of Maple Valley	$6,956	$56,628	$63,584

*Amounts in this table are subject to adjustment per Paragraph B above.

C. The 2013 Licensing Revenue Target ("**RT**") is the amount each City in **Table 1** will receive in 2013, either in the form of additional licensing revenues over the Base Year amount or as a **Licensing Revenue Credit** ("**LRC**") applied at Reconciliation.

[2] For Contracting Cities that purchase shelter services from PAWS, the target was based on the Pre-Commitment 2013 Estimated Payment calculated in February 2012 during contract negotiations.

D. As further described in **Section 7** and **Exhibit C-5**, licensing revenue support services include the provision of County staff and materials support (which may include use of volunteers or other in-kind support) as determined necessary by the County to generate the Licensing Revenue Target.

E. In 2014 and 2015, any Licensing Revenue Support City or other Contracting City may request licensing revenue support services from the County under the terms of **Exhibit F.** Provision of such services is subject to the County determining it has capacity to perform such services. *Notwithstanding the foregoing,* a Licensing Revenue Support City for which **RT** is in excess of $20,000 per year may receive licensing revenue support service in all three years, but only if by September 1, 2012, it commits to providing in-kind support in all three Services Years by executing the contract in **Exhibit F** with respect to ***all 3 Service Years*** (2013, 2014 and 2015). Allocation of licensing revenue support services in 2014 and 2015 will be prioritized first to meet the County's contractual commitment, if any, to a Licensing Revenue Support City that has entered into a 3-year agreement for such service. Thereafter, service shall be allocated to Licensing Revenue Support Cities requesting such service on first-come, first-served basis; and thereafter to any other Contracting City requesting such service on a first-come, first-served basis.

Table 2:
Calculation of Estimated Payments and Licensing Revenue Credits for Licensing Revenue Support Cities

For Service Year 2013:

- The Estimated Payment calculation will include the 2013 Licensing Revenue Support Target ("RT"), if any, for the City per Table 1 above in the calculation of Estimated Licensing Revenues ("ER") (these amounts are shown in separate columns on **Exhibit C-1**).

- At Reconciliation:
  - For Cities with a **RT** > $20,000, Actual Licensing Revenue for 2013 (**"AR**$_{2013}$") will be determined by allocating 65% of Licensing Revenues received (if any) over the Base Amount to determine **AR**$_{2013}$
  - if Actual Licensing Revenue for 2013 (**"AR**$_{2013}$") ≥ Revenue Goal (**"RG"**), then no additional credit is payable to the City (**"LRC"** = $0)
  - If **AR**$_{2013}$ **< RG**, then the difference (**RG-AR**) is the Licensing Revenue Credit ("**LRC**") included in the Reconciliation Adjustment Amount ***provided that,*** for Cities whose **RT** >$20,000, 35% of Licensing Revenues over the Base Amount shall be allocated to *increase* ("LRC") when the value of ANFC$_0$ is being calculated at Reconciliation, *and provided further,* that in all cases **LRC** cannot exceed the 2013 Licensing Revenue Target for the City.

For **Service Year 2014**, if the City and County have executed a Licensing Support Contract per **Exhibit F**, and the City is therefore providing additional in-kind services in order to generate licensing revenue support in 2014, then:

- The Estimated Payment for 2014 will include Estimated Licensing Revenues calculated at the amount of Actual Revenue ("**AR**") for 2012 or the Revenue Goal (**RG**), whichever is greater. **RG** will be the amount in Table 1 for Licensing Revenue Support Cities, or such other amount as the Parties may agree in the Licensing Support Contract.
- At Reconciliation:
  - For Cities with a **RT** > $20,000, **AR** $_{2014}$ will be determined by allocating 65% of Licensing Revenues received (if any) over the Base Amount to determine **AR**$_{2014}$
  - If Actual Licensing Revenue in 2014 is greater than the Revenue Goal (**AR**$_{2014}$ ≥ **RG**), then
    - no Licensing Revenue Credit is payable to the City (**LRC** = $0), and
    - The County shall charge the City for an amount which is ***the lesser of***: (a) the cost of County's licensing support services in 2014 to the City (as defined in the Licensing Support Contract for 2014), or (b) the amount by which **AR**$_{2014}$ **>RG**.
  - If **A**$_{R2014}$ **< RG**, then the difference (**RG-A**$_{R2014}$) is **LRC.** The **LRC** amount is added to reduce the City's costs when calculating the Reconciliation Adjustment Amount, ***provided that***, for Cities whose **RT** >$20,000, 35% of Licensing Revenues over the Base Amount shall be allocated to *increase* ("LRC") a when the value of ANFC$_0$ is being calculated at Reconciliation, and ***provided further*** that in all cases **LRC** cannot exceed the 2013 Licensing Revenue Target for the City.

For **Service Year 2015**, the process and calculation shall be the same as for 2014, e.g.: if the City and County have executed **Exhibit F**, and the City is therefore providing additional in-kind services in order to generate Licensing Revenue Support in 2015, then:

- The Estimated Payment for 2015 will include Estimated Licensing Revenues calculated at the amount of Actual Revenue ("**AR")** for 2013 (excluding **LRC** paid for Service Year 2013) or **RG**, whichever is greater. **RG** will be the amount in **Table 1** for Licensing Revenue Support Cities, or such other amount as the Parties may agree in the Licensing Support Contract.
- At Reconciliation:
  - For Cities with a **RT** > $20,000, **AR** $_{2015}$ will be determined by allocating 65% of Licensing Revenues received (if any) over the Base Amount to determine **AR**$_{2015}$
  - If Actual 2015 Licensing Revenue is greater than the Revenue Goal (**AR**$_{2015}$ ≥

VIIC. Motion to Authorize the City Manager to Execute Contract No. 12-C1033, Animal Services Interlocal Agreement 2013-2015 with

RG), then

- no Licensing Revenue Credit is payable to the City (**LRC** = $0), and
- The County shall charge the City for an amount which ***is the lesser of***: (a) the cost of County's licensing support services in 2015 to the City (as defined in the Licensing Support Contract for 2015), or (b) the amount by which **AR_{2015} >RG**.

- If **AR_{2015} < RG**, then the difference (**RG-AR_{2015}**) is **LRC**. The **LRC** amount is added to reduce the City's costs when calculating the Reconciliation Adjustment Amount; ***provided that,*** for Cities whose **RT** >$20,000, 35% of Licensing Revenues over the Base Amount shall be allocated to *increase* ("LRC") when the value of $ANFC_0$ is being calculated at Reconciliation, and and ***provided further*** that in all cases **LRC** cannot exceed the 2013 Licensing Revenue Target for the City.

Exhibit C-6:

Summary of Calculation Periods for Use and Population Components

This Exhibit restates in summary table form the Calculation Periods used for calculating the usage and population components in the formulas to derive Estimated Payments. *See* **Exhibit C** for complete formulas and definitions of the formula components.

ER is estimated Licensing Revenue attributable to the City
CFS is total annual number of Calls for Service originating in the City
A is the number of animals in the shelter attributable to the City
I is the number of active paid regular pet licenses issued to City residents
ENR is the New Regional Revenue estimated to be received during the Service Year
Pop is Population of the City expressed as a percentage of all Contracting Parties; **D-Pop** is Population of the City expressed as a percentage of the population of all jurisdictions within a Control District

Calculation Periods -- Service Year 2013

Component	**Preliminary Estimated 2013 Payment** (published August 2012)	**Estimated 2013 Payment (final)** (published December 15 2012)	**Reconciliation Payment Amount** (determined June 2014)
ER (Estimated Revenue)	**Actual 2011**	**Same**	**Actual 2013**
CFS (Calls for Service)	**Actual 2011**	**Same**	**N/A**
A (Animal intakes)	**Actual 2011**	**Same**	**N/A**
I (Issued Pet Licenses)	**Actual 2011**	**Same**	**N/A**
ENR (Estimated New Regional Revenue)	**Estimated 2013 ($0)**	**Estimated 2013 ($0)**	**Actual 2013**
Pop, D-Pop (Population)	**July 2012 OFM report, adjusted for annexations ≥ 2,500 occurring (and Latecomer Cities joining) after April 2012 and before the**	**Same, adjusted for all annexations ≥ 2,500 occurring (and Latecomer Cities joining) after April 2012 and before the end of 2013**	**Same, adjusted for all annexations ≥ 2,500 occurring (and Latecomer Cities joining) after April and before the end of 2013**

	end of 2013.		

Calculation Periods: Service Year 2014

Component	**Preliminary Estimated 2014 Payment** (published September 2013)	**Estimated 2014 Payment** (published December 2013)	**Reconciliation Payment Amount** (determined June 2015)
ER	Actual 2012	Same	Actual 2014
CFS	N/A	N/A	N/A
A	N/A	N/A	N/A
I	N/A	N/A	N/A
ENR	Estimated 2014	Estimated 2014	Actual 2014
Pop, D-Pop	July 2012 OFM report, adjusted for all annexations ≥ 2,500 known to take effect (and Latecomer Cities joining) after April 2012 and before the end of 2014.	Same, adjusted for all annexations ≥ 2,500 known to take effect (and Latecomer Cities joining) after April 2012 and before the end of 2014	Same, adjusted for all annexations ≥ 2,500 (and Latecomer Cities joining) occurring after April 2012 and before the end of 2014

Calculation Periods: Service Year 2015

Component	**Preliminary Estimated 2015 Payment** (published September 2014)	**Estimated 2015 Payment** (published December 2014)	**Reconciliation Payment Amount** (determined June 2016)
ER	Actual 2013	Same	Actual 2015
CFS	N/A	N/A	N/A
A	N/A	N/A	N/A
I	N/A	N/A	N/A
ENR	Estimated 2015	Estimated 2015	Actual 2015
Pop, D-Pop	July 2012 OFM report, adjusted for all annexations ≥ 2,500 known take effect (and Latecomer Cities joining) after April 2012 and before the end of 2015.	Same, adjusted for all annexations ≥ 2,500 known to take effect (and Latecomer Cities joining) after April 2012 and before the end of 2015	Same , adjusted for all annexations ≥ 2,500 occurring (and Latecomer Cities joining) after April 2012 and before the end of 2015

If the Agreement is extended past 2015 for an additional 2 years, the calculation periods for 2016 shall be developed in a manner comparable to Service Year 2013, and for 2017 shall be developed in a manner comparable to year 2014.

Exhibit C-7
Payment and Calculation Schedule

Service Year 2013

Item	Date
Preliminary estimate of 2013 Estimated Payments provided to City by County	August 1, 2012
Final Estimated 2013 Payment calculation provided to City by County	December 15, 2012
First 2013 Estimated Payment due	June 15, 2013
Second 2013 Estimated Payment due	December 15, 2013
2013 Reconciliation Adjustment Amount calculated	On or before June 30, 2014
2013 Reconciliation Adjustment Amount payable	On or before August 15, 2014

Service Year 2014

Item	Date
Preliminary estimate of 2014 Estimated Payments provided to City by County	September 1, 2013
Final Estimated 2014 Payment calculation provided to City by County	December 15, 2013
First 2014 Estimated Payment due	June 15, 2014
Second 2014 Estimated Payment due	December 15, 2014
2014 Reconciliation Adjustment Amount calculated	On or before June 30, 2015
2014 Reconciliation Adjustment Amount Payable	August 15, 2015

Service Year 2015

Item	Date
Preliminary estimate of 2015 Estimated Payments provided to City by County	September 1, 2014
Final Estimated 2015 Payment calculation provided to City by County	December 15, 2014
First 2015 Estimated Payment due	June 15, 2015
Second 2015 Estimated Payment due	December 15, 2015
2015 Reconciliation Adjustment Amount calculated	On or before June 30, 2016
2015 Reconciliation Adjustment Amount Payable	August 15, 2016

If the Agreement is extended past December 31, 2015, the schedule is developed in the same manner as described above for years 2016 and 2017.

Additional timelines are in place to commence and complete negotiations for an extension of the Agreement:

County convenes interested Contracting Cities to discuss (1) a possible extension on the same terms and (2) a possible extension on different terms.	September 2014
Notice of Intent by either Party not to renew agreement on the same terms (Cities also indicate whether they wish to negotiate for an extension on different terms or to let Agreement expire at end of 2015)	March 1, 2015
Deadline for signing an extension (whether on the same or amended terms)	July 1, 2015

See Section 4 of Agreement for additional details on Extension of the Agreement Term for an additional two years.

Dates for remittal to County of pet license sales revenues processed by Contracting Cities (per section 3.c)	**Quarterly, each March 31, June 30, September 30, December 31**

Except as otherwise provided for Licensing Revenue Support Cities with a Licensing Revenue Target greater than $20,000/year, requests for **Licensing Revenue Support** in Service Years 2014 or 2015 may be made at any time between June 30 and October 31 of the prior Service Year. (See **Exhibit C-5** for additional detail).

Exhibit D
Reconciliation

The purpose of the reconciliation calculation is to adjust payments made each Service Year by Contracting Parties to reflect actual licensing and non-licensing revenue, various credits, and New Regional Revenue, as compared to the estimates of such revenues and credits incorporated in the Estimated Payment calculations, and to adjust for population changes resulting from annexations of areas with a population of over 2,500 (if any) and the addition of Latecomer Cities. To accomplish this, an "**Adjusted Net Final Cost" ("ANFC")** calculation is made each June for each Contracting Party as described below, and then adjusted for various factors as described in this **Exhibit D**.

As noted in **Section 7** of the Agreement, the Parties intend that receipt of Animal Services should not be a profit-making enterprise. When a City receives revenues in excess of its costs under this Agreement (including costs of PAWS shelter service, if applicable), such excess will be reinvested to reduce costs incurred by other Contracting Parties. The cost allocation formulas of this Agreement are intended to achieve this outcome.

Terms not otherwise defined here have the meanings set forth in **Exhibit C** or the body of the Agreement.

Calculation of ANFC and Reconciliation Adjustment Amount

The following formula will be used to calculate the Reconciliation Adjustment Amount, which shall be payable by August 15. The factors in the formula are defined below. As described in paragraphs A and B, the subscript "0" denotes the initial calculation; subscript "1" denotes the final calculation.

$ANFC_0 = (AR + T + V + X + LRC) - (B \times LF)$

A. **If $ANFC_0 \geq 0$,** i.e., revenues and credits are greater than costs (adding the cost factor **"W"** in the formula for Contracting Cities purchasing shelter services from PAWS or purchasing Enhanced Control Services), **then**:

   $ANFC_1 = 0$, i.e., it is ***reset to zero*** and the difference between $ANFC_0$ and $ANFC_1$ is set aside by the County (or, if the revenues are not in the possession of the County, then the gap amount is payable by the City to the County by August 15) and **all such excess amounts from all Contracting Parties where $ANCF_0 \geq 0$ are allocated *pro-rata* to parties for which $ANFC_1 < 0$**, per paragraph B below. Contracting Parties for which **$ANFC_0 \geq 0$** do not receive a reconciliation payment.

B. If **$ANFC_0 < 0$,** i.e., costs are greater than revenues (*without* considering "W" for those Contracting Cities purchasing shelter services from PAWS or purchasing Enhanced Control Services), then the negative dollar amount is not "reset" and $ANFC_1$ is the same as $ANFC_0$. Contracting Parties in this situation will receive **a *pro-rata* allocation from the sum of excess revenues from those Parties for which $ANFC_0 \geq 0$** per paragraph A. In this way, excess revenues are reallocated across Contracting Parties with net final costs.

C. If, after crediting the City with its *pro rata* share of any excess revenues per paragraph B, **$ANFC_1$ < Total Estimated Payments made in the Service Year**, then the difference shall be paid by the County to the City no later than August 15; if **$ANFC_1$ > Total Estimated Payments made in the Service Year**, then the difference shall be paid by the City to the County no later than August 15.

Where:

"AR" is **Actual Licensing Revenue** attributable to the City, based on actual Licensing Revenues received from residents of the City in the Service Year, adjusted for Cities with a Licensing Revenue Target > $20,000 as described in **Exhibit C-5**. (License Revenue that cannot be attributed to a specific Party (e.g., License Revenue associated with incomplete address information), will be allocated amongst the Parties based on their respective percentages of total **AR**).

"**T**" is the Transition Funding Credit, if any, for the Service Year.

"**V**" is the Shelter Credit, if any, for the Service Year.

"**W**" is the actual amount paid by a City receiving shelter services to PAWS for such services during the Service Year, if any, plus the actual amount paid by a City to the County for the purchase of Enhanced Control Services during the Service Year, if any.

"**X**" is the amount of Residual New Regional Revenue, if any, allocable to the City from the 50% of New Regional Revenues which is first applied to offset County costs for funding Shelter Credits, Transition Funding Credits and any Program costs not allocated in the cost model. The residual is shared amongst the Contracting Parties to reduce *pro-rata* up to 20% of each Contracting Party's Estimated Total Animal Services Cost Allocation (See column titled "Estimated Total Animal Services Cost Allocation" in the spreadsheet at **Exhibit C-1**).

"**LRC**" is the amount of any **Licensing Revenue Credit or Charge** to be applied based on receipt of licensing support services. For a Licensing Revenue Support City designated in **Exhibit C-5**, the amount shall be determined per **Table 2** of **Exhibit C-5** and the associated

Licensing Support Contract, if any. Where a Licensing Revenue Support City is due a Licensing Revenue Credit, the amount applied for this factor is a positive dollar amount (e.g., increases City's revenues in the amount of the credit); if a Licensing Revenue Support City is assessed a Licensing Revenue Charge, the amount applied for this factor is a negative amount (e.g., increases City's costs). For any Contracting City receiving licensing support services per a Licensing Support Contract/ **Exhibit F** other than a Licensing Revenue Support City, **LRC** will be a negative amount (increasing the City's costs) equal to the County's cost of the licensing support set forth in the Attachment A to the Licensing Support Contract.

"**B**" is the "**Budgeted Total Net Allocable Costs**" as *estimated* for the Service Year for the provision of Animal Services to be allocated between all the Contracting Parties for the purposes of determining the Estimated Payment, calculated as described in **Exhibit C**.

"**LF**" is the "**Program Load Factor**" attributable to City for the Service Year, calculated as described in **Exhibit C**. **LF** will be recalculated if necessary to account for annexations of areas with a population of 2,500 or more people, or for Latecomer Cities if such events were not accounted for in the Final Estimated Payment Calculation for the Service Year being reconciled.

Additional Allocation of New Regional Revenues after calculation of all amounts above: If there is any residual New Regional Revenue remaining after allocating the full possible "**X**" amount to each Party (to fully eliminate the population based portion of costs), the remainder shall be allocated on a *pro rata* basis to all Contracting Parties for which **$ANFC_1 < 0$.** If there is any residual thereafter, it will be applied to improve Animal Services.

Exhibit E

Enhanced Control Services Contract (Optional)

Between City of _______________ ("City") and King County ("County")

The County will to offer Enhanced Control Services to the City during Service Years 2013, 2014 and 2105 of the **Animal Services Interlocal Agreement for 2013 Through 2015** between the City and the County dated and effective as of July 1, 2012 (the "Agreement") subject to the terms and conditions as described herein. **The provisions of this Contract are optional to both Parties and shall not be effective unless executed by both Parties.**

A. The City may request services under two different options, summarized here and described in further detail below:

Option 1: for a period of ***not less than one year***, the City may request service from an Animal Control Officer dedicated to the City ("Dedicated Officer"). Such service must be confirmed in writing through both Parties entering into this Enhanced Control Services Contract no later than August 15 of the year prior to the Service Year in which the service is requested.

Option 2: for a period of ***less than one year***, the City may request a specified number of over-time service hours on specified days and time from the 6 Animal Control Officers staffing the three Control Districts. Unlike Option 1, the individual officers providing the service will be determined by the County and may vary from time to time; the term "Dedicated Officer" used in context of Option 2 is thus different than its meaning with respect to Option 1. Option 2 service must be requested no later than 60 days prior to the commencement of the period in which the service is requested, unless waived by the County.

The City shall initiate a request for enhanced service by completing and submitting **Attachment A** to the County. If the County determines it is able to provide the requested service, it will so confirm by completing and countersigning **Attachment A** and signing this Contract and returning both to the City for final execution.

B. The County will provide enhanced Control Services to the City in the form of an Animal Control Officer dedicated to the City ("Dedicated Officer") as described in **Attachment A** and this Contract.

1. Costs identified in **Attachment A** for **Option 1 are** for one (1) year of service in 2010, in 2010 dollars, and include the cost of the employee (salary, benefits), equipment and animal control vehicle for the employee's use). Costs are subject

to adjustment each year, limited by the Annual Budget Inflator Cap (as defined in the Agreement).

2. Costs for **Option 2** will be determined by the County each year based on its actual hourly overtime pay for the individual Animal Control Officers providing the service, plus mileage at the federal reimbursement rate. The number of miles for which mileage is charged shall be miles which would not have been traveled but for the provision of the enhanced service.

3. Costs paid for enhanced services will be included in the Reconciliation calculation for each Service Year, as described in **Exhibit D** of the Agreement.

C. Services of the Dedicated Officer shall be in addition to the Animal Services otherwise provided to the City by the County through the Agreement. Accordingly, the calls responded to by the Dedicated Officer shall **not** be incorporated in the calculation of the City's Calls for Service (as further described in **Exhibit C and D** to the Agreement).

D. The scheduling of work by the Dedicated Officer will be determined by mutual agreement of the contract administrators identified in the Agreement, and (in the case of a purchase of service under **Option 1**) the mutual agreement of officials of other Contracting Cities named as contract administrators that have committed to sharing in the expense of the Dedicated Officer. In the event the parties are unable to agree on scheduling, the County shall have the right to finally determine the schedule of the Dedicated Officer(s).

E. Control Services to be provided to the City pursuant to this Enhanced Services Contract include Control Services of the type and nature as described under the Agreement with respect to Animal Control Officers serving in Control Districts, and include but are not limited to, issuing written warnings, citations and other enforcement notices and orders on behalf of the City, or such other services as the Parties may reasonably agree.

F. The County will provide the City with a general quarterly calendar of scheduled service in the City, and a monthly report of the types of services offered and performed.

G. **<u>For Services purchased under Option 1</u>**: An FTE will be scheduled to serve 40 hour weeks, however, with loss of service hours potentially attributable to vacation, sick leave, training and furlough days, not less than 1600 hours per year will be provided. Similarly, a half-time FTE will provide not less than 800 hours per year. The County shall submit to the City an invoice and billing voucher at the end of each calendar quarter, excepting that during the 4th quarter of each year during the term of this Contract, an invoice shall be submitted to the City no later than December 15th. All invoiced amounts shall be payable by the City within 30 days of the invoice date.

H. **For Services purchased under Option 2**: The County shall submit to the City an invoice and billing voucher at the end of each calendar quarter. All invoiced amounts shall be payable by the City within 30 days of the invoice date.

I. The City or County may terminate this Enhanced Services Contract with or without cause upon providing not less than 3 months written notice to the other Party; provided that, if the City has purchased services under **Option 1** and is sharing the Enhanced Control Services with other Contracting Cities, this Contract may only be terminated by the City if: (1) all such other Contracting Cities similarly agree to terminate service on such date, or (2) if prior to such termination date another Contracting City or Cities enters into a contract with the County to purchase the Enhanced Control Service that the City wishes to terminate; *provided further*: except as provided in Paragraph A.1, a Contract may not be terminated if the term of service resulting is less than one year.

J. All terms of the Agreement, except as expressly stated otherwise in this Exhibit, shall apply to this Enhanced Control Services Contract. Capitalized Terms not defined herein have those meanings as set forth in the Agreement.

IN WITNESS WHEREOF, the Parties hereto have caused this Enhanced Services Contract to be executed effective as of this ____ day of _______, 201__.

King County	**City of** ____________________
______________________________	______________________________
Dow Constantine King County Executive	By: Mayor /City Manager
______________________________	______________________________
Date	Date
Approved as to Form:	**Approved as to Form:**
______________________________	______________________________
Deputy Prosecuting Attorney	City Attorney

Exhibit E: Attachment A

ENHANCED CONTROL SERVICES OPTION REQUEST

(to be completed by City requesting Enhanced Control Services; final service terms subject to adjustment by County and agreement by City and will be confirmed in writing executed and appended to Enhanced Control Service Contract/Exhibit E)

City____

Requested Enhanced Control Services Start Date: _______________________

Requested Enhanced Control Services End Date: ________________________*
***term of service must be at least one year, except if purchasing services under Option 2.**

Please indicate whether City is requesting services under Option 1 or Option 2:

_____ **Option 1:**
% of Full Time Equivalent Officer (FTE) requested: _____ (minimum request: 20%; requests must be in multiples of either 20% or 25%)

_____ **Option 2:**
Overtime Hours purchase from existing ACO staff: ___ hours per (week /month)

General Description of desired services (days, hours, nature of service):

____
____
____.

<u>For Option 1</u>:

Contracting Cities with whom the City proposes to share the Enhanced Control Services, and proposed percentages of an FTE those Cities are expected to request:

____
____
____
____.

On behalf of the City, the undersigned understands and agrees that the County will attempt to honor requests but reserves the right to propose aggregated, adjusted and variously scheduled service, *including but not limited to adjusting allocations of service from* *increments of 20% to 25%*, in order to develop workable employment and scheduling for the officers within then-existing workrules, and that the City will be allowed to rescind or amend its request for Enhanced Control Services as a result of such proposed changes.

Requests that cannot be combined to equal 50% of an FTE, 100% of an FTE, or some multiple thereof may not be honored. Service must be requested for a minimum term of one-year, except as permitted by Paragraph A.1. .Service may not extend beyond the term of the Agreement.

City requests that alone or in combination with requests of other Contracting Cities equal at least 50% of an FTE will be charged at the rate in Column 1 below.

City requests that alone or in combination with other requests for Enhanced Control Services equal 100% of an FTE will be charged at the rate in Column 2 below.

Cities may propose a different allocation approach for County consideration.

An FTE will be scheduled to serve 40 hour weeks, however, with loss of hours potentially attributable to vacation, sick leave, training and furlough days, a minimum of 1600 hours per year will be provided. A half-time FTE will provide a minimum of 800 hours per year. *For example*, a commitment to purchase 20% of an FTE for enhanced service will result in provision of not less than 320 hours per year.

Hours of service lost for vacation, sick leave, training and furlough days will be allocated on ***pro rata*** basis between all Contracting Cities sharing the services of that FTE.

Column 1: Aggregate of 50% of an FTE Requested by all Participating Cities	**Column 2:** Aggregate of 1 FTE Requested by all Participating Cities
Cost to City: (% of Half-Time FTE requested) x $75,000/year in 2010* *Example:* if City A requests 25% of an FTE ** and City B requests 25% of an FTE**, then each city would pay $18,750 for Enhanced Control Services from July 1, 2010 through December 31, 2011 (6 months). **(50% of a Half-Time FTE)	Cost to City: (% of FTE requested) x $115,000/year in 2010 * *Example:* If City A requests 25% of an FTE and City B requests 25% of an FTE and City C requests 50% of an FTE, Cities A and B would pay $14,375 and City C would pay $28,750 for Enhanced Control Services from July 1, 2010 through December 31, 2011 (6 months)

* This example is based on 2010 costs. Actual costs will be based on actual Service Year FTE costs.

For Option 2:

On behalf of the City, the undersigned understands and agrees that the County will confirm what services, if any, it can provide, and at what costs, by completing this Attachment A, and the City must signify whether it accepts the County's offer by signing the Enhanced Services Contract.

Request Signed as of this ___ day of ________, 201__.
City of ____________________________
By:________________________________
Its ________________________________

<u>To be completed by King County:</u>

____ **Option 1**: The County hereby confirms its ability and willingness to provide Enhanced Control services as requested by the City in this **Attachment A**, *with adjustments as noted below (if any):*

The FTE Cost for the Service Year in which the City has requested service is: $________.

____ **Option 2**: the County confirms its ability to provide control service overtime hours as follows (*insert description—days/hours*):

Such overtime hours shall be provided at a cost of $__________________, (may be a range) per service hour, with the actual cost depending on the individual(s) assigned to work the hours, plus mileage at the federal reimbursement rate.

King County

By: ___________________________
Its____________________________
Date:__________________________

VIIC. Motion to Authorize the City Manager to Execute Contract No. 12-C1033, Animal Services Interlocal Agreement 2013-2015 with

Exhibit F

Licensing Support Contract (Optional)

Between City of _______________("City") and King County ("County")

The County is prepared to offer licensing revenue support to the City subject to the terms and conditions described in this Licensing Support Contract ("Contract"). The provisions of this Exhibit are optional and shall not be effective unless this Exhibit is executed by both the City and the County and both parties have entered into the underlying Animal Services Interlocal Agreement for 2013 Through 2015 (the "Agreement").

A. **Service Requests, Submittal**: Requests to enter into a licensing support contract should be made by submitting the Licensing Revenue Support Services Request (**Attachment A** to this **Exhibit F**) to the County between June 30 and October 31 of the calendar year prior to year in which such services are requested ("Service Year"). A separate Request shall be submitted for each Service Year, excepting that a Licensing Support City with a revenue target in excess of $20,000/year may submit a request by September 1, 2012 in order to receive service in all three Service Years (2013, 2014 and 2015).

B. **County to Determine Service Availability**: The County will determine whether it has capacity to provide the requested service based on whether it has staff available, and consistent with the priorities stated in **Section 7.c** and **Exhibit C-5** of the Agreement.

C. **Services Provided by County, Cost**: The County will determine the licensing revenue support activities it will undertake to achieve the Licensing Revenue Target. Activities may include, but are not limited to canvassing, mailings, calls to non-renewals. In completing **Attachment A** to confirm its ability to provide licensing support services to the City, the County shall identify the cost for such service for each applicable Service Year. If the City accepts the County's proposed costs, it shall so signify by countersigning **Attachment A**.

D. **Services Provided by City**: In exchange for receiving licensing revenue support from the County, the City will provide the following services:

1. Include inserts regarding animal licensing in bills or other mailings as may be allowed by law, at the City's cost. The County will provide the design for the insert and coordinate with the City to deliver the design on an agreed upon schedule.
2. Dedicate a minimum level of volunteer/staff hours per month (averaged over the year), based on the City's Licensing Revenue Target for the Year (as

specified/selected in Attachment A) to canvassing and/or mailings and outbound calls to non-renewals. City volunteer/staff hour requirements are scaled based on the size of the Licensing Revenue Target per **Table A** below:

Table A: Volunteer/Staff Hours to be Provided by City

If the Licensing Revenue Target for the Service Year is between:	The City shall provide volunteer/staff hours support (averaged over the year)
$0 and $5,000	9 hours per month
$5,001-$10,000	18 hours per month
$10,000-$20,000	27 hours per month
$20,001 and $40,000	36 hours per month
>$40,000	45 hours per month

3. Provide representation at a minimum of two public events annually to inform City residents about the Animal Services Program and promote pet licensing.
4. Inform City residents about the Animal Services Program and promote pet licensing utilizing print and electronic media including the city's website, social media, community brochures and newsletter ads/articles, signage/posters and pet licensing applications in public areas of city buildings and parks.
5. Appoint a representative to serve on the joint City-County marketing subcommittee; this representative shall attend the quarterly meetings of the subcommittee and help shape and apply within the City the joint advertising strategies developed by consensus of the subcommittee.

E. Selection of Licensing Revenue Target and Payment for Licensing Revenue Support:

1. For **Licensing Revenue Support Cities** (those identified in **Exhibit C-5** of the Agreement):
   In 2014 and 2015, Licensing Revenue Support Cities may receive licensing revenue support intended to generate total annual Licensing Revenue at or above the Revenue Goal in Table 1 of **Exhibit C-5**. The City will receive a **Licensing Revenue Credit or Charge** at Reconciliation in accordance with the calculations in **Table 2** of **Exhibit C-5**. A Licensing Revenue Support City may request service under subparagraph 2 below.

2. For **all other Contacting Cities**: The City will identify a proposed Licensing Revenue Target in **Attachment A**. The County may propose an alternate Revenue Target. If the Parties agree upon a Licensing Revenue Target, the County shall indentify its annual cost to provide service designed to achieve the target. At Reconciliation, the City shall be charged for licensing support service at the cost specified and agreed in **Attachment A** (the "**Licensing Revenue Charge**"),

regardless of the amount of Licensing Revenue received by the City during the Service Year (see **Exhibit D** of the Agreement for additional detail).

F. Other Terms and Conditions:

1. Before January 31 of the Service Year, each Party will provide the other with a general calendar of in-kind services to be provided over the course of the Service Year.
2. Each Party will provide the other with a monthly written report of the services performed during the Service Year.
3. Either Party may terminate this Contract with or without cause by providing not less than 2 months' advance written notice to the other Party; provided that all County costs incurred to the point of termination remain chargeable to the City as otherwise provided.
4. All terms of the Agreement, except as expressly stated otherwise herein, shall apply to this Contract, and Capitalized Terms not defined herein have the meanings as set forth in the Agreement.

IN WITNESS WHEREOF, the Parties hereto have caused this Contract for Licensing Support Services to be executed effective as of this ___ day of ____, 201_.

King County	**City of ___________________**
________________________________	________________________________
Dow Constantine King County Executive	By: Mayor /City Manager
________________________________	________________________________
Date	Date
Approved as to Form:	Approved as to Form:
________________________________	________________________________
Deputy Prosecuting Attorney	City Attorney

Exhibit F: Attachment A
LICENSING REVENUE SUPPORT SERVICES REQUEST

(to be completed by City requesting licensing support services; one request per Service Year except for a Licensing Support City with a Licensing Revenue Target over $20,000/year; final terms subject to adjustment by County and agreement by City confirmed in writing, executed and appended to the Contract for Licensing Support Services—**Exhibit F** of the ***Animal Services Interlocal Agreement for 2013 Through 2015*** ("the Agreement") dated effective as of July 1, 2012.)

1. City ______________________________ Date of Request: ______________

2. Licensing Revenue Target (the amount by which the City seeks to increase its revenues in the Service Year): $_________

   Note:
   - For Licensing Revenue Support Cities, the Licensing Revenue Support Target is defined in **Table 1** of **Exhibit C-5** of the Agreement, unless the Parties otherwise agree.
   - The amount of volunteer/staff hours and other in-kind services required of the City in exchange for receipt of licensing support services is based on the size of the Licensing Revenue Target (see Licensing Support Contract/ **Exhibit F** of Agreement).

3. Contact person who will coordinate City responsibilities associated with delivery of licensing support services:
   Name:
   Title:
   Phone:
   Fax:

I understand that:

A. provision of licensing revenue support services is subject to the County determining it has staff available to provide the services;
B. For Contracting Cities other than Licensing Revenue Support Cities, the County may propose an adjustment in the requested Licensing Revenue Target;
C. the County will, by September 1 of the current calendar year, provide the City with a firm cost to provide the amount of licensing support services the County proposes to provide by completing this **Attachment A**;
D. the County cannot verify and does not guarantee a precise level of Licensing Revenues to be received by the City as a result of these services;
E. Receipt of service is subject to County and City agreeing on the Licensing Revenue Target and County charge for these services (incorporated in

calculation of the **Licensing Revenue Credit/Charge** per the Agreement), and executing the Licensing Support Contract (**Exhibit F** of the Agreement).

Request signed as of this ___ day of ____________, 201__.
City of ________________________________

By: __________________________________
Its: __________________________________

To be completed by King County:

The County offers to provide the City licensing revenue support services in Service Year 201____ intended to generate $______ (the "Licensing Revenue Target") in additional Licensing Revenue for a total Service Year cost of $________, some or all of which cost may be charged to the City in calculating the Licensing Revenue Charge, as further described in the Licensing Support Contract and **Exhibits C-5** (for Licensing Support Cities) and **D** of the Agreement.

King County

By:______________________________________
Its: ______________________________________
Date:______________________________________

<u>To be completed by the City:</u>

The County offer is accepted as of this ___ day of ________, 201__.
City of ______________________________

By: ______________________________________
Its:______________________________________

Business of the City Council
City of Kenmore, WA

Subject/Topic:
61st Avenue NE and NE 181st Street Traffic Signal Construction Contract Award

For Council Meeting Agenda of: June 11, 2012

Department: Engineering

Prepared by: Kent Vaughan

	Initial & Date
Approved by Department Head:	KHO
Approved by City Attorney:	reviewed by RK
Approved by Finance Director:	jmg
Approved by City Manager:	RJK 6/5

Proposed Council Action/Motion:
Authorize the City Manager or designee to award and sign a contract with Razz Construction for the Traffic Signal Project based on bid schedules A + C in the amount of $1,190,629.76, with the discretion to award the contract based on bid schedules A + B in the amount of $1,186.835.80 if the City Manager determines that the NE 181st Street Culvert Replacement Project (SW-6) will be constructed this summer.

Exhibits/Attachments:

- Agenda Bill dated May 14, 2012
- Final Bid Tabulation Summary
- Plan Sheets CH1, UT1, and UT1a

Expenditure Required	Amount Budgeted	Appropriation Required
See Fiscal Consideration Below.		

INFORMATION/BACKGROUND:

The bid opening for the 61st Avenue NE and NE 181st Street Traffic Signal project (T-7) was held on May 22, 2012. The City received three (3) bids. Bids were comprised of three bid schedules: Schedule A (Base bid items), Schedule B (Utility bid items), and Schedule C (Utility bid alternate to Schedule B). The contract documents were developed such that the City could award the project based on the low bid sum of either Schedule A + B or Schedule A + C.

The City's NE 181st Street Culvert Replacement Project (SW-6) is within the same footprint as the traffic signal and Schedules B and C were created to give the City schedule and utility routing flexibility. The primary differences between Schedule B and Schedule C are outlined below:

- With Schedule B, the preferred design (most direct path to NE corner of intersection) for the proposed joint utility trench crosses over the proposed culvert alignment of the NE 181st Street Culvert Replacement Project (SW-6) on the east side of 61st Avenue NE. Schedule B includes a Suspension of Work bid item that would allow the traffic signal project to be suspended for up to two months to allow the NE 181st Street Culvert Replacement Project (SW-6) to be constructed in advance of the utility undergrounding work.
- With Schedule C, the alternate joint utility trench design moves the joint utility trench to the west side of

VIID. 61st Avenue NE and NE 181st Street Traffic Signal Construction Contract Award.

61st Avenue NE and eliminates the potential conflict with the culvert installation (the alternate design however requires an additional conduit crossing of 61st Avenue NE to the NE corner of intersection). Schedule C does not include a Suspension of Work bid item.

The engineer's estimate and the low bids for Schedule A + B and Schedule A + C are provided in Table 1 below:

TABLE 1

Bid Schedule	Final Engineer's Estimate	Low Bid	Δ over Engineer's Estimate	Δ over Previously Authorized Amount of $1.15M on 5/14	Low Bid Contractor
A + B	$1,057,806.91	$1,186,835.80	$129,028.89	$36,835.80	Razz Construction
A + C	$1,063,062.91	$1,190,529.76	$127,466.85	$40,529.76	Razz Construction

On May 14, City Council authorized the City Manager to award the traffic signal project and execute the construction contract in an amount not to exceed $1,150,000. The low bids for Schedule A + B and Schedule A + C exceed that amount. The contractor for both low bids is Razz Construction of Bellingham, WA. Staff has reviewed the low bids and has determined the bids to be responsive. Staff has also completed an evaluation of the low bidder's qualifications and determined the contractor to be responsible.

Staff recommends awarding a contract to Razz Construction for the Traffic Signal Project based on bid schedules A + C with the discretion to award the contract based on bid schedules A + B if the City Manager determines that the NE 181st Street Culvert Replacement Project (SW-6) will be constructed this summer. The City Manager will make this determination within 45 calendar days after Bid Opening. The Traffic Signal Project is anticipated to begin construction in July. The contract documents allow Razz Construction 100 working days to complete the Project.

FISCAL CONSIDERATION:

The 2011 – 2012 Budget for completion of design, right-of-way, and construction of the 61st Avenue NE and NE 181st Street Traffic Signal is $1,976,200 ($650k in Federal Funds, $880k in REET Funds, and $446k in Traffic Impact Fees). A review of the project budget indicates that an additional $182,800 in budget may be necessary to complete the project based on increased construction costs and contract obligations (such as additional design costs, utility costs, material testing and consultant support services, etc.). A 10% construction contingency is built in to the project budget.

Additionally, a review of the budgeted revenues for this project found that there is likely to be a shortfall of $240,000 in traffic impact fees available to fund the project at this time. This could result in an overall project shortfall of $422,800.

City Council has two options moving forward with this project:

Option A: Award and execute a construction contract with the low bid contractor and approve an appropriation of additional funds to cover the project shortfall of $422,800. The additional funds would be Real Estate Excise Taxes designated for the sidewalk program and would require a budget amendment at a later date.

Pros:

- Construction cost certainty with low bid in an evolving market.
- Meets citizen expectations to install the new traffic signal in 2012.
- Maintain good standing and credibility with State Legislature.

- Qualified contractor with good references.

Cons:
- Future sidewalk program could be delayed.

Option B: Delay the project and revise the budget as part of 2013-2014 Budget discussion. City Council would officially reject the bids at a later meeting in June or July.

Pros:
- Culvert project would be installed in advance of the traffic signal improvements.

Cons:
- Construction cost uncertainty in re-bidding the project in an evolving market.
- Intersection will be left in a temporary state after the culvert is installed. Sidewalks impacted by the culvert installation will be restored with asphalt concrete pavement.
- City's temporary Construction Manager for this project may not be available next year.
- May affect the City's credibility with State Legislature and impact future funding opportunities.
- WSDOT may request that the City tie this project to the future 61st and SR522 Traffic Signal project which would delay construction until 2014.

Recommendation: Staff recommends that the City Council authorize the City Manager or designee to award and sign a contract with Razz Construction for the Traffic Signal Project based on bid schedules A + C in the amount of $1,190,629.76, with the discretion to award the contract based on bid schedules A + B in the amount of $1,186.835.80 if the City Manager determines that the NE 181st Street Culvert Replacement Project (SW-6) will be constructed this summer. Staff will return at a later City Council meeting to request an appropriation of REET funds (currently being set aside for the City sidewalk program) in the amount of $422,800 to reconcile the Project budget.

COUNCIL GOAL/BUDGET OBJECTIVE BEING ADDRESSED:

To seek funds and move forward on the SR522 transportation project.

<table>
<tr><td colspan="4">CITY OF KENMORE, WASHINGTON
AGENDA BILL SUMMARY</td></tr>
<tr><td colspan="3">AGENDA TITLE</td><td>MEETING DATE</td></tr>
<tr><td colspan="3">Authorize City Manager to award the 61st Avenue NE and NE 181st Street Traffic Signal Construction Contract for an amount not to exceed $1,150,000.</td><td>May 14, 2012</td></tr>
<tr><td>DEPARTMENT</td><td>DIRECTOR</td><td>CONTACT PERSON</td><td>PHONE</td></tr>
<tr><td>Engineering</td><td>Ron Loewen</td><td>Ron Loewen</td><td>(425) 398-8900</td></tr>
<tr><td colspan="2">COST OF PROPOSAL:
Engineer's Estimate of Probable Construction Costs
for traffic signal: $1,025,000
Contingency (~12%) <u>$125,000</u>
$1,150,000</td><td colspan="2">ACCOUNT NUMBER:
09 00 7097</td></tr>
<tr><td colspan="2">AMOUNT BUDGETED:
<u>61st Ave NE & NE 181st ST Traffic Signal</u>
2011-2012 Budgeted Amount: $1,976,200
Budget Balance as of 3/31: $1,792,444</td><td colspan="2">NAME AND FUND #:
Arterial Street Fund
61st Ave NE/ NE 181st ST Traffic Signal</td></tr>
<tr><td colspan="4">ATTACHMENT(S) TO AGENDA PACKET ITEM:
• Engineer's Estimates of Probable Construction Costs for traffic signal</td></tr>
<tr><td colspan="4">SUMMARY STATEMENT:

To expedite the project, Staff is requesting authority to award the construction contract if bids are within the project estimate.

The City's 61st Avenue NE and NE 181st Street traffic signal project is scheduled for advertisement on April 26, May 3, and May 10 with an anticipated bid opening date of May 17. Based on the projected advertising dates and the City Council meeting schedule, the next available Council Meeting to award the project would be June 11. Staff is requesting that City Council grant the City Manager authority to award the traffic signal project up to an amount of $1,150,000 to expedite the bid award process and maximize the construction season. This will allow the contractor time to build the solider pile wall in good weather conditions. The contractor will also be able to order the traffic signal poles and equipment sooner. From past experience, traffic signal poles and equipment can take up to three months to be manufactured, tested, and delivered to the site for installation. This will insure that the new traffic signal is operational this year.

The City has scheduled a two month work suspension window within the traffic signal project to allow the Culvert to be installed without having multiple contractors working in the intersection. The box culvert project must be completed in the permitted work window of July 1st through September 30th.

Staff will return to City Council to formally announce the bid results and award at a later date and authority to sign a contract.</td></tr>
</table>

CONSISTENT WITH OR COMPARISON TO PAST COUNCIL POLICIES, ORDINANCES, DIRECTION:

Council set a priority for SR 522 in 2008 and reaffirmed in 2009 with council action on December 1, 2008 - Agenda title: Consider Projects for Federal Stimulus Package and Potential Action for Authorization to Design and Right of way Acquisition for SR 522 Phase I Stage 2.
City Council action on July 26, 2010 authorizing the design and right of way acquisition for the 61st Avenue NE and NE 181st Street signal.
City Council action on September 27, 2010 selecting an alternative authorizing the design and right of way acquisition for the 61st Avenue and NE 181st signal project.
City Council action on June 27, 2011 modifying the project scope of work to include undergrounding of aerial facilities.

RECOMMENDED CITY COUNCIL ACTION/SUGGESTED MOTION:

Authorize City Manager to award the 61st Avenue NE and NE 181st Street Traffic Signal Construction Contract for an amount not to exceed $1,150,000.

REVIEWED BY FINANCE DIRECTOR:	REVIEWED BY CITY ATTORNEY:	APPROVED BY CITY MANAGER: RJK
TODAY'S DATE: April 23, 2012	REVISION DATE(S):	FILE NAME & PATH (HYPERLINK): S:\0159 61st Ave NE and NE 181st St Traffic Signal\Council\May 14, 2012 Authorization to Award\2012-04-13-AB to Request Authorization to Award 61st-181st traffic signal project.doc

61st Ave NE - 100% Estimate of Probable Construction Cost

Bid Schedule A - Base Bid Items

Item #	Section	Description	Est. Qty	Unit	Unit Cost	Cost
1	1-05	Structure Surveying	1	LS	$15,000.00	$15,000.00
2	1-05	Roadway Surveying – Schedule A	1	LS	$18,000.00	$18,000.00
3	1-07	SPCC Plan	1	LS	$2,000.00	$2,000.00
4	1-09	Mobilization - Schedule A	1	LS	$50,600.00	$50,600.00
5	1-10	Project Temporary Traffic Control - Schedule A	1	LS	$5,000.00	$5,000.00
6	1-10	Flaggers and Spotters	1500	HR	$45.00	$67,500.00
7	1-10	Traffic Control Supervisor	1	LS	$11,000.00	$11,000.00
8	2-01	Clearing and Grubbing	1	LS	$5,000.00	$5,000.00
9	2-02	Removal of Structure & Obstruction	1	LS	$5,000.00	$5,000.00
10	2-02	Sawcutting	1000	LF	$3.50	$3,500.00
11	2-03	Roadway Excavation Incl. Haul	1,030	CY	$25.00	$25,750.00
12	2-03	Unsuitable Foundation Excavation Incl. Haul	60	CY	$100.00	$6,000.00
13	2-03	Gravel Borrow, Including Haul	30	TN	$20.00	$600.00
14	2-11	Trimming & Clean Up	1	LS	$5,000.00	$5,000.00
15	4-04	Crushed Surfacing Top Course	48	TN	$40.00	$1,916.00
16	4-04	Crushed Surfacing Base Course	130	TN	$30.00	$3,900.00
17	5-04	HMA Class 1/2" PG 64-22	640	TN	$85.00	$54,400.00
18	5-04	Planing Bituminous Pavement	170	SY	$30.00	$5,100.00
19	6-16	Removing Soldier Pile Shaft Obstructions	1	FA	$15,000.00	$15,000.00
20	6-16	Shaft - 30" Diameter	790	LF	$100.00	$79,000.00
21	6-16	Furnishing Soldier Pile - HP 18x86	181	LF	$55.00	$9,955.00
22	6-16	Furnishing Soldier Pile - HP 18x119	284	LF	$80.00	$22,720.00
23	6-16	Furnishing Soldier Pile - HP 18x175	213	LF	$115.00	$24,495.00
24	6-16	Furnishing Soldier Pile - HP 18x211	113	LF	$140.00	$15,820.00
25	6-16	Lagging	1540	SF	$8.00	$12,320.00
26	6-16	Prefabricated Drainage Mat	110	SY	$12.00	$1,320.00
27	6-16	Concrete Fascia Panel	2280	SF	$45.00	$102,600.00
28	7-04	Profile Wall PVC Storm Sewer Pipe, 12 In. Diam	86	LF	$55.00	$4,730.00
29	7-04	Profile Wall PVC Storm Sewer Pipe, 6 In. Diam	15	LF	$56.00	$840.00
30	7-05	Concrete Inlet	2	EA	$1,500.00	$3,000.00
31	7-05	Catch Basin type 1	2	EA	$1,500.00	$3,000.00
32	7-05	Shoring or Extra Excavation Class B	80	LF	$1.50	$120.00
33	7-06	Water Quality Catch Basin Insert	7	EA	$100.00	$700.00
34	7-08	Bank Run Gravel for Trench Backfill	79	TN	$35.00	$2,765.00
35	7-08	Potholing	6	EA	$750.00	$4,500.00
36	8-01	Seeding, Fertilizing and Mulching	400	SY	$2.00	$800.00
37	8-01	Inlet Protection	7	EA	$100.00	$700.00
38	8-01	Erosion/Water Pollution control	1	FA	$2,000.00	$2,000.00
39	8-02	Topsoil Type A	50	CY	$40.00	$2,000.00
40	8-04	Cement Concrete Traffic Curb and Gutter	600	LF	$20.00	$12,000.00
41	8-04	Cement Conc. Pedestrian Curb	100	LF	$20.00	$2,000.00
42	8-06	Cement Concrete Driveway Entrance	115	SY	$70.00	$8,050.00
43	8-07	Precast Dual Faced Sloped Mountable Curb	50	LF	$25.00	$1,250.00
44	8-12	Chain Link Fence Type 3	180	LF	$25.00	$4,500.00
45	8-13	Monument Case and Cover	2	EA	$350.00	$700.00
46	8-14	Cement Concrete Curb Ramp Type A	3	EA	$1,600.00	$4,800.00

P:\KENMORE\2941 -61st NE & NE 181st Traffic Signal\Reports-Analysis\Cost Estimate\Estimate - Final 04-09-2012.xls

47	8-14	Cement Concrete Combination Curb Ramp	1	EA	$1,600.00	$1,600.00
48	8-14	Transition Curb Ramp	2	EA	$1,000.00	$2,000.00
49	8-14	Cement Concrete Sidewalk	413	SY	$42.00	$17,346.00
50	8-14	Mail Box Relocation	1	EA	$400.00	$400.00
51	8-20	Traffic Signal System	1	LS	$175,000.00	$175,000.00
52	8-20	Traffic Signal Interconnect	1	LS	$5,000.00	$5,000.00
53	8-20	Illumination System	1	LS	$5,000.00	$5,000.00
54	8-21	Permanent Signing	1	LS	$2,000.00	$2,000.00
55	8-22	Plastic Line	370	LF	$1.00	$370.00
56	8-22	Plastic Wide Line	270	LF	$3.00	$810.00
57	8-22	Plastic Crosswalk Line	290	SF	$6.00	$1,740.00
58	8-22	Plastic Stop Line	115	LF	$7.00	$805.00
59	8-22	Plastic Traffic Arrow	8	EA	$110.00	$880.00
60	8-24	Modular Block Wall	145	SF	$30.00	$4,350.00
61	8-33	Force Account for Private/Public Property Restoration	1	FA	$50,000.00	$50,000.00
		Total Schedule A Estimate				*$894,252.00*

Bid Schedule B - Utilities Bid Items

Item #	Section	Description	Est. Qty	Unit	Unit Cost	Cost
B-1	1-05	Roadway Surveying – Schedule B	1	LS	$6,000.00	$6,000.00
B-2	1-09	Mobilization - Schedule B	1	LS	$7,600.00	$7,600.00
B-3	1-09	Suspension Demobilization / Remobilization	1	LS	$7,600.00	$7,600.00
B-4	1-10	Project Temporary Traffic Control - Schedule B	1	LS	$1,000.00	$1,000.00
B-5	7-10	Utility Adjustment to Grade	6	EA	$450.00	$2,700.00
B-6	7-14	Moving Existing Hydrant Assembly	1	EA	$2,500.00	$2,500.00
B-7	7-14	Reconnect Existing Service 1-1/2 inch Diam.	1	EA	$2,499.00	$2,499.00
B-8	7-15	Reconnect Existing Service 1-inch Diam.	1	EA	$2,500.00	$2,500.00
B-9	7-15	Locate and Cap Side Sewer	2	EA	$4,500.00	$9,000.00
B-10	8-34	Overhead Power Service Connection	1	LS	$20,000.00	$20,000.00
B-11	8-35	Joint Utility Trench Complete - Schedule B	1	LS	$80,200.00	$80,200.00
		SUB-TOTAL				*$119,399.00*
		Sales and Use Tax 9.5% - Taxed Items (Rule 170)			*9.5%*	*$11,342.91*
		Total Schedule B Estimate				*$130,741.91*
		Total Estimate of Probable Construction Cost (Schedule A+B)				*$1,024,993.91*

Bid Schedule C - Utilities Bid Items _Alternative

Item #	Section	Description	Est. Qty	Unit	Unit Cost	Cost
C-1	1-05	Roadway Surveying – Schedule C	1	LS	$6,000.00	$6,000.00
C-2	1-09	Mobilization - Schedule C	1	LS	$8,300.00	$8,300.00
C-3	7-10	Utility Adjustment to Grade	6	EA	$450.00	$2,700.00
C-4	7-14	Moving Existing Hydrant Assembly	1	EA	$2,500.00	$2,500.00
C-5	7-14	Reconnect Existing Service 1-1/2 inch Diam.	1	EA	$2,499.00	$2,499.00
C-6	7-15	Reconnect Existing Service 1-inch Diam.	1	EA	$2,500.00	$2,500.00
C-7	7-15	Locate and Cap Side Sewer	2	EA	$4,500.00	$9,000.00
C-8	1-10	Project Temporary Traffic Control - Schedule C	1	LS	$1,000.00	$1,000.00
C-9	8-34	Overhead Power Service Connection	1	LS	$20,000.00	$20,000.00
C-10	8-35	Joint Utility Trench Complete - Schedule C	1	LS	$91,900.00	$91,900.00
		SUB-TOTAL				*$146,399.00*
		Sales and Use Tax 9.5% - Taxed Items (Rule 170)			*9.5%*	*$13,907.91*
		Total Schedule C Estimate				*$160,306.91*

P:\KENMORE\2941 -61st NE & NE 181st Traffic Signal\Reports-Analysis\Cost Estimate\Estimate - Final 04-09-2012.xls

City of Kenmore
61st Ave NE & NE 181st St Traffic Signal
Bid Tabs
May 22, 2012

Bid Schedule A - Base Bid Items					Engineers Estimate		RAZZ		MidMountain		Westwater	
Item #	Section	Description	Est. Qty	Unit	Unit Cost	Cost	Unit Cost	Cost	Unit Cost	Cost	Unit Cost	Cost
1	1-05	Structure Surveying	1	LS	$15,000.00	$15,000.00	$2,023.00	$2,023.00	$450.00	$450.00	$3,000.00	$3,000.00
2	1-05	Roadway Surveying – Schedule A	1	LS	$18,000.00	$18,000.00	$5,552.00	$5,552.00	$2,575.00	$2,575.00	$6,000.00	$6,000.00
3	1-07	SPCC Plan	1	LS	$2,000.00	$2,000.00	$5,400.00	$5,400.00	$1,450.00	$1,450.00	$500.00	$500.00
4	1-09	Mobilization - Schedule A	1	LS	$51,100.00	$51,100.00	$80,000.00	$80,000.00	$101,101.00	$101,101.00	$100,000.00	$100,000.00
5	1-10	Project Temporary Traffic Control - Schedule A	1	LS	$13,000.00	$13,000.00	$2,074.00	$2,074.00	$8,200.00	$8,200.00	$10,000.00	$10,000.00
6	1-10	Flaggers and Spotters	1500	HR	$45.00	$67,500.00	$53.50	$80,250.00	$47.00	$70,500.00	$50.00	$75,000.00
7	1-10	Traffic Control Supervisor	1	LS	$11,000.00	$11,000.00	$4,400.00	$4,400.00	$40,404.00	$40,404.00	$40,000.00	$40,000.00
8	2-01	Clearing and Grubbing	1	LS	$5,000.00	$5,000.00	$2,894.00	$2,894.00	$4,725.00	$4,725.00	$25,000.00	$25,000.00
9	2-02	Removal of Structure & Obstruction	1	LS	$5,000.00	$5,000.00	$11,630.00	$11,630.00	$2,075.00	$2,075.00	$16,000.00	$16,000.00
10	2-02	Sawcutting	1000	LF	$3.50	$3,500.00	$1.60	$1,600.00	$1.65	$1,650.00	$3.00	$3,000.00
11	2-03	Roadway Excavation Incl. Haul	1,030	CY	$25.00	$25,750.00	$22.20	$22,866.00	$24.00	$24,720.00	$50.00	$51,500.00
12	2-03	Unsuitable Foundation Excavation Incl. Haul	60	CY	$100.00	$6,000.00	$29.15	$1,749.00	$31.50	$1,890.00	$35.00	$2,100.00
13	2-03	Gravel Borrow, Including Haul	30	TN	$20.00	$600.00	$15.95	$478.50	$47.00	$1,410.00	$30.00	$900.00
14	2-11	Trimming & Clean Up	1	LS	$5,000.00	$5,000.00	$4,865.00	$4,865.00	$6,475.00	$6,475.00	$12,000.00	$12,000.00
15	4-04	Crushed Surfacing Top Course	48	TN	$40.00	$1,920.00	$41.30	$1,982.40	$36.50	$1,752.00	$35.00	$1,680.00
16	4-04	Crushed Surfacing Base Course	130	TN	$30.00	$3,900.00	$44.00	$5,720.00	$45.00	$5,850.00	$35.00	$4,550.00
17	5-04	HMA Class 1/2" PG 64-22 (Eng Est has 640 TN)	540	TN	$85.00	$54,400.00	$108.00	$58,320.00	$102.50	$55,350.00	$150.00	$81,000.00
18	5-04	Planing Bituminous Pavement	170	SY	$30.00	$5,100.00	$38.00	$6,460.00	$26.50	$4,505.00	$30.00	$5,100.00
19	6-16	Removing Soldier Pile Shaft Obstructions	1	FA	$15,000.00	$15,000.00	$15,000.00	$15,000.00	$15,000.00	$15,000.00	$15,000.00	$15,000.00
20	6-16	Shaft - 30" Diameter	790	LF	$100.00	$79,000.00	$102.00	$80,580.00	$80.00	$63,200.00	$80.00	$63,200.00
21	6-16	Furnishing Soldier Pile - HP 18x86	181	LF	$55.00	$9,955.00	$102.00	$18,462.00	$76.00	$13,756.00	$95.00	$17,195.00
22	6-16	Furnishing Soldier Pile - HP 18x119	284	LF	$80.00	$22,720.00	$134.00	$38,056.00	$103.00	$29,252.00	$120.00	$34,080.00
23	6-16	Furnishing Soldier Pile - HP 18x175	213	LF	$115.00	$24,495.00	$183.00	$38,979.00	$145.00	$30,885.00	$160.00	$34,080.00
24	6-16	Furnishing Soldier Pile - HP 18x211	113	LF	$140.00	$15,820.00	$214.00	$24,182.00	$173.00	$19,549.00	$190.00	$21,470.00
25	6-16	Lagging	1540	SF	$8.00	$12,320.00	$12.55	$19,327.00	$11.00	$16,940.00	$20.00	$30,800.00
26	6-16	Prefabricated Drainage Mat	110	SY	$12.00	$1,320.00	$25.40	$2,794.00	$11.00	$1,210.00	$25.00	$2,750.00
27	6-16	Concrete Fascia Panel	2280	SF	$45.00	$102,600.00	$42.00	$95,760.00	$46.00	$104,880.00	$70.00	$159,600.00
28	7-04	Profile Wall PVC Storm Sewer Pipe, 12 In. Diam	86	LF	$55.00	$4,730.00	$38.55	$3,315.30	$58.00	$4,988.00	$50.00	$4,300.00
29	7-04	Profile Wall PVC Storm Sewer Pipe, 6 In. Diam	15	LF	$56.00	$840.00	$42.00	$630.00	$41.00	$615.00	$48.00	$720.00
30	7-05	Concrete Inlet	2	EA	$1,500.00	$3,000.00	$1,118.00	$2,236.00	$1,425.00	$2,850.00	$600.00	$1,200.00
31	7-05	Catch Basin type 1	2	EA	$1,500.00	$3,000.00	$1,247.00	$2,494.00	$1,550.00	$3,100.00	$800.00	$1,600.00
32	7-05	Shoring or Extra Excavation Class B	80	LF	$1.50	$120.00	$4.60	$368.00	$1.00	$80.00	$1.00	$80.00
33	7-06	Water Quality Catch Basin Insert	7	EA	$100.00	$700.00	$777.00	$5,439.00	$715.00	$5,005.00	$800.00	$5,600.00
34	7-08	Bank Run Gravel for Trench Backfill	79	TN	$35.00	$2,765.00	$40.00	$3,160.00	$20.00	$1,580.00	$30.00	$2,370.00
35	7-08	Potholing	6	EA	$750.00	$4,500.00	$275.00	$1,650.00	$197.00	$1,182.00	$600.00	$3,600.00
36	8-01	Seeding, Fertilizing and Mulching	400	SY	$2.00	$800.00	$3.40	$1,360.00	$2.25	$900.00	$3.00	$1,200.00
37	8-01	Inlet Protection	7	EA	$100.00	$700.00	$46.00	$322.00	$58.00	$406.00	$100.00	$700.00
38	8-01	Erosion/Water Pollution control	1	FA	$2,000.00	$2,000.00	$2,000.00	$2,000.00	$2,000.00	$2,000.00	$2,000.00	$2,000.00

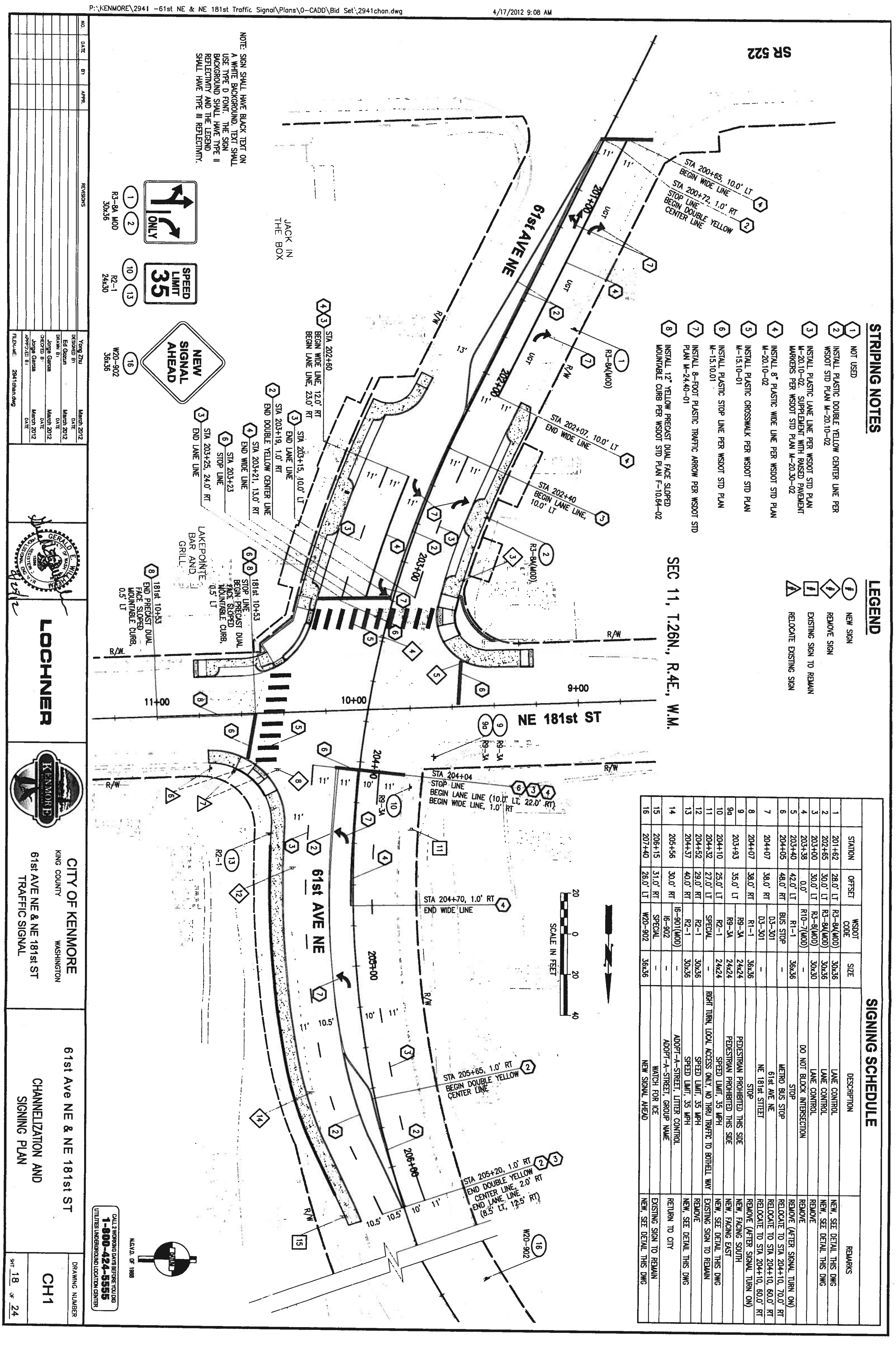
39	8-02	Topsoil Type A	50	CY	$40.00	$2,000.00	$50.00	$2,500.00	$80.00	$4,000.00	$60.00	$3,000.00
40	8-04	Cement Concrete Traffic Curb and Gutter	600	LF	$20.00	$12,000.00	$23.90	$14,340.00	$32.00	$19,200.00	$50.00	$30,000.00
41	8-04	Cement Conc. Pedestrian Curb	100	LF	$20.00	$2,000.00	$30.80	$3,080.00	$32.00	$3,200.00	$50.00	$5,000.00
42	8-06	Cement Concrete Driveway Entrance	115	SY	$70.00	$8,050.00	$88.35	$10,160.25	$80.00	$9,200.00	$80.00	$9,200.00
43	8-07	Precast Dual Faced Sloped Mountable Curb	50	LF	$25.00	$1,250.00	$55.80	$2,790.00	$55.00	$2,750.00	$40.00	$2,000.00
44	8-12	Chain Link Fence Type 3	180	LF	$25.00	$4,500.00	$32.35	$5,823.00	$31.00	$5,580.00	$35.00	$6,300.00
45	8-13	Monument Case and Cover	2	EA	$350.00	$700.00	$536.00	$1,072.00	$285.00	$570.00	$100.00	$200.00
46	8-14	Cement Concrete Curb Ramp Type A	3	EA	$1,600.00	$4,800.00	$1,063.00	$3,189.00	$1,600.00	$4,800.00	$1,000.00	$3,000.00
47	8-14	Cement Concrete Combination Curb Ramp	1	EA	$1,600.00	$1,600.00	$3,046.00	$3,046.00	$1,600.00	$1,600.00	$2,500.00	$2,500.00
48	8-14	Transition Curb Ramp	2	EA	$1,000.00	$2,000.00	$852.00	$1,704.00	$1,600.00	$3,200.00	$800.00	$1,600.00
49	8-14	Cement Concrete Sidewalk	413	SY	$42.00	$17,346.00	$53.05	$21,909.65	$54.00	$22,302.00	$50.00	$20,650.00
50	8-14	Mail Box Relocation	1	EA	$400.00	$400.00	$206.00	$206.00	$415.00	$415.00	$200.00	$200.00
51	8-20	Traffic Signal System	1	LS	$175,000.00	$175,000.00	$241,705.77	$241,705.77	$252,825.00	$252,825.00	$230,000.00	$230,000.00
52	8-20	Traffic Signal Interconnect	1	LS	$5,000.00	$5,000.00	$24,790.34	$24,790.34	$24,000.00	$24,000.00	$20,000.00	$20,000.00
53	8-20	Illumination System	1	LS	$5,000.00	$5,000.00	$4,507.33	$4,507.33	$4,300.00	$4,300.00	$3,000.00	$3,000.00
54	8-21	Permanent Signing	1	LS	$2,000.00	$2,000.00	$4,052.87	$4,052.87	$5,350.00	$5,350.00	$2,500.00	$2,500.00
55	8-22	Plastic Line	370	LF	$1.00	$370.00	$10.20	$3,774.00	$5.75	$2,127.50	$3.00	$1,110.00
56	8-22	Plastic Wide Line	270	LF	$3.00	$810.00	$10.20	$2,754.00	$5.75	$1,552.50	$3.00	$810.00
57	8-22	Plastic Crosswalk Line	290	SF	$6.00	$1,740.00	$4.20	$1,218.00	$4.00	$1,160.00	$4.00	$1,160.00
58	8-22	Plastic Stop Line	115	LF	$7.00	$805.00	$7.90	$908.50	$8.00	$920.00	$6.00	$690.00
59	8-22	Plastic Traffic Arrow	8	EA	$110.00	$880.00	$126.00	$1,008.00	$110.00	$880.00	$100.00	$800.00
60	8-24	Modular Block Wall	145	SF	$30.00	$4,350.00	$29.20	$4,234.00	$25.00	$3,625.00	$30.00	$4,350.00
61	8-33	Force Account for Private/Public Property Restoration	1	FA	$50,000.00	$50,000.00	$50,000.00	$50,000.00	$50,000.00	$50,000.00	$50,000.00	$50,000.00
		Total Schedule A Estimate	*640*			*$902,756.00*		*$1,063,150.91*		*$1,076,017.00*		*$1,236,945.00*

Bid Schedule B - Utilities Bid Items

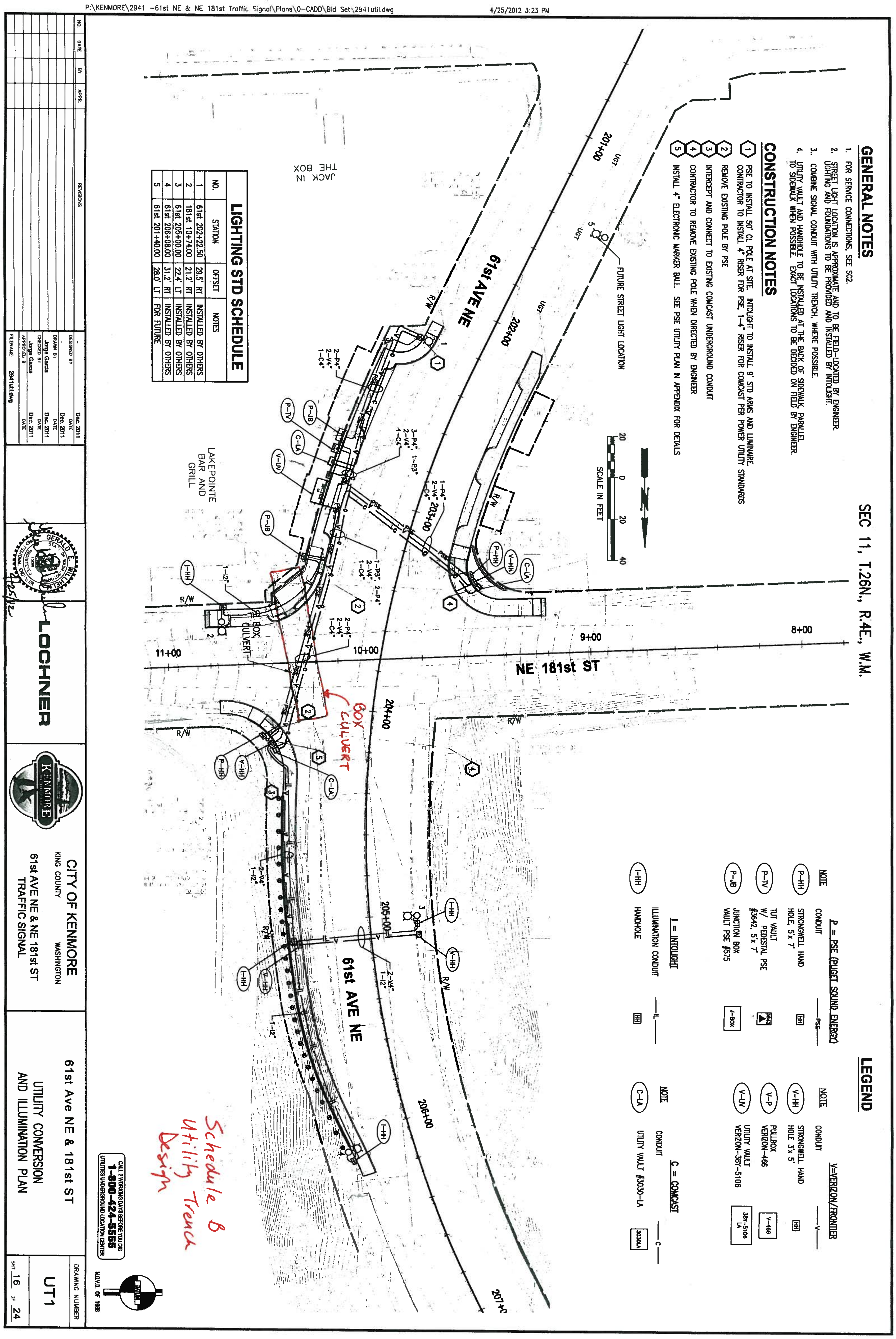
Item #	Section	Description	Est. Qty	Unit	Unit Cost	Cost	Unit Cost	Cost	Unit Cost	Cost	Unit Cost	Cost
B-1	1-05	Roadway Surveying – Schedule B	1	LS	$6,000.00	$6,000.00	$1.00	$1.00	$650.00	$650.00	$1,000.00	$1,000.00
B-2	1-09	Mobilization - Schedule B	1	LS	$7,600.00	$7,600.00	$500.00	$500.00	$1,000.00	$1,000.00	$15,000.00	$15,000.00
B-3	1-09	Suspension Demobilization / Remobilization	1	LS	$7,600.00	$7,600.00	$1,620.00	$1,620.00	$5,500.00	$5,500.00	$35,000.00	$35,000.00
B-4	1-10	Project Temporary Traffic Control - Schedule B	1	LS	$1,000.00	$1,000.00	$7,060.00	$7,060.00	$31,000.00	$31,000.00	$5,000.00	$5,000.00
B-5	7-10	Utility Adjustment to Grade	6	EA	$450.00	$2,700.00	$289.60	$1,737.60	$325.00	$1,950.00	$800.00	$4,800.00
B-6	7-14	Moving Existing Hydrant Assembly	1	EA	$2,500.00	$2,500.00	$3,854.00	$3,854.00	$3,165.00	$3,165.00	$1,500.00	$1,500.00
B-7	7-14	Reconnect Existing Service 1-1/2 inch Diam.	1	EA	$2,499.00	$2,499.00	$1,279.00	$1,279.00	$1,115.00	$1,115.00	$1,000.00	$1,000.00
B-8	7-15	Reconnect Existing Service 1-inch Diam.	1	EA	$2,500.00	$2,500.00	$2,024.00	$2,024.00	$1,500.00	$1,500.00	$1,200.00	$1,200.00
B-9	7-15	Locate and Cap Side Sewer	2	EA	$4,500.00	$9,000.00	$106.00	$212.00	$1,150.00	$2,300.00	$1,500.00	$3,000.00
B-10	8-34	Overhead Power Service Connection	1	LS	$20,000.00	$20,000.00	$37,523.55	$37,523.55	$14,000.00	$14,000.00	$75,500.00	$75,500.00
B-11	8-35	Joint Utility Trench Complete - Schedule B	1	LS	$80,200.00	$80,200.00	$57,143.09	$57,143.09	$92,000.00	$92,000.00	$100,000.00	$100,000.00
		SUB-TOTAL	*(Lochner Engrs Est = $119,399.00)*			*$141,599.00*		*$112,954.24*		*$154,180.00*		*$243,000.00*
		Sales and Use Tax 9.5% - Taxed Items (Rule 170)			*9.5%*	*$13,451.91*	*9.5%*	*$10,730.65*	*9.5%*	*$14,647.10*	*9.5%*	*$23,085.00*
		Total Schedule B Estimate				*$155,050.91*		*$123,684.89*		*$168,827.10*		*$266,085.00*
		Total Estimate of Probable Construction Cost (Schedule A+B)				**$1,057,806.91**		**$1,186,835.80**		**$1,244,844.10**		**$1,503,030.00**

Bid Schedule C - Utilities Bid Items Alternative

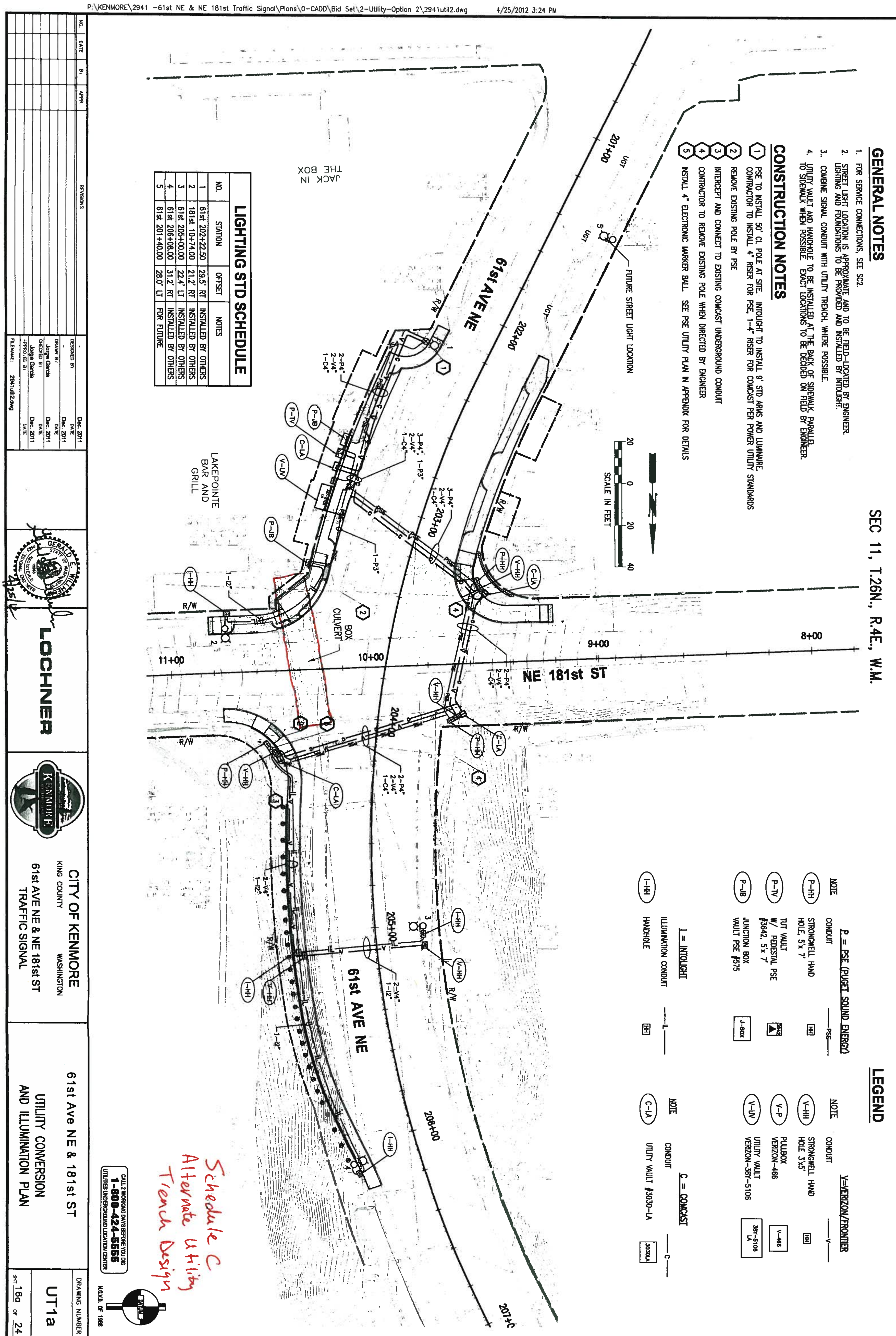
Item #	Section	Description	Est. Qty	Unit	Unit Cost	Cost	Unit Cost	Cost	Unit Cost	Cost	Unit Cost	Cost
C-1	1-05	Roadway Surveying – Schedule C	1	LS	$6,000.00	$6,000.00	$1.00	$1.00	$650.00	$650.00	$1,000.00	$1,000.00
C-2	1-09	Mobilization - Schedule C	1	LS	$8,300.00	$8,300.00	$500.00	$500.00	$1,000.00	$1,000.00	$15,000.00	$15,000.00
C-3	7-10	Utility Adjustment to Grade	6	EA	$450.00	$2,700.00	$289.00	$1,734.00	$325.00	$1,950.00	$800.00	$4,800.00
C-4	7-14	Moving Existing Hydrant Assembly	1	EA	$2,500.00	$2,500.00	$3,422.00	$3,422.00	$3,165.00	$3,165.00	$1,500.00	$1,500.00
C-5	7-14	Reconnect Existing Service 1-1/2 inch Diam.	1	EA	$2,499.00	$2,499.00	$1,279.00	$1,279.00	$1,115.00	$1,115.00	$1,000.00	$1,000.00
C-6	7-15	Reconnect Existing Service 1-inch Diam.	1	EA	$2,500.00	$2,500.00	$2,024.00	$2,024.00	$1,500.00	$1,500.00	$1,200.00	$1,200.00
C-7	7-15	Locate and Cap Side Sewer	2	EA	$4,500.00	$9,000.00	$106.00	$212.00	$1,350.00	$2,700.00	$1,500.00	$3,000.00
C-8	1-10	Project Temporary Traffic Control - Schedule C	1	LS	$1,000.00	$1,000.00	$7,060.00	$7,060.00	$38,000.00	$38,000.00	$5,000.00	$5,000.00
C-9	8-34	Overhead Power Service Connection	1	LS	$20,000.00	$20,000.00	$37,523.55	$37,523.55	$14,000.00	$14,000.00	$81,000.00	$81,000.00
C-10	8-35	Joint Utility Trench Complete - Schedule C	1	LS	$91,900.00	$91,900.00	$62,572.17	$62,572.17	$113,000.00	$113,000.00	$113,200.00	$113,200.00
		SUB-TOTAL				*$146,399.00*		*$116,327.72*		*$177,080.00*		*$226,700.00*
		Sales and Use Tax 9.5% - Taxed Items (Rule 170)			*9.5%*	*$13,907.91*	*9.5%*	*$11,051.13*	*9.5%*	*$16,822.60*	*9.5%*	*$21,536.50*
		Total Schedule C Estimate				*$160,306.91*		*$127,378.85*		*$193,902.60*		*$248,236.50*
Total Estimate of Probable Construction Cost (Schedule A+C)						**$1,063,062.91**		**$1,190,529.76**		**$1,269,919.60**		**$1,485,181.50**



VIID. 61st Avenue NE and NE 181st Street Traffic Signal Construction Contract Award.



VIID. 61st Avenue NE and NE 181st Street Traffic Signal
Construction Contract Award.



VIID. 61st Avenue NE and NE 181st Street Traffic Signal
Construction Contract Award.