City of Kenmore

City of Kenmore - 18120 68th Avenue NE - P.O. Box 82607, Kenmore, WA 98028
Phone: 425-398-8900 - Fax: 425-481-3236 - E-mail: cityhall@kenmorewa.gov

City of Kenmore
REVISED City Council Regular Meeting Agenda
7:00 p.m., Monday, September 23, 2013
Kenmore City Hall, Council Chambers
18120 68th Ave. NE, Kenmore, WA 98028

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

I. CALL MEETING TO ORDER

II. ROLL CALL

III. FLAG SALUTE

IV. AGENDA APPROVAL

V. PROCLAMATION

A. National Domestic Violence Awareness Month - October 2013

VI. 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.

VII. CONSENT AGENDA

A. Adopt Minutes for September 16, 2013 City Council Regular Meeting Study Session

B. Approve Check Nos. 28405 - 28488 in the Amount of $356,292.67 and Electronically Tranferred Payroll Funds Totaling $68,131.86 and Payroll Check No. 210527 in the Amount of $67.77 for the Period Ending August 30, 2013.

C. Approve Check Nos. 28489 - 28556 in the amount of $275,347.58 and Electronically Transferred Funds Totaling $66,578.31 and Payroll Check No. 210573 in the Amount of $338.97 for the Period Ending September 13, 2013

VII. CONSENT AGENDA

D. Receive and File July 2013 Financial Report

E. Authorize City Manager to Execute Interlocal Agreement with King County for Jail Services, Contract No. 13-C1210

F. Authorize City Manager to Execute Northshore Summit Park Improvements Construction Contract No. 13-1212 for an Amount not to Exceed $452,000

G. Adopt Resolution No. 13-221 Supporting a Sound Transit Light Rail Station at NE 145th Street and Interstate 5

H. Adopt Resolution No. 13-225 Approving Amendment No. 1 to BCC-RPI Kenmore, LLC Purchase & Sale Agreement - Rob Karlinsey, City Manager

I. Cancel Monday, October 14, 2013 City Council Regular Meeting and Add October 14, 2013 City Council Special Meeting at State Senate Transporation Feedback Session, Seattle, WA

VIII. BUSINESS AGENDA

A. Draft Bicycle Strategy Presentation & Discussion - Kris Overleese, Engineering & Environmental Services Director

B. Adopt Ordinance No. 13-0364 Amending the Kenmore Municipal Code (KMC) to Reduce Speed Limits on Bothell Way NE (SR 522) and NE 80th Avenue NE (north of SR 522) - Kris Overleese, Engineering & Environmental Services Director

IX. STAFF REPORT

X. COUNCILMEMBER REPORTS & COMMENTS

XI. COUNCILMEMBER INITIATIVES

XII. ADJOURNMENT

Upcoming Meetings:

Tuesday, September 24, 2013	Planning Commission Special Meeting	7:00 p.m.
Tuesday, September 1, 2013	Planning Commission Regular Meeting	7:00 p.m.
Monday, October 14, 2013	City Council Regular Meeting	CANCELLED
Monday, October 14, 2013	City Council Special Meeting	6:00 - 9:00 p.m., Seattle
Tuesday, October 15, 2013	Planning Commission Regular Meeting	7:00 p.m.
Monday, October 21, 2013	City Council Regular Meeting	7:00 p.m.

City of Kenmore, Washington
Proclamation

WHEREAS, National Domestic Violence Awareness Month was established in October 1987 to create a community dialogue about violence, to advocate for legislation and law enforcement to protect victims, to educate community leaders, and to encourage public awareness and action against abuse; and

WHEREAS, the problem of domestic violence is not confined to any group or groups of people, but crosses all economic, racial, gender, educational, religious, and societal barriers, and is sustained by societal indifference; and

WHEREAS, approximately 2/3 of Americans say it is hard to determine whether someone has been a victim of domestic abuse, and more than 90% of Americans fail to define repeated emotional, verbal, sexual abuse and controlling behaviors as patterns of domestic violence and abuse; and

WHEREAS, children exposed to domestic violence are often physically, mentally, and emotionally impacted, and may be more prone to continue the cycle of violence into the next generation; and

WHEREAS, victims of violence should have access to medical and legal services, counseling, housing, and other supportive services so that they can escape the cycle of abuse; and

WHEREAS, we encourage domestic violence victims and their families to seek assistance from appropriate victims' services organizations and the National Domestic Violence Hotline (1-800-799-SAFE); and

WHEREAS, ending the cycle of this vicious crime requires not only the resolve and courage of survivors but the commitment of the community, healthcare providers, law enforcement and the criminal justice system; and

WHEREAS, we recognize the tireless efforts and dedication by community agencies for their outreach to marginalized communities, community education, partnerships with mental health providers, improving access to safe shelters and transitional housing; and

WHEREAS, the United States President and Congress, as well as other federal agencies, have expressed a commitment to eliminating domestic violence both nationally and internationally; and

WHEREAS, Domestic Violence Awareness Month provides an excellent opportunity for citizens to learn more about preventing domestic violence and to show support for the numerous organizations and individuals who provide critical advocacy, services, and assistance to victims,

NOW, THEREFORE, I, David Baker, Mayor of the City of Kenmore, on behalf of the City Council of Kenmore, Washington, hereby proclaim **October 2013** as

DOMESTIC VIOLENCE AWARENESS MONTH

and urge the citizens of Kenmore to work together to eliminate domestic violence from our community.

IN WITNESS WHEREOF, signed this day 23rd day of September 2013.

Signed: ______________________________
David Baker, Mayor

Attested: ______________________________
Patty Safrin, City Clerk

City of Kenmore
City Council Regular Meeting - Study Session
Minutes
September 16, 2013

CALL TO ORDER – Mayor Baker called the meeting to order at 7:01 p.m.

Councilmembers present: Mayor David Baker, Deputy Mayor Bob Hensel, and Councilmembers Brent Smith, Milton Curtis, and Glenn Rogers

Councilmembers excused: Councilmember Laurie Sperry; Councilmember Allan Van Ness joined the meeting at 7:30 p.m.

Staff present: Rob Karlinsey, City Manager; Nancy Ousley, Assistant City Manager; Joanne Gregory, Finance & Administration Director; Kris Overleese, Engineering & Environmental Services Director; Debbie Bent, Director of Community Development; Jennifer Gordon, Public Works Operations Manager; Marc Connelly, Parks Projects Manager; and Patty Safrin, City Clerk

PRESENTATION

Capital Improvement Program (CIP) – Joanne Gregory, Finance & Administration Director; Kris Overleese, Engineering & Environmental Services Director; Debbie Bent, Community Development Director; Jennifer Gordon, Public Works Operations Manager; and Marc Connelly, Parks Projects Manager, were present to present proposed changes to the CIP in Surface Water Management, Parks, and Transportation projects. They gave a PowerPoint presentation and were also available to answer any questions.

Director Overleese presented information about proposed Surface Water CIP changes for 2013-2018 in three projects, the Tributary 0057 Channel Relocation, the Swamp Creek Regional Basin Study, and the 74th Avenue NE Culvert Replacement.

Director Bent presented information about proposed changes for three projects in the Parks CIP, Northshore Summit Park Improvement, the Log Boom Park Float, and the Rhododendron Park Boat Shed and Boardwalk Trail. There was also some discussion about the Moorlands Park Improvement project.

Finally, Director Overleese addressed proposed changes to five Transportation CIP projects, the Sidewalk Program; 68th Avenue NE (SR 522 to Sammamish Slough); SR 522 West B (57th to 61st Avenues NE); Juanita Drive/68th Avenue Overlay; and the West Sammamish Bridge. She briefly discussed her goals and strategies for maximizing grant opportunities with projects and protecting City funds.

Director Gregory explained budget changes to other CIP projects and noted that if there are no further changes or adjustments, staff will bring the CIP back later this fall for adoption.

It was Council consensus that staff should move forward on the Rhododendron Park Boat Shed and Boardwalk Trail project.

STAFF REPORT

City Manager Karlinsey discussed funding and problems with the Juanita Drive Overlay, stating that delays have not been due to City staff, who have tried very hard to keep it on track. Program Manager Jennifer Gordon noted that it got held up in the Washington Department of Transportation (WSDOT) and so got a very late start.

CITY COUNCILMEMBER COMMENTS/REPORTS

Councilmember Van Ness reported on a Kenmore Library Board meeting he attended for Councilmember Sperry last week. He noted that the Board is reevaluating their role now that the library is relocated and running. He suggested that the City should also take a look at this and perhaps disband the Board if they have no further function.

Councilmember Rogers commented on the park cleanup event on Saturday.

Deputy Mayor Hensel stated that one of the functions of the CIP is to inspect our assets, assess them, and make plans to update them as needed. He noted that no one can anticipate natural disasters, but that the City has contingency funds.

Mayor Baker also commented on Saturday's park cleanup event and the fact that the City is making progress on park upkeep, with the help of volunteers. He encouraged other councilmembers to attend a State Senate transportation feedback session with City Manager Karlinsey and himself tomorrow night in Bellevue. He stated that the City also needs a strong presence at the Seattle hearings on October 14th. He reminded Council and staff that the National League of Cities conference will be held in Seattle November 6th through 13th.

It was Council consensus to have the entire City Council attend the State Senate transportation feedback session in Seattle on Monday, October 14th instead of holding the regularly scheduled meeting at City Hall.

ADJOURNMENT

There being no further business, Mayor Baker adjourned the meeting at 8:35 p.m.

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David Baker, Mayor

ATTEST:

____

Patty Safrin, 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 28405-28488 which total $356,292.67, and electronically transferred payroll funds totalling $68,131.86 and payroll check #210527 in the amount of $67.77 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.

City Manager 9/9/13 Date

Finance Director 9/9/13 Date

Check #	Vendor Name	Description	Check Amount
28405	VIKING GRIDIRON CLUB	Inglemoor H.S. Football Sponsorship	100.00
28406	NATIONWIDE FINANCIAL 401a	Social Security Replacement Plan	9,970.76
28407	NATIONWIDE RETIREMENT SOLUTIONS 457	Deferred Comp Payroll Deduction	200.00
28408	ICMA RETIREMENT TRUST 457 - 304745	Deferred Comp Payroll Deduction	2,594.83
28409	DRS 457	Deferred Comp Payroll Deduction	1,783.33
28410	AFLAC	Flexible Spending Medical Plans	458.90
28411	CITY OF KENMORE FS	Flexible Spending Medical Plans	253.08
28412	BANK OF AMERICA 941	Payroll Taxes	15,293.66
28413	DEPARTMENT OF RETIREMENT SYSTEMS	WA State Retirement	12,197.39
28414	DEPARTMENT OF LABOR AND INDUSTRIES	Worker's Compensation	3,268.83
28415	UNITED WAY OF KING COUNTY	Employee Charitable Contribution	274.00
28416	NATIONAL LIFE OF VERMONT	Life Insurance	234.89
28417	AMERICAN GENERAL	Life Insurance	530.79
28418	STATE OF FLORIDA DISBURSEMENT UNIT	Payroll Deduction	275.00
28419	AWC EMPLOYEE BENEFITS	Employee Health Insurance	38,187.07
28420	JET CITY PRINTING	15th Anniversary Posters	21.90
28421	ASSOCIATION OF WA CITIES	Workers' Comp Retro Program Fee	1,329.34
28422	BAKER, DAVID	Mileage Reimbursement 8/8-8/22	142.95
28423	CENTER FOR HUMAN SERVICES	Qtr 2 Family Support & Clincial Programs	6,250.00
28424	CITY OF BELLEVUE	2nd Qtr 2013 Human Svcs Pooled Programs	13,763.00
28425	H.W. LOCHNER, INC.	SR522 West A 6/22-8/2 Design & ROW Svcs	57,365.62
28426	HOPELINK	Q2 Housing/Food/Emergency/Adult Education	12,687.50
28427	KING COUNTY FINANCE W.L.R.D.	Jan. - June 2013 SWM Bonds	42,158.75
28428	KING COUNTY ANIMAL SVCS	Pet Licenses #353957-353967	395.00
28429	KING COUNTY FINANCE	July Road Svcs/ Bridge Repair/Maintenance	10,477.07
28430	SOUND PUBLISHING, INC.	July Ads Bothell/Kenmore Reporter	787.50
28431	LIGHTHOUSE CONSULTING INC	July Software Licenses/IT/Firewall Upgrade	10,741.79
28432	MORGAN SOUND INC	Play Day Sound Services	388.73
28433	NORTHSHORE UTILITY DIST	Longfellow Property Final Sewer Chgs	11.73
28434	NORTHSHORE YOUTH & FAMILY SERVICES	Qtr 2 Human Svcs Program 13-C1128	6,250.00
28435	HONEY BUCKET	8/9-8/10/13 St. Edwards Park	4.15
28436	OFFICE MAX	Office Supplies	288.36
28437	OFFICE TEAM	Temporary Employee Week Ended 7/26	273.45
28438	PEOPLES STORAGE	Sept. Storage Rent - #C304	184.00

28439	PUGET SOUND REGIONAL COUNCIL		2014 Annual Dues	7,414.00
28440	SIGN UP, SIGN CO, INC		Log Boom Park "Swimming" Signs	331.79
28441	STATE AUDITOR'S OFFICE		July Audit Services - for 2011-2012	8,934.35
28442	STEWART MACNICHOLS HARMELL, INC.		May-July Public Defender Services	9,000.00
28443	WONDERLAND DEVELOPMENT		Qtr 2 Human Svcs Program 13-C1129	2,250.00
28444	UPS STORE		July Copying/ Printing Charges	476.27
28445	BERK & ASSOCIATES		Market Analysis Services thru 7/31	8,471.90
28446	MAIL FINANCE		Postage Machine Lease 9/14-10/13/13	250.76
28447	WA STATE DEPT OF TRANSPORTATION		61st/181st Signal Final Billing	6,998.02
28448	SOUND LAW CENTER		Hearing Svcs HEA-2013-02 Knight NOV Appeal	969.50
28449	BANNER BANK	LD	Social Media Monthly Charges	80.68
28450	BANNER BANK	CS	Supplies for National Night Out	587.72
28451	BANNER BANK	NO	Registration, Lodging, Framing	1,486.69
28452	OUSLEY, NANCY		Jan. - Aug. Mileage/Ferrry/Expenses	338.42
28453	BANNER BANK	JG	Meeting Expenses, Network Switch	532.89
28454	TOPIA TECHNOLOGY/ BIS		Website Redesign/Development/Web hosting	3,825.00
28455	BANNER BANK	KENMORE	SWM Web Svcs, ICMA Registration	1,117.66
28456	BANNER BANK	KENMORE	Tent Rental, Supplies, Safety Gear	1,334.79
28457	BANNER BANK	JGORDON	Buoys, Guardrail, Shelves, Registration	2,768.86
28458	ALCALDE & FAY		6/15-8/15 Gov't. Affairs Consulting	10,027.26
28459	KENMORE ELEMENTARY PTA		Q2 Social Svcs Crisis Sup. 13-1125	2,000.00
28460	HERO HOUSE		2nd Qtr 2013 Human Svcs 13-C1120	350.00
28461	PASSPORT TRAVEL AND TOURS		Airfare for NBIA Training 10/7-10/10/13	305.80
28462	CLARITY SIGNS		Signs for Slurry Seal Project	551.88
28463	SARAH ROBERTS		July Prosecution Services	10,302.00
28464	ASP, ANGELA		2013 Play Day Poster Design	210.00
28465	INTEGRA TELECOM		8/8-9/7 City Hall Phone Svc	787.57
28466	CORNERSTONE ROOFING		Permit RRF2013-0431 Refunded	101.32
28467	PAWS		July Animal Sheltering Service	495.00
28468	INDEPENDENT STATIONERS		Office Supplies	54.90
28469	SNOHOMISH COUNTY SHERIFF'S OFFICE		July Inmate Medical Billing	15.93
28470	BANNER BANK	VAN NESS	Conf. Registration NLC 9/26-9/28/13	795.00
28471	BANNER BANK	BAKER	Travel Expense, Registration, Hotel	781.20
28472	BANNER BANK	ROGERS	Airfare/NLC Leadership Conf/Atlanta	560.60
28473	JOYCE ZIKER PARKINSON		July Legal Svc - Former Shell/Ken Vill/Lk WA	5,782.50
28474	OVERLEESE, KRISTEN		Data Pkg Reimbursement 4mo. X $30.00	120.00
28475	WAGE WORKS		July Flex Plan Admin Fee	50.00
28476	KARLINSEY, ROB		Airfare Reimbursement/ ICMA Conf.	383.80
28477	KENMORE COMMERCIAL LLC		Sept. Incubator Space Rent	2,856.00
28478	PATTY PAN GRILL		8/15 Summer Concert Meals	24.00
28479	SAFEWAY		8/15 Summer Concert Meal	4.00
28480	HARRIS & SMITH PUBLIC AFFAIRS		July Sediment Study 12-C1101	3,761.95
28481	SHELTON, CINDY		Expense Reimbursement/ Supplies	28.78
28482	HP'S SMOKEHOUSE BBQ		8/15/13 Concert - Band Meals	56.50
28483	WAFFLE WAGON		8/15 Summer Concert Meals	12.00
28484	FASTSIGNS		Play Day Sign	523.41
28485	CLOWNS UNLIMITED, INC.		Rentals for 15th Anniversary Celebration	2,019.47
28486	BRIEN, GAYLYNN		D.O.R. Sales Tax Data Mgmt. July	50.00
28487	KEATING, BUCKLIN & MCCORMACK		Prof. Svcs/ Legal 8/1-8/15/13	317.00
28488	ASSOCIATED UNDERWATER SERVICES, INC		Log Boom Pier Inspec/Debris Removal	6,652.13
210527	Garcia, Spencer		Payroll Check	67.77
8/23/2013	PAYROLL		Direct Deposit	68,131.86
				424,492.30

VIIB. Approve Check Nos. 28405 - 28488 in the Amount of $356,292.67 and Electronically Tranferred Payroll Funds Totaling

2013	PRIOR VENDOR ACTIVITY		TOTAL	FOR 2013
	A. GAUL CULLEY			985.50
	A+ CONFERENCING			350.88
	AA ASPHALTING, INC			8,882.64
	AA PARTY RENTALS			1,252.68
	AAA PRINTING			192.10
	ACTION ENTERTAINMENT			395.00
	ACTIVE SHOOTER TRAINING LLC			800.00
	ADVANCE TESTING & SERVICE INC			540.00
	AFLAC			3,212.30
	AL KING, PE			711.75
	ALCALDE & FAY			30,366.84
	ALLIED WASTE SERVICES #172			1,682.74
	ALLPLAY SYSTEMS LLC			91.98
	ALPHAGRAPHICS US718			342.79
	AM TEST, INC			1,575.00
	AMERICAN GENERAL			3,715.53
	AMERICAN PLANNING ASSOCIATION			1,990.00
	AMERICAN PUBLIC WORKS ASSOCIATION			715.67
	ANCHOR QEA, LLC			89,537.66
	ASP, ANGELA			210.00
	ASSOCIATED BOAT TRANSPORT			1,440.00
	ASSOCIATION OF WA CITIES			14,220.00
	AT HOME ARTIST MANAGEMENT, INC.			1,750.00
	AURORA RENTS			3,349.59
	AWC EMPLOYEE BENEFITS			267,170.65
	BAKER, DAVID			2,052.23
	BANK OF AMERICA 941			216,575.71
	BANNER BANK			309.07
	BANNER BANK	BAKER		6,697.08
	BANNER BANK	BH		3,151.58
	BANNER BANK	CS		5,312.12
	BANNER BANK	DB		239.64
	BANNER BANK	JG		6,187.70
	BANNER BANK	JGORDON		8,003.78
	BANNER BANK	KENMORE		16,433.07
	BANNER BANK	LD		2,726.77
	BANNER BANK	NO		6,011.05
	BANNER BANK	PS		2,003.75
	BANNER BANK	ROGERS		4,619.65
	BANNER BANK	VAN NESS		3,757.09
	BARCLAY DEAN			711.75
	BASTYR UNIVERSITY			50,899.35
	BEARCOM			70.08
	BEEGEE TOLPA			700.00
	BERK & ASSOCIATES			1,274.68
	BINW			16,528.79
	BIS			175.00
	BLACKBAUD			5,204.11
	BOOGIE BROWN PRODUCTIONS, INC.			2,000.00
	BOTELHO, PAULA			1,850.00
	BRABEC, MARY			3,500.00
	BRIEN, GAYLYNN			225.00

BROWN, ANDY	250.00
BUENA VISTA SERVICES, INC.	2,475.00
BULGER SAFE & LOCK, INC.	170.06
C. ANDERSON & CO.	930.75
CALPORTLAND COMPANY	190.80
CANTEEN REFRESHMENT SERVICES	1,811.92
CAPITAL ONE COMMERCIAL/ COSTCO	325.31
CARLSON, THOMAS G.	100.00
CASCADE PEST CONTROL	996.45
CEMEX	2,437.45
CENTER FOR HUMAN SERVICES	6,250.00
CHAMPION COURIER	51.53
CHICAGO TITLE	15,000.00
CHIEF LAW ENFORCEMENT SUPPLY	188.21
CITY OF BELLEVUE	105,673.30
CITY OF KENMORE	210.58
CITY OF KENMORE FS	3,796.20
CITY OF KENMORE FS	253.08
CITY OF LAKE FOREST PARK	487,779.14
CITY OF SHORELINE	1,614.47
CITYWORKS/ AZTECA SYSTEMS INC.	15,620.00
CLARITY SIGNS	5,083.44
CLOWNS UNLIMITED, INC.	785.83
COASTWIDE LABORATORIES	5,966.92
CODE PUBLISHING COMPANY	350.00
COLUMBIA RIDGE LANDFILL	3,443.76
COMCAST	1,766.84
CONNELLY, MARC	48.14
CONSOLIDATED PRESS	6,659.21
CONTOUR FENCE CO. INC.	2,011.52
CROWN PRODUCTS LLC	608.49
CSAT, LLC	500.00
CUES	12,537.75
CULLEY, AMBERLY	1,000.00
CURTIS, DR. MILTON	72.24
DAILY JOURNAL OF COMMERCE	1,081.10
DANSOUND INC	5,913.00
DAY WIRELESS SYSTEMS	225.36
DEPARTMENT OF ECOLOGY	5,540.78
DEPARTMENT OF LABOR AND INDUSTRIES	20,084.44
DEPARTMENT OF LICENSING	52.00
DEPARTMENT OF RETIREMENT SYSTEMS	167,785.63
DIGITAL REPROGRAPHICS SERVICES INC.	452.58
DRS 457	24,922.04
DRS 457	1,783.33
DUGAN, GERALD & GAIL	1,650.00
DURRANT, JEFF	855.58
EARTHCORPS	9,706.47
EASTSIDE TRANSP PARTNERSHIP	200.00
EFFICIENCY INC	987.69
EJ USA, INC.	1,549.96
EMERGENCY SERVICE COORDINATING AGCY	49,476.00
EMIL'S CONCRETE CONSTRUCTION CO.	2,589.68
ENTERPRISE SEATTLE	5,000.00

ENTERTAINMENT FIREWORKS INC	17,000.00
ENVIRONMENTAL SYSTEMS RESEARCH INST	4,779.00
ESA ADOLFSON	1,815.00
EVERGREEN HEALTH	25.00
EVERGREEN PRINT SOLUTIONS	754.02
EVERGREEN SAFETY COUNCIL	175.00
FASTSIGNS	527.97
FAZZARI MARKETING	244.85
FERGUSON ENTERPRISES INC #1539	948.75
FINANCIAL CONSULTANTS INT'L INC	206.72
FIRE PROTECTION, INC	3,083.54
FIRST AMERICAN TITLE	8,957.10
FOLK, BRADFORD LEE	1,750.00
FRAUSE	24,628.45
FRONTIER	35,694.55
FRUHLING SAND & TOPSOIL	1,189.50
G & H PRINTING	71.45
GAMETIME	5,605.96
GARMIRE IRON WORKS, INC.	6,958.73
GEODESIGN INC.	2,816.80
GEOENGINEERS INC	7,495.75
GLACIER PEAK CONSTRUCTION LLC	29,055.04
GOODSELL POWER EQUIPMENT #2 INC.	20.79
GORDON THOMAS HONEYWELL	25,369.32
GORDON, JENNIFER	174.02
GOVERNMENT FINANCE OFFICERS ASSOC	190.00
GRAINGER	60.07
GRAY & OSBORNE, INC	18,468.81
GREATER BOTHELL CHAMBER OF COMMERCE	595.00
GREGORY, JOANNE	806.65
H.W. LOCHNER, INC.	145,634.74
HAMBLETON RESOURCES, INC.	10,500.00
HAMPSON, BRYAN	2,500.00
HANDY ANDY RENT-A-TOOL INC	134.40
HARBOR HISTORY MUSEUM	400.00
HARRIS & SMITH PUBLIC AFFAIRS	11,009.22
HARRIS COMPUTER SYSTEMS	6,832.20
HEBERT RESEARCH, INC.	8,788.00
HERO HOUSE	350.00
HOME DEPOT CREDIT SERVICES	2,279.57
HONEY BUCKET	494.67
HOPELINK	10,187.50
HORIZON DISTRIBUTORS INC	512.45
HOVDE, RICHARD	106.21
HP'S SMOKEHOUSE BBQ	130.50
HWA GEOSCIENCES INC.	5,934.41
ICMA RETIREMENT TRUST 457 - 304745	41,374.20
INDEPENDENT STATIONERS	1,368.90
INGALLINAS BOX LUNCH	223.01
INNOVAC	19,436.07
INSLEE, BEST, DOEZIE & RYDER, P.S.	235,062.14
INTEGRA TELECOM	5,509.13
INTERNATIONAL CITY/CNTY MGMT ASSOC	2,285.02
INTERNATIONAL INST OF MUNI CLERKS	185.00

iWORQ SYSTEMS	1,000.00
JBS INSTRUMENTS	1,052.00
JET CITY PRINTING	1,552.07
JOYCE ZIKER PARKINSON	51,994.82
JRW ENTERPRISES	2,250.23
JSH PROPERTIES, INC.	5,484.00
KARLINSEY, ROB	7,442.80
KAUBOY PRODUCTIONS LLC	550.00
KBA INC.	112,090.38
KCDA PURCHASING COOP	526.20
KEEP POSTED INC	246.00
KENMORE CAMERA	250.00
KENMORE COMMERCIAL LLC	19,992.00
KENMORE ELEMENTARY PTA	2,000.00
KENMORE SENIOR CENTER	5,500.00
KING COUNTY ANIMAL SVCS	4,055.00
KING COUNTY FINANCE	465,519.38
KING COUNTY FINANCE W.L.R.D.	9,391.87
KING COUNTY MUNICIPAL CLERKS ASSOC	25.00
KING COUNTY OFFICE OF FINANCE	8,469.09
KING COUNTY RADIO COMM SERVICES	508.34
KING COUNTY RECORDER'S OFFICE	644.00
KING COUNTY SHERIFF	1,825,288.52
KING COUNTY SHERIFF'S OFFICE	21,428.41
KING COUNTY SUPERIOR COURT CLERK	11,000.00
KING COUNTY TREASURY	37,566.63
KING COUNTY UTILITY COORDINATION CO	40.00
KONICA MINOLTA BUSINESS SOLUTIONS	3,653.22
KUSTOM SIGNALS, INC.	2,111.17
KVO INDUSTRIES, INC	365.00
LAMB, BARBARA	2,000.00
LIGHTHOUSE CONSULTING INC	21,964.86
LOWE SABRA	250.00
MACLEOD RECKORD	7,529.00
MAIL FINANCE	2,006.08
MILLER STEPHENS, MARY	8,750.00
MINZGHOR, NICHOLAS	740.26
MOBILE ELECTRICAL DISTRIBUTORS INC	20.53
MOBILE MINI, INC.	630.45
MORGAN SOUND INC	1,500.15
MR. T'S TROPHIES	422.29
NATIONAL BARRICADE CO	689.85
NATIONAL BUSINESS INCUBATION ASSOC.	525.00
NATIONAL CITIZEN SURVEY	9,025.00
NATIONAL LEAGUE OF CITIES	1,549.00
NATIONAL LIFE OF VERMONT	1,644.23
NATIONWIDE FINANCIAL 401a	164,456.36
NATIONWIDE RETIREMENT SOLUTIONS 457	3,200.00
NEXTEL COMMUNICATIONS	885.09
NEXXPOST	300.76
NORTH COAST ELECTRIC	1,870.42
NORTH LAKE MARINA	1,520.51
NORTHSHORE FIRE DEPT	2,996.00
NORTHSHORE PARK & REC SERVICE AREA	1,360.00

VIIB. Approve Check Nos. 28405 - 28488 in the Amount of $356,292.67 and Electronically Tranferred Payroll Funds Totaling

NORTHSHORE SENIOR CENTER	1,650.00
NORTHSHORE UTILITY DIST	41,844.81
NORTHSHORE YMCA	1,625.00
NORTHSHORE YOUTH & FAMILY SERVICES	6,250.00
NORTHWEST LANDSCAPE SERVICES	2,959.54
NORTHWEST MARINE TRADE ASSOCIATION	460.00
OFFICE CLEANING CREW	248.00
OFFICE MAX	7,191.15
OFFICE TEAM	5,582.98
OLYMPIC ENVIRONMENTAL RESOURCES INC	18,335.40
OSBORN CONSULTING INC.	95,785.46
OTAK	17,956.91
OUSLEY, NANCY	247.13
OVERLEESE, KRISTEN	135.67
PACIFIC TOPSOILS	8,061.32
PART WORKS INC	544.62
PASSPORT TRAVEL AND TOURS	665.80
PATTY PAN GRILL	56.00
PAWS	3,135.00
PENDLETON, MICHAEL	6,751.16
PEOPLES STORAGE	1,334.50
PERSONAL BEST/ TOPHEALTH	395.54
PERTEET INC.	91,567.87
PETTY CASH CUSTODIAN	420.47
PHOTOTAINMENT	1,231.88
PHSI PURE WATER FINANCE	855.33
PICKLEBALL STUFF, LLC	384.00
PLANNING ASSOCIATION OF WASHINGTON	85.00
POTELCO, INC.	1,240.27
PROTECTION TECHNOLOGIES, INC	8,746.71
PRSA	307.00
PUBLIC HEALTH DEPT. OF KING COUNTY	100.00
PUGET SOUND BUSINESS JOURNAL	96.00
PUGET SOUND CLEAN AIR AGENCY	11,309.00
PUGET SOUND ENERGY	146,300.05
PUGET SOUND FINANCE OFFICERS ASSOC	50.00
PURE WATER TECHNOLOGY OF PUGET SOUND	239.82
QUALITY BUSINESS SYSTEMS	3,780.66
RAZZ CONSTRUCTION	818,977.12
REPUBLIC SERVICES	4,208.46
RNR CONSULTING	27,992.00
ROD STEVENS	3,625.90
ROGERS, GLENN	104.41
ROLLABELS	37.15
SAFEWAY	80.00
SAFRIN, PATTY	467.11
SARAH ROBERTS	61,812.00
SAUVE, GAYLEN	300.00
SCHINDLER ELEVATOR CORPORATION	922.17
SCHWARZWALTER, MARK	90.00
SEATTLE TIMES	6,600.33
SEES TREES AND EXCAVATION INC	793.88
SELECT AIR SERVICES DBA GREENWOOD	119.19
SERGOVIA, CARLOS	1,650.00

VIIB. Approve Check Nos. 28405 - 28488 in the Amount of $356,292.67 and Electronically Tranferred Payroll Funds Totaling

SESAC	327.00
SHELTON, CINDY	221.10
SHRED-IT	346.50
SIGN UP, SIGN CO, INC	1,008.50
SKAGIT GARDENS	1,266.61
SMITH, BRENT	91.03
SMITH, JARRETT	150.00
SMS	2,934.51
SNOHOMISH COUNTY	7,135.00
SNOHOMISH COUNTY SHERIFF'S OFFICE	216,059.32
SOUND CITIES ASSOC	11,767.00
SOUND LAW CENTER	11,662.00
SOUND PUBLISHING, INC.	6,196.85
SPATIAL DEVELOPMENT	1,945.00
SPERRY, LAURIE	68.77
SPINNAKER STRATEGIES	11,799.40
ST OF WA DEPT OF FISH & WILDLIFE	300.00
STATE AUDITOR'S OFFICE	5,006.38
STATE OF FLORIDA DISBURSEMENT UNIT	4,400.00
STATE OF WA DEPARTMENT OF LICENSING	116.00
STEWART MACNICHOLS HARMELL, INC.	16,370.00
TELESYSTEMS WEST	1,058.06
THE KIPLINGER LETTER	99.00
TIMEMARK INCORPORATED	119.59
TITAN OUTDOOR, LLC	1,352.39
TOPIA TECHNOLOGY/ BIS	6,300.00
TOTAL LANDSCAPE CORP	36,376.07
TOWN & COUNTRY FENCE, INC	416.10
TOWNE CENTRE HARDWARE	1,869.62
TRANE U.S. INC.	6,112.50
UNITED RENTALS NW, INC	579.81
UNITED STATES POSTMASTER	3,060.11
UNITED WAY OF KING COUNTY	2,055.00
UNIVERSITY OF WASHINGTON	1,654.00
UPS STORE	1,818.71
URBAN LAND INSTITUTE	225.00
US POSTAL SERVICE (HASLER)	4,211.60
UTILITIES UNDERGROUND LOCATION CTR	570.71
VAN NESS, ALLAN	1,070.41
VERIZON WIRELESS	6,710.19
VOLGISTICS, INC	372.00
W.S.S.O. Advanced Training	500.00
WA ASPHALT PAVEMENT ASSOC.	180.00
WA ASSOC OF BUILDING OFFICIALS	128.09
WA ASSOC OF CODE ENFORCEMENT	50.00
WA CITIES INSURANCE AUTHORITY	161,086.00
WA FINANCE OFFICERS ASSOCIATION	150.00
WA GUARANTEED EDUCATION TUITION	1,290.00
WA RECREATION & PARK ASSOCIATION	104.00
WA STATE ASSOC OF PERMIT TECHNICIAN	95.00
WA STATE CONSOLIDATED TECH SVCS	525.00
WA STATE DEPARTMENT OF AGRICULTURE	33.00
WA STATE DEPT OF ENTERPRISE SVCS	6,057.54
WA STATE DEPT OF LABOR & INDUSTRIES	125.30

WA STATE DEPT OF TRANSPORTATION	11,895.95
WAFFLE WAGON	33.00
WAGE WORKS	300.00
WASHINGTON ENERGY SERVICES	28.14
WASHINGTON MUNICIPAL CLERKS ASSOC	75.00
WASHINGTON STATE DEPT OF INFO SERV	700.00
WASHINGTON TREE SERVICE INC	1,423.50
WEINSTEIN AU	1,057.50
WEISBAND, BARRY	21,000.00
WELLS FARGO BANK	1,001.87
WELLS FARGO FINANCIAL	6,050.51
WELWEST CONSTRUCTION INC.	104,553.34
WESTERN ENTRANCE TECHNOLOGY	3,460.20
WILCOX, ROBERTA	933.84
WINTERBOURNE LANDSCAPE	1,084.06
WONDERLAND DEVELOPMENT	2,250.00
ZEP SALES AND SERVICE	865.49
ZONAR SYSTEMS	525.33
ZORNES, GARY	239.52
ZUMAR	1,355.66
	7,458,119.98

VIIB. Approve Check Nos. 28405 - 28488 in the Amount of $356,292.67 and Electronically Tranferred Payroll Funds Totaling

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 28489-28556 which total $275,347.58 and electronically transferred payroll funds totalling $66,578.31 and payroll check #210573 in the amount of $338.97 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.

City Manager   Rob Karlinsey   Date 13 SEPT 2013

for Finance Director Joanne Gregory   Accountant   Date 9/13/13

Check #	Vendor Name	Description	Check Amount
28489	NATIONWIDE FINANCIAL 401a	Social Security Replacement Plan	9,957.34
28490	NATIONWIDE RETIREMENT SOLUTIONS 457	Deferred Comp Payroll Deduction	200.00
28491	ICMA RETIREMENT TRUST 457 - 304745	Deferred Comp Payroll Deduction	2,594.83
28492	DRS 457	Deferred Comp Payroll Deduction	1,783.33
28493	CITY OF KENMORE FS	Flexible Spending Medical Plans	253.08
28494	BANK OF AMERICA 941	Payroll Taxes	14,759.58
28495	DEPARTMENT OF RETIREMENT SYSTEMS	WA State Retirement	12,089.01
28496	STATE OF FLORIDA DISBURSEMENT UNIT	Payroll Deduction	275.00
28497	BAKER, DAVID	8/30-9/4/13 Expense Reimbursement	60.17
28498	BULGER SAFE & LOCK, INC.	Keys for New Tenant @ Incubator Bldg.	21.68
28499	CASCADE PEST CONTROL	Monthly Svc/ Rhod. Pk Rodent Control	142.35
28500	COASTWIDE LABORATORIES	Facility Maintenance Supplies	1,207.06
28501	DAILY JOURNAL OF COMMERCE	Legal Notice/Northshore Summit	60.80
28502	FRUHLING SAND & TOPSOIL	Brush Dumping from Fallen Tree	40.00
28503	H.W. LOCHNER, INC.	SR522 West A Design/ROW	31,746.37
28504	JET CITY PRINTING	City Logo Envelopes	202.57
28505	KCDA PURCHASING COOP	Senior Memorial Bench	1,771.93
28506	KING COUNTY ANIMAL SVCS	Pet Licenses & Tag Replacements	60.00
28507	KING COUNTY RADIO COMM SERVICES	8/1-10/31 Emergency Radio Access	254.17
28508	NORTHSHORE FIRE DEPT	August Fire Marshal Plan Review	400.00
28509	NORTHSHORE SENIOR CENTER	Q2 13-C1127 Human Svcs Transportation	1,650.00
28510	NORTHSHORE UTILITY DIST	August Hydrant Rental	50.00
28511	NORTHSHORE YMCA	Q2 2013 Human Svcs Program 13-C1130	1,625.00
28512	OFFICE MAX	Office Supplies	55.48
28513	OFFICE TEAM	Front Desk Temporary Services	893.27
28514	OLYMPIC ENVIRONMENTAL RESOURCES INC	Recycling Events	3,322.60
28515	PETTY CASH CUSTODIAN	Petty Cash Reimbursement	433.76
28516	PUGET SOUND ENERGY	Various Electric/ Gas/ Traffic Signals	2,269.49
28517	CEMEX	Drainage Materials/ Slurry Seal Repairs	215.06

VIIC. Approve Check Nos. 28489 - 28556 in the amount of $275,347.58 and Electronically Transferred Funds Totaling

28518	STEWART MACNICHOLS HARMELL, INC.	August Public Defender Services	8,500.00
28519	TOTAL LANDSCAPE CORP	Aug. Parks & City Hall Landscaping	5,002.61
28520	WA ASSOC OF CODE ENFORCEMENT	2013 Fall Conference Registration	200.00
28521	WA ASSOC OF CODE ENFORCEMENT	Membership Dues	55.00
28522	WA STATE DEPT OF TRANSPORTATION	July Traffic Signal Maintenance	444.20
28523	UPS STORE	Aug. Copying/Printing Charges	124.64
28524	DAY WIRELESS SYSTEMS	Radar Calibration on 12 Devices	917.28
28525	VAN NESS, ALLAN	August Expense Reimbursement	689.29
28526	KING COUNTY RECORDER'S OFFICE	Additional Charge for Fee Increase	9.00
28527	KONICA MINOLTA BUSINESS SOLUTIONS	August Business Incubator Copier Lease	209.32
28528	iCOMPASS TECHNOLOGIES, INC.	Mtg. Mgmt. Software Suite Renewal	8,120.00
28529	QUALITY BUSINESS SYSTEMS	Xerox 7765 1st Floor Copier Aug. Chgs.	706.83
28530	SHRED-IT	8/20/13 Shredding Service	49.50
28531	COMCAST	8/30-9/29 Bus. Incubator Internet	172.58
28532	GAMETIME	Replacement Swing	173.34
28533	STANSFIELD, CLAYTON	Lanscape Maintenance Release	1,230.39
28534	PHSI PURE WATER FINANCE	City Hall & Incubator Bldg Water Filter	372.20
28535	INDEPENDENT STATIONERS	Office Supplies	218.55
28536	WELLS FARGO FINANCIAL	1st & 2nd Floor Xerox Machine Leases	1,208.72
28537	SNOHOMISH COUNTY TREASURER/ SHERIFF	August Jail Service Fees	32,581.98
28538	BADGLEY'S LANDSCAPE LLC	Noxious Weed Removal Log Boom Park	2,491.13
28539	PERTEET INC.	12-C1082 July On Call Svcs	24,963.14
28540	VERIZON WIRELESS	Cell Phones 8/27-9/26/13	885.07
28541	LIGHTING GROUP NORTHWEST	Banner Saver Brackets	3,095.13
28542	ANCHOR QEA, LLC	July Sediment Sampling Service	1,400.50
28543	GOODSELL POWER EQUIPMENT #2 INC.	Repair Part/ Parks Materials	15.28
28544	INNOVAC	Vactor Services	7,125.78
28545	WINTERBOURNE LANDSCAPE	Green Roof Maint. 3rd Qtr 2013	542.03
28546	JSH PROPERTIES, INC.	4 Mo. Post Office Rent Pd. to Kenmore	16,964.99
28547	UTILITIES UNDERGROUND LOCATION CTR	August Locate Services	175.14
28548	BUENA VISTA SERVICES, INC.	Janitorial Svcs @ Incubator Bldg.	495.00
28549	OSBORN CONSULTING INC.	12-C1081 July On-Call Svcs	19,687.13
28550	MOBILE MINI, INC.	8/8-10/2 Kayak Storage Rental Container	220.98
28551	NORTHWEST LANDSCAPE SERVICES	Sep. 522 Svcs & Former Shell Clean Up	3,827.81
28552	VIKING GRIDIRON CLUB	Balance of Sponsorship 1/2 Page	150.00
28553	ARC - PACIFIC NORTHWEST	Northshore Summit Pk Bid/Plans	270.79
28554	BLACKLINE, INC.	2013 Slurry Seal Project 13-C1161	43,615.60
28555	KING CTY DEPT OF PERMITTING/ENVIRON.	Copying Charges	9.38
28556	HO'S PLUMBING COMPANY	Refund overcharge of technology fee	33.34
210573	Johnson, Patricia	Payroll Check	338.97
9/6/2013	PAYROLL	Direct Deposit	66,578.31
			342,264.86

VIIC. Approve Check Nos. 28489 - 28556 in the amount of $275,347.58 and Electronically Transferred Funds Totaling

2013	PRIOR VENDOR ACTIVITY		TOTAL FOR 2013
	A. GAUL CULLEY		985.50
	A+ CONFERENCING		350.88
	AA ASPHALTING, INC		8,882.64
	AA PARTY RENTALS		1,252.68
	AAA PRINTING		192.10
	ACTION ENTERTAINMENT		395.00
	ACTIVE SHOOTER TRAINING LLC		800.00
	ADVANCE TESTING & SERVICE INC		540.00
	AFLAC		3,671.20
	AL KING, PE		711.75
	ALCALDE & FAY		40,394.10
	ALLIED WASTE SERVICES #172		1,682.74
	ALLPLAY SYSTEMS LLC		91.98
	ALPHAGRAPHICS US718		342.79
	AM TEST, INC		1,575.00
	AMERICAN GENERAL		4,246.32
	AMERICAN PLANNING ASSOCIATION		1,990.00
	AMERICAN PUBLIC WORKS ASSOCIATION		715.67
	ANCHOR QEA, LLC		89,537.66
	ASP, ANGELA		420.00
	ASSOCIATED BOAT TRANSPORT		1,440.00
	ASSOCIATED UNDERWATER SERVICES, INC		6,652.13
	ASSOCIATION OF WA CITIES		15,549.34
	AT HOME ARTIST MANAGEMENT, INC.		1,750.00
	AURORA RENTS		3,349.59
	AWC EMPLOYEE BENEFITS		267,170.65
	AWC EMPLOYEE BENEFITS		38,187.07
	BAKER, DAVID		2,195.18
	BANK OF AMERICA 941		231,869.37
	BANNER BANK		309.07
	BANNER BANK	BAKER	7,478.28
	BANNER BANK	BH	3,151.58
	BANNER BANK	CS	5,899.84
	BANNER BANK	DB	239.64
	BANNER BANK	JG	6,720.59
	BANNER BANK	JGORDON	10,772.64
	BANNER BANK	KENMORE	18,885.52
	BANNER BANK	LD	2,807.45
	BANNER BANK	NO	7,497.74
	BANNER BANK	PS	2,003.75
	BANNER BANK	ROGERS	5,180.25
	BANNER BANK	VAN NESS	4,552.09
	BARCLAY DEAN		711.75
	BASTYR UNIVERSITY		50,899.35
	BEARCOM		70.08
	BEEGEE TOLPA		700.00
	BERK & ASSOCIATES		9,746.58
	BINW		16,528.79

BIS	175.00
BLACKBAUD	5,204.11
BOOGIE BROWN PRODUCTIONS, INC.	2,000.00
BOTELHO, PAULA	1,850.00
BRABEC, MARY	3,500.00
BRIEN, GAYLYNN	275.00
BROWN, ANDY	250.00
BUENA VISTA SERVICES, INC.	2,475.00
BULGER SAFE & LOCK, INC.	170.06
C. ANDERSON & CO.	930.75
CALPORTLAND COMPANY	190.80
CANTEEN REFRESHMENT SERVICES	1,811.92
CAPITAL ONE COMMERCIAL/ COSTCO	325.31
CARLSON, THOMAS G.	100.00
CASCADE PEST CONTROL	996.45
CEMEX	2,437.45
CENTER FOR HUMAN SERVICES	12,500.00
CHAMPION COURIER	51.53
CHICAGO TITLE	15,000.00
CHIEF LAW ENFORCEMENT SUPPLY	188.21
CITY OF BELLEVUE	119,436.30
CITY OF KENMORE	210.58
CITY OF KENMORE FS	4,302.36
CITY OF LAKE FOREST PARK	487,779.14
CITY OF SHORELINE	1,614.47
CITYWORKS/ AZTECA SYSTEMS INC.	15,620.00
CLARITY SIGNS	5,083.44
CLARITY SIGNS	551.88
CLOWNS UNLIMITED, INC.	2,805.30
COASTWIDE LABORATORIES	5,966.92
CODE PUBLISHING COMPANY	350.00
COLUMBIA RIDGE LANDFILL	3,443.76
COMCAST	1,766.84
CONNELLY, MARC	48.14
CONSOLIDATED PRESS	6,659.21
CONTOUR FENCE CO. INC.	2,011.52
CORNERSTONE ROOFING	101.32
CROWN PRODUCTS LLC	608.49
CSAT, LLC	500.00
CUES	12,537.75
CULLEY, AMBERLY	1,000.00
CURTIS, DR. MILTON	72.24
DAILY JOURNAL OF COMMERCE	1,081.10
DANSOUND INC	5,913.00
DAY WIRELESS SYSTEMS	225.36
DEPARTMENT OF ECOLOGY	5,540.78
DEPARTMENT OF LABOR AND INDUSTRIES	23,353.27
DEPARTMENT OF LICENSING	52.00
DEPARTMENT OF RETIREMENT SYSTEMS	179,983.02
DIGITAL REPROGRAPHICS SERVICES INC.	452.58

DRS 457	28,488.70
DUGAN, GERALD & GAIL	1,650.00
DURRANT, JEFF	855.58
EARTHCORPS	9,706.47
EASTSIDE TRANSP PARTNERSHIP	200.00
EFFICIENCY INC	987.69
EJ USA, INC.	1,549.96
EMERGENCY SERVICE COORDINATING AGCY	49,476.00
EMIL'S CONCRETE CONSTRUCTION CO.	2,589.68
ENTERPRISE SEATTLE	5,000.00
ENTERTAINMENT FIREWORKS INC	17,000.00
ENVIRONMENTAL SYSTEMS RESEARCH INST	4,779.00
ESA ADOLFSON	1,815.00
EVERGREEN HEALTH	25.00
EVERGREEN PRINT SOLUTIONS	754.02
EVERGREEN SAFETY COUNCIL	175.00
FASTSIGNS	1,051.38
FAZZARI MARKETING	244.85
FERGUSON ENTERPRISES INC #1539	948.75
FINANCIAL CONSULTANTS INT'L INC	206.72
FIRE PROTECTION, INC	3,083.54
FIRST AMERICAN TITLE	8,957.10
FOLK, BRADFORD LEE	1,750.00
FRAUSE	24,628.45
FRONTIER	35,694.55
FRUHLING SAND & TOPSOIL	1,189.50
G & H PRINTING	71.45
GAMETIME	5,605.96
GARMIRE IRON WORKS, INC.	6,958.73
GEODESIGN INC.	2,816.80
GEOENGINEERS INC	7,495.75
GLACIER PEAK CONSTRUCTION LLC	29,055.04
GOODSELL POWER EQUIPMENT #2 INC.	20.79
GORDON THOMAS HONEYWELL	25,369.32
GORDON, JENNIFER	174.02
GOVERNMENT FINANCE OFFICERS ASSOC	190.00
GRAINGER	60.07
GRAY & OSBORNE, INC	18,468.81
GREATER BOTHELL CHAMBER OF COMMERCE	595.00
GREGORY, JOANNE	806.65
H.W. LOCHNER, INC.	203,000.36
HAMBLETON RESOURCES, INC.	10,500.00
HAMPSON, BRYAN	2,500.00
HANDY ANDY RENT-A-TOOL INC	134.40
HARBOR HISTORY MUSEUM	400.00
HARRIS & SMITH PUBLIC AFFAIRS	14,771.17
HARRIS COMPUTER SYSTEMS	6,832.20
HEBERT RESEARCH, INC.	8,788.00
HERO HOUSE	700.00
HOME DEPOT CREDIT SERVICES	2,279.57

HONEY BUCKET	498.82
HOPELINK	22,875.00
HORIZON DISTRIBUTORS INC	512.45
HOVDE, RICHARD	106.21
HP'S SMOKEHOUSE BBQ	187.00
HWA GEOSCIENCES INC.	5,934.41
ICMA RETIREMENT TRUST 457 - 304745	43,969.03
INDEPENDENT STATIONERS	1,423.80
INGALLINAS BOX LUNCH	223.01
INNOVAC	19,436.07
INSLEE, BEST, DOEZIE & RYDER, P.S.	235,062.14
INTEGRA TELECOM	6,296.70
INTERNATIONAL CITY/CNTY MGMT ASSOC	2,285.02
INTERNATIONAL INST OF MUNI CLERKS	185.00
iWORQ SYSTEMS	1,000.00
JBS INSTRUMENTS	1,052.00
JET CITY PRINTING	1,573.97
JOYCE ZIKER PARKINSON	57,777.32
JRW ENTERPRISES	2,250.23
JSH PROPERTIES, INC.	5,484.00
KARLINSEY, ROB	7,826.60
KAUBOY PRODUCTIONS LLC	550.00
KBA INC.	112,090.38
KCDA PURCHASING COOP	526.20
KEATING, BUCKLIN & MCCORMACK	317.00
KEEP POSTED INC	246.00
KENMORE CAMERA	250.00
KENMORE COMMERCIAL LLC	22,848.00
KENMORE ELEMENTARY PTA	4,000.00
KENMORE SENIOR CENTER	5,500.00
KING COUNTY ANIMAL SVCS	4,450.00
KING COUNTY FINANCE	475,996.45
KING COUNTY FINANCE W.L.R.D.	51,550.62
KING COUNTY MUNICIPAL CLERKS ASSOC	25.00
KING COUNTY OFFICE OF FINANCE	8,469.09
KING COUNTY RADIO COMM SERVICES	508.34
KING COUNTY RECORDER'S OFFICE	644.00
KING COUNTY SHERIFF	1,825,288.52
KING COUNTY SHERIFF'S OFFICE	21,428.41
KING COUNTY SUPERIOR COURT CLERK	11,000.00
KING COUNTY TREASURY	37,566.63
KING COUNTY UTILITY COORDINATION CO	40.00
KONICA MINOLTA BUSINESS SOLUTIONS	3,653.22
KUSTOM SIGNALS, INC.	2,111.17
KVO INDUSTRIES, INC	365.00
LAMB, BARBARA	2,000.00
LIGHTHOUSE CONSULTING INC	32,706.65
LOWE SABRA	250.00
MACLEOD RECKORD	7,529.00
MAIL FINANCE	2,256.84

MILLER STEPHENS, MARY	8,750.00
MINZGHOR, NICHOLAS	740.26
MOBILE ELECTRICAL DISTRIBUTORS INC	20.53
MOBILE MINI, INC.	630.45
MORGAN SOUND INC	1,888.88
MR. T'S TROPHIES	422.29
NATIONAL BARRICADE CO	689.85
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PACIFIC TOPSOILS	8,061.32
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PASSPORT TRAVEL AND TOURS	971.60
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PAWS	3,630.00
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PEOPLES STORAGE	1,518.50
PERSONAL BEST/ TOPHEALTH	395.54
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PETTY CASH CUSTODIAN	420.47
PHOTOTAINMENT	1,231.88
PHSI PURE WATER FINANCE	855.33
PICKLEBALL STUFF, LLC	384.00
PLANNING ASSOCIATION OF WASHINGTON	85.00
POTELCO, INC.	1,240.27
PROTECTION TECHNOLOGIES, INC	8,746.71
PRSA	307.00

PUBLIC HEALTH DEPT. OF KING COUNTY	100.00
PUGET SOUND BUSINESS JOURNAL	96.00
PUGET SOUND CLEAN AIR AGENCY	11,309.00
PUGET SOUND ENERGY	146,300.05
PUGET SOUND FINANCE OFFICERS ASSOC	50.00
PUGET SOUND REGIONAL COUNCIL	7,414.00
PURE WATER TECHNOLOGY OF PUGET SOUND	239.82
QUALITY BUSINESS SYSTEMS	3,780.66
RAZZ CONSTRUCTION	818,977.12
REPUBLIC SERVICES	4,208.46
RNR CONSULTING	27,992.00
ROD STEVENS	3,625.90
ROGERS, GLENN	104.41
ROLLABELS	37.15
SAFEWAY	84.00
SAFRIN, PATTY	467.11
SARAH ROBERTS	72,114.00
SAUVE, GAYLEN	300.00
SCHINDLER ELEVATOR CORPORATION	922.17
SCHWARZWALTER, MARK	90.00
SEATTLE TIMES	6,600.33
SEES TREES AND EXCAVATION INC	793.88
SELECT AIR SERVICES DBA GREENWOOD	119.19
SERGOVIA, CARLOS	1,650.00
SESAC	327.00
SHELTON, CINDY	249.88
SHRED-IT	346.50
SIGN UP, SIGN CO, INC	1,340.29
SKAGIT GARDENS	1,266.61
SMITH, BRENT	91.03
SMITH, JARRETT	150.00
SMS	2,934.51
SNOHOMISH COUNTY	7,135.00
SNOHOMISH COUNTY SHERIFF'S OFFICE	216,075.25
SOUND CITIES ASSOC	11,767.00
SOUND LAW CENTER	12,631.50
SOUND PUBLISHING, INC.	6,984.35
SPATIAL DEVELOPMENT	1,945.00
SPERRY, LAURIE	68.77
SPINNAKER STRATEGIES	11,799.40
ST OF WA DEPT OF FISH & WILDLIFE	300.00
STATE AUDITOR'S OFFICE	13,940.73
STATE OF FLORIDA DISBURSEMENT UNIT	4,675.00
STATE OF WA DEPARTMENT OF LICENSING	116.00
STEWART MACNICHOLS HARMELL, INC.	25,370.00
TELESYSTEMS WEST	1,058.06
THE KIPLINGER LETTER	99.00
TIMEMARK INCORPORATED	119.59
TITAN OUTDOOR, LLC	1,352.39
TOPIA TECHNOLOGY/ BIS	10,125.00

TOTAL LANDSCAPE CORP	36,376.07
TOWN & COUNTRY FENCE, INC	416.10
TOWNE CENTRE HARDWARE	1,869.62
TRANE U.S. INC.	6,112.50
UNITED RENTALS NW, INC	579.81
UNITED STATES POSTMASTER	3,060.11
UNITED WAY OF KING COUNTY	2,329.00
UNIVERSITY OF WASHINGTON	1,654.00
UPS STORE	2,294.98
URBAN LAND INSTITUTE	225.00
US POSTAL SERVICE (HASLER)	4,211.60
UTILITIES UNDERGROUND LOCATION CTR	570.71
VAN NESS, ALLAN	1,070.41
VERIZON WIRELESS	6,710.19
VIKING GRIDIRON CLUB	100.00
VOLGISTICS, INC	372.00
W.S.S.O. Advanced Training	500.00
WA ASPHALT PAVEMENT ASSOC.	180.00
WA ASSOC OF BUILDING OFFICIALS	128.09
WA ASSOC OF CODE ENFORCEMENT	50.00
WA CITIES INSURANCE AUTHORITY	161,086.00
WA FINANCE OFFICERS ASSOCIATION	150.00
WA GUARANTEED EDUCATION TUITION	1,290.00
WA RECREATION & PARK ASSOCIATION	104.00
WA STATE ASSOC OF PERMIT TECHNICIAN	95.00
WA STATE CONSOLIDATED TECH SVCS	525.00
WA STATE DEPARTMENT OF AGRICULTURE	33.00
WA STATE DEPT OF ENTERPRISE SVCS	6,057.54
WA STATE DEPT OF LABOR & INDUSTRIES	125.30
WA STATE DEPT OF TRANSPORTATION	18,893.97
WAFFLE WAGON	45.00
WAGE WORKS	350.00
WASHINGTON ENERGY SERVICES	28.14
WASHINGTON MUNICIPAL CLERKS ASSOC	75.00
WASHINGTON STATE DEPT OF INFO SERV	700.00
WASHINGTON TREE SERVICE INC	1,423.50
WEINSTEIN AU	1,057.50
WEISBAND, BARRY	21,000.00
WELLS FARGO BANK	1,001.87
WELLS FARGO FINANCIAL	6,050.51
WELWEST CONSTRUCTION INC.	104,553.34
WESTERN ENTRANCE TECHNOLOGY	3,460.20
WILCOX, ROBERTA	933.84
WINTERBOURNE LANDSCAPE	1,084.06
WONDERLAND DEVELOPMENT	4,500.00
ZEP SALES AND SERVICE	865.49
ZONAR SYSTEMS	525.33
ZORNES, GARY	239.52
ZUMAR	1,355.66
	7,814,412.65

VIIC. Approve Check Nos. 28489 - 28556 in the amount of $275,347.58 and Electronically Transferred Funds Totaling

City Council Business Agenda Item
City of Kenmore, WA

Subject/Topic: July 2013 Financial Report

For Council Meeting Agenda of: September 23, 2013

Department: Finance and Administration

Prepared by: Joanne Gregory

Initial & Date

Approved by Department Head: Jmg 9/18/13
Approved by City Attorney:
Approved by Finance Director: Jmg 9/18/13
Approved by City Manager: RGK

Proposed Council Action/Motion: Receive and File July 2013 Financial Report for the City of Kenmore, Washington

Exhibits/Attachments:
July 2013 Financial Report for the City of Kenmore, Washington.

Expenditure Required N/A	Amount Budgeted	Appropriation Required N/A
	$47,793,286 Revenues $49,274,877 Expenditures	

INFORMATION/BACKGROUND:
The June monthly financial report is presented for Council review. This provides the opportunity for the City Council and the community to receive information on the City of Kenmore's biennium to date revenues and expenditures in comparison to the City's 2013-2014 amended biennial budget. The adopted budget was amended on March 25, 2013 and this report reflects the amended appropriations. It also provides an opportunity to identify any potential variances or fluctuations from the budget.

FISCAL CONSIDERATION:
July marks the seventh month of the 24 month 2013-2014 biennium. The monthly schedules attached include the Transportation Benefit District Fund for informational purposes although it is a separate entity.

On the national level, the unemployment rate dropped from 7.6% in June to 7.4% in July. The Dow Jones bounced back up to 15,503 from its June close of 14,909.

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.

i:\admin & finance\monthly reports\2013\july ab summary.docx

The City of Kenmore
PO Box 82607
Kenmore, Washington 98028

MEMORANDUM

TO: Rob Karlinsey, City Manager
FROM: Joanne Gregory, Finance Director
DATE: September 10, 2013
RE: July 2013 Financial Reports for the City of Kenmore, Washington

July 2013 financial information is presented for your review and delivery to the City Council. Attached you will find the following reports:

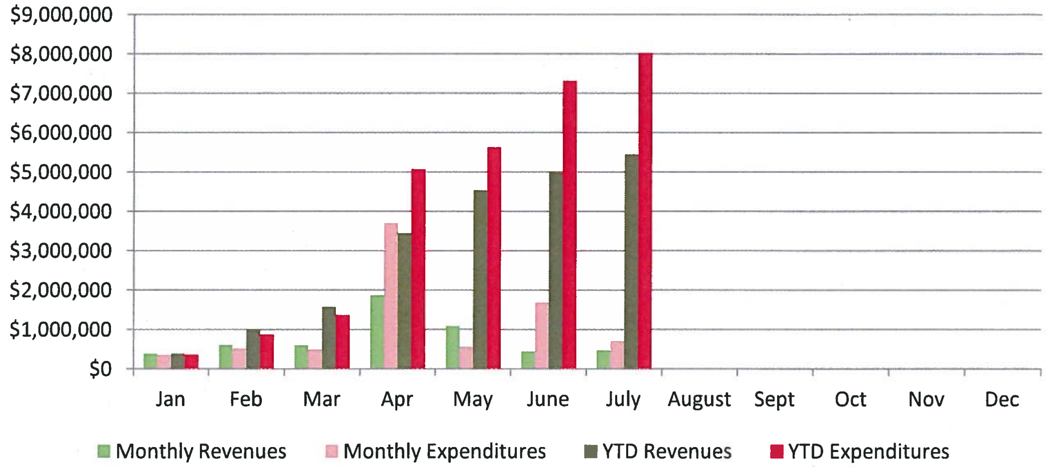
- General Fund Summary
- General Fund Revenue Graphs
- General Fund Expenditure Graphs
- All Funds Cash Summary
- Other Funds Monthly Activity
- Cash and Investment Report
- Schedule of Investments
- Sales Tax Receipts by Business Type
- Retail Sales and Use Tax Distribution
- Real Estate Excise Tax 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

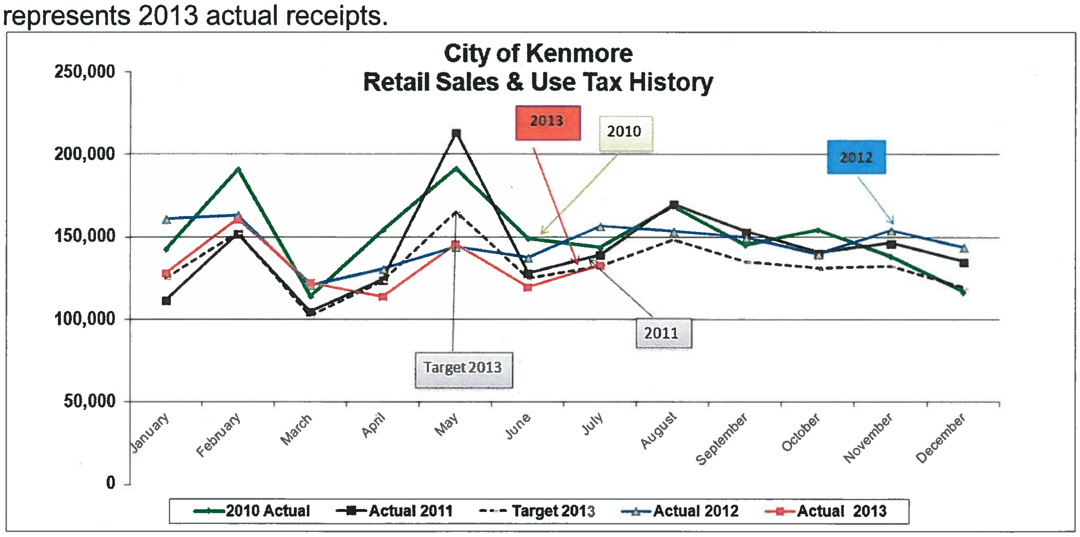
The first section of the monthly financial report is a review of the General Fund. This fund accounts for operational activities and includes all financial resources except those required or elected to be accounted for in another fund. Revenues include various taxes, per capita distributions from the State, fines and forfeitures, permits and licenses, and fees for service. In the context of the biennial budget, July is the seventh month (29%) of the 2013-2014 biennial budget period. For the month of July, expenditures exceeded revenues in the General Fund by $231,965.

The following chart illustrates the monthly revenue and expenditure activity in the General Fund through July 2013.

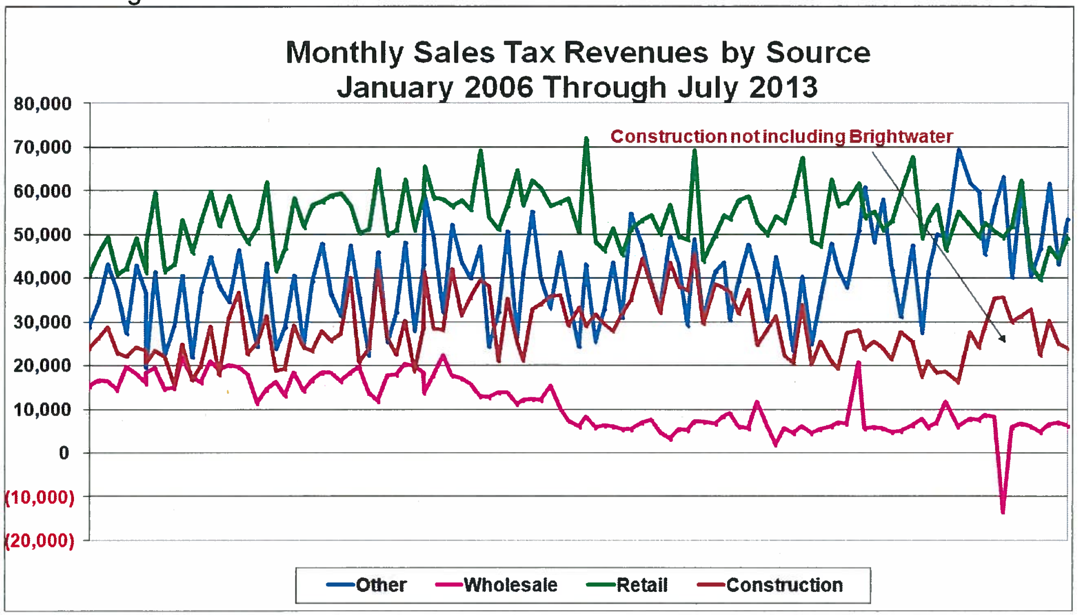


Total **revenues** for the month were **$471,347.** Biennium to date revenues are $5,445,205, which is 28% of the budgeted revenues of $19,241,695. Primary sources of revenue for the month included property taxes in the amount of $6,770, development fees & permits in the amount of $81,967, retail sales and use taxes in the amount of $133,146, franchise fees in the amount of $75,276, and utility taxes in the amount of $93,405.

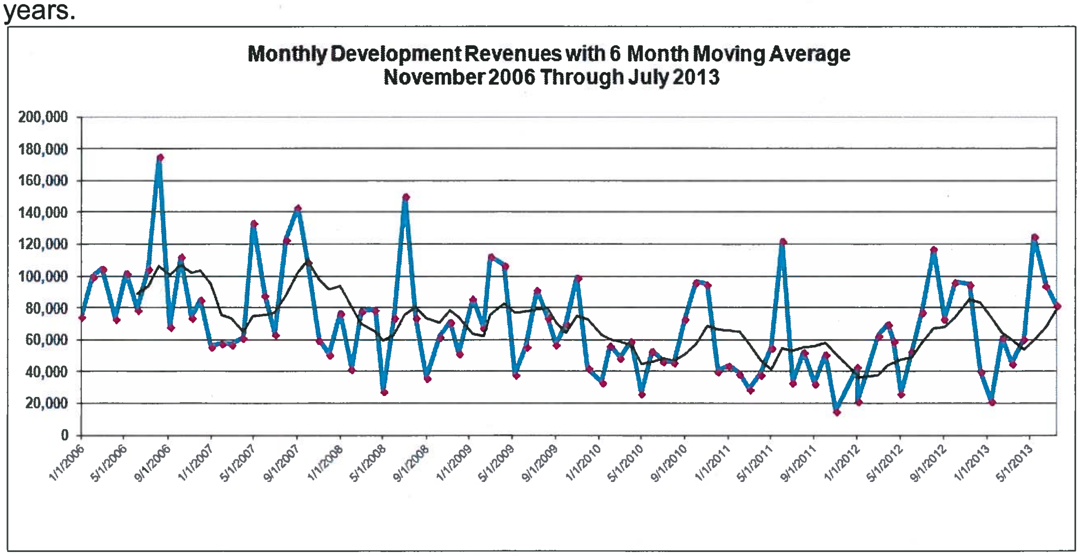
A summary of sales tax revenues received in July is attached. These receipts are based on May sales activity. The chart below gives a historical perspective of monthly sales tax receipts over the last several years. The black dotted Target 2013 line is a monthly average of actual receipts by month during 2010, 2011, and 2012. The Purple line represents 2013 actual receipts.



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 July 2013. Construction sales taxes are shown without the benefit of the Brightwater construction project. This category previously had the benefit of the city hall, Bastyr dorms, fire station and library construction projects which have been completed. The construction segment and "Other" (includes agriculture, services, manufacturing, transportation and utilities) are showing a positive trend of improvement recently. In December, $20,000 was deducted from the City's sales tax receipts by Department of Revenue to correct a prior error (see the dip in the wholesale line). The $20k adjustment was related to a refund request received by the Department of Revenue to reclassify income from retailing to wholesaling.



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



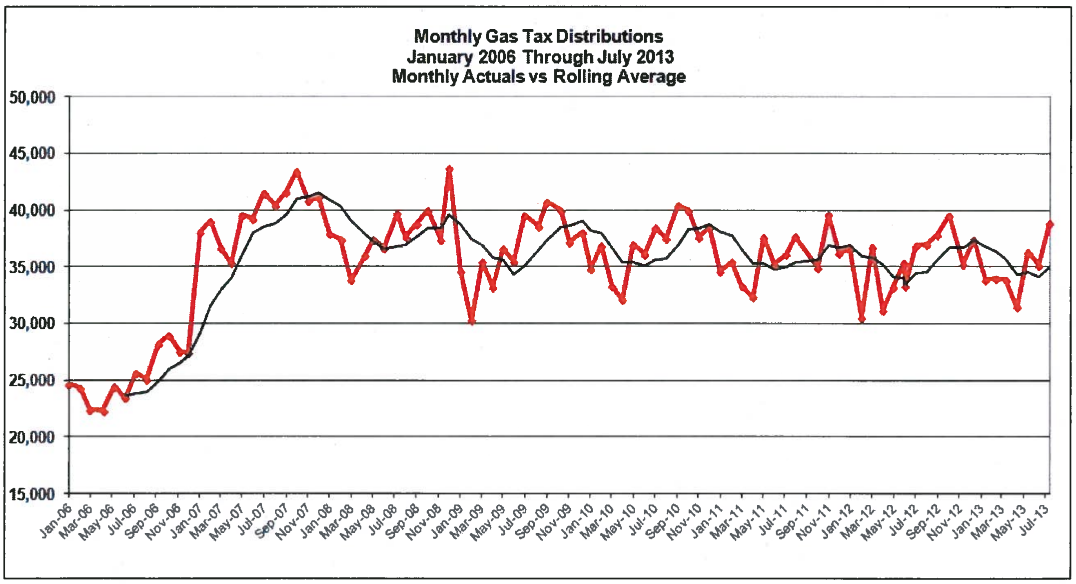
July 2013 expenditures were **$703,312.** Biennium to date expenditures are $8,011,606, which is 36.7**%** of the amended budget expenditures of $21,857,666, a high percentage due to the $3M interfund transfers recorded in April.

OTHER FUNDS

The July cash activity for all funds is presented on the attached All Funds Cash Summary. Total City cash and investments, at the end of July, totaled $17,571,152. The Other Funds Monthly Activity graphs compare biennium to date revenues and expenditures to the 2013-2014 biennial budget.

The following transactions and activities were of note during the month of July. Total non General Fund revenues were $335,585 and total non-General Fund expenditures were $1,087,191.

In the **Street Fund** revenue from gas tax distributions was $38,878. The following chart shows recent gas tax receipts through July 2013. The revenues reflect economizing by the public and increased use of fuel efficient vehicles.

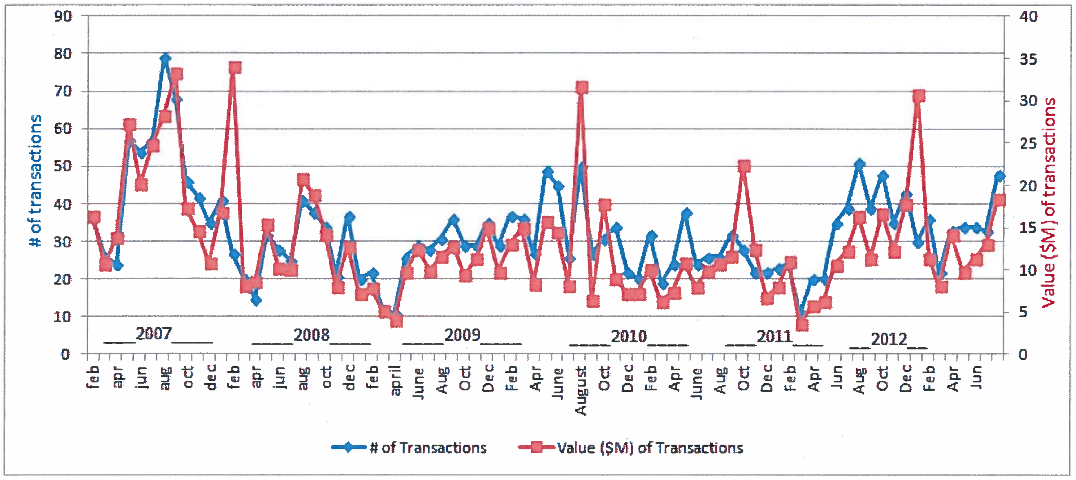


In the **Transportation Capital** the expenditures consisted of $19,097 being expended on SR 522 Phase I and Phase II projects. The City received $51,719 in grant reimbursement from the TIB for work on the SR 522 West A Project.

The **Real Estate Excise Tax** Fund received $91,779 of real estate excise taxes (REET) in July from sales activity that occurred in June. 48 transactions were reported this month.

City of Kenmore, Washington
Monthly Financial Report
July2013

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, 2012, and 2013.



The **Transportation Benefit District** Fund received $23,661 in vehicle license fees during the month.

In the **Strategic Opportunities** Fund, the purchase of the vacant property along SR 522 was finalized. There was an expenditure of $776,800 made to purchase the property.

SUMMARY

This concludes the financial report for the City of Kenmore as of **July 31, 2013**. I appreciate your feedback and encourage you to contact me if you have any questions prior to the City Council meeting.

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City of Kenmore, Washington
General Fund Summary Report
July 31, 2013

	CURRENT PERIOD 2013-2014				PRIOR PERIOD 2011-2012			
	MONTH July 2013	BIENNIUM TO DATE 2013-2014	% of BUDGET	BUDGET 2013-2014	MONTH July 2011	BIENNIUM TO DATE 2011-2012	% of BUDGET	BIENNIUM BUDGET 2011-2012
REVENUES								
Beginning Fund Balance		5,539,954		5,338,942				4,941,884
Property Taxes	6,770	2,289,283	27.0%	8,469,973	22,646	2,199,227	26.6%	8,254,387
Sales and Use Taxes	171,218	1,185,231	29.9%	3,960,331	173,176	1,212,465	27.9%	4,339,202
Utility Taxes	93,405	858,001	29.2%	2,942,395	55,122	858,371	28.6%	3,002,082
Other Taxes	8,018	30,799	50.2%	61,300	0	15,204	14.6%	104,104
Development Fees & Permits	81,967	490,433	40.0%	1,227,303	33,339	362,254	25.2%	1,439,095
Franchise Fees	75,276	225,909	17.3%	1,309,591	59,890	323,165	49.7%	650,588
Intergovernmental and Grants	31,342	201,722	31.5%	639,866	37,918	229,826	30.2%	761,476
Investment Interest	1,648	81,124	138.9%	58,400	4,061	42,651	76.2%	56,000
Fines and Forfeitures	63	-64	0.0%	0	47	645	n/a	0
Transfers and Other Revenues	1,640	82,768	14.5%	572,536	1,885	13,202	3.9%	338,662
Total Revenues	471,347	5,445,205	28.3%	19,241,695	388,084	5,257,010	27.7%	18,945,596
Total Revenues & Beginning Fund Balance		10,985,159		24,580,637				23,887,480

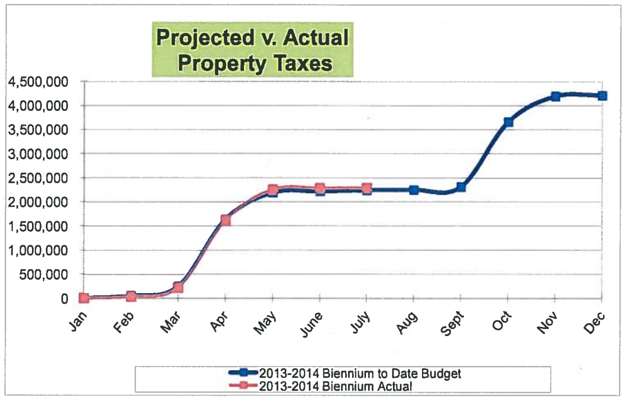
	CURRENT PERIOD 2013-2014				PRIOR PERIOD 2011-2012			
	MONTH July	BIENNIUM TO DATE 2013-2014	% of BUDGET	BUDGET 2013-2014	July	BIENNIUM TO DATE 2011-2012	% of BUDGET	BIENNIUM BUDGET 2011-2012
EXPENDITURES								
Cost Center								
City Council	8,408	62,704	29.3%	213,950	9,389	62,098	28.5%	217,644
City Manager	66,266	592,412	27.8%	2,129,379	115,140	504,572	28.1%	1,796,600
City Clerk	7,999	54,316	22.3%	243,139	26,834	142,459	26.6%	536,261
Finance	24,317	186,229	25.3%	735,429	29,618	153,466	24.0%	639,213
Legal	22,915	165,919	38.6%	430,000	37,820	163,560	33.1%	494,285
Non-Departmental	34,287	441,978	28.8%	1,533,487	17,741	409,875	26.7%	1,532,818
Interfund Transfers	0	3,316,000	81.8%	4,056,101	0	0	0.0%	1,564,000
Public Safety	335,391	1,872,670	24.8%	7,553,348	1,179,438	1,482,515	20.6%	7,179,563
Engineering	46,216	350,457	25.7%	1,361,385	57,920	277,509	26.5%	1,045,741
Planning &Community Dev	36,859	260,218	27.7%	939,441	35,094	190,246	26.7%	712,632
Land Dev & Permitting	53,128	347,687	26.6%	1,304,736	58,392	318,402	21.2%	1,501,147
Parks & Facility Maintenance	67,526	361,014	26.6%	1,357,271	37,642	517,159	30.5%	1,695,042
Total Expenditures	703,312	8,011,606	36.7%	21,857,666	1,605,028	4,221,861	22.3%	18,914,946
Ending Fund Balance		2,973,554		2,722,971			0.0%	4,972,534
Total Expenditures and Ending Fund Balance		10,985,159		24,580,637				23,887,480

I:\Admin & Finance\Monthly Reports\2013\July.xlsxGeneral Fund

City of Kenmore, Washington
General Fund Revenue Graphs
July 31, 2013

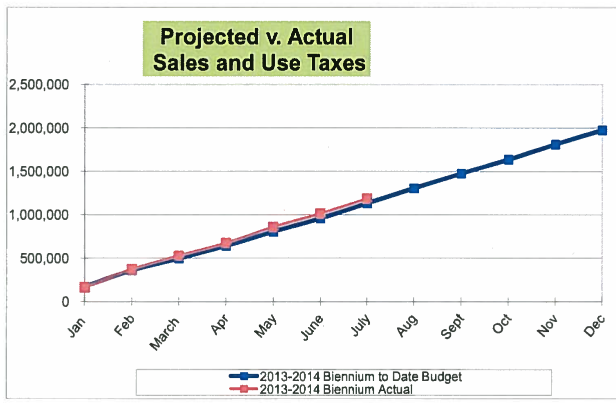
PROPERTY TAXES

	2013-2014 Biennium to Date Budget	2013-2014 Biennium Actual
Jan	11,954	5,892
Feb	59,028	34,243
Mar	251,297	220,879
Apr	1,644,997	1,622,899
May	2,193,491	2,254,841
June	2,218,132	2,282,513
July	2,245,638	2,289,283
Aug	2,253,168	
Sept	2,313,416	
Oct	3,661,593	
Nov	4,194,035	
Dec	4,213,917	
2013	4,213,917	
Year To Date Actual v. Projected		102%



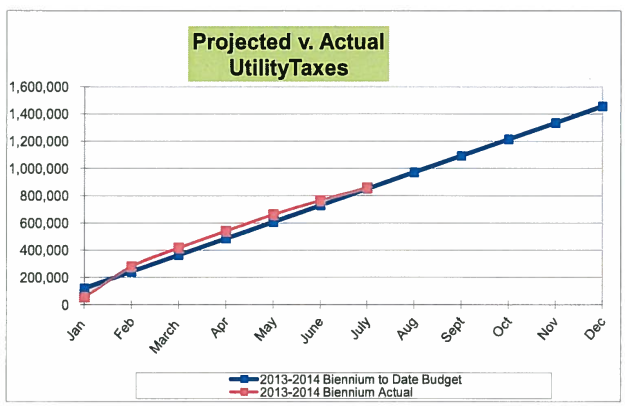
SALES, USE, CRIM JUSTICE TAXES

	2013-2014 Biennium to Date Budget	2013-2014 Biennium Actual
Jan	174,942	165,280
Feb	361,685	371,653
March	497,400	527,785
Apr	643,196	674,402
May	805,908	858,526
June	959,342	1,014,013
July	1,133,164	1,185,231
Aug	1,306,744	
Sept	1,475,984	
Oct	1,637,030	
Nov	1,811,890	
Dec	1,975,227	
2013	1,975,227	
Year To Date Actual v. Projected		105%



UTILITY TAXES

	2013-2014 Biennium to Date Budget	2013-2014 Biennium Actual
Jan	121,532	56,742
Feb	243,065	281,331
March	364,597	417,703
Apr	486,130	540,614
May	607,662	662,265
June	729,195	764,596
July	850,727	858,001
Aug	972,259	
Sept	1,093,792	
Oct	1,215,324	
Nov	1,336,857	
Dec	1,458,389	
2013	1,458,389	
Year To Date Actual v. Projected		101%



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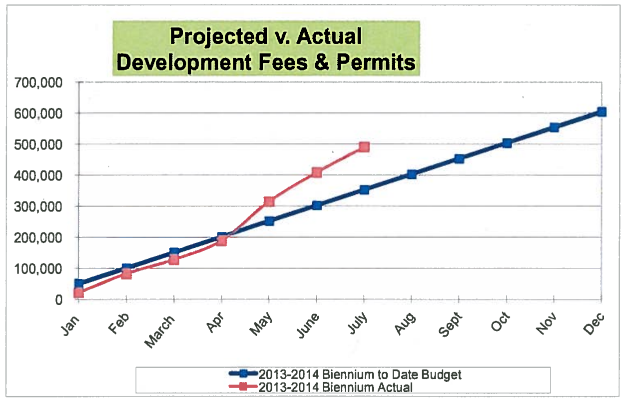
City of Kenmore, Washington
General Fund Revenue Graphs
July 31, 2013

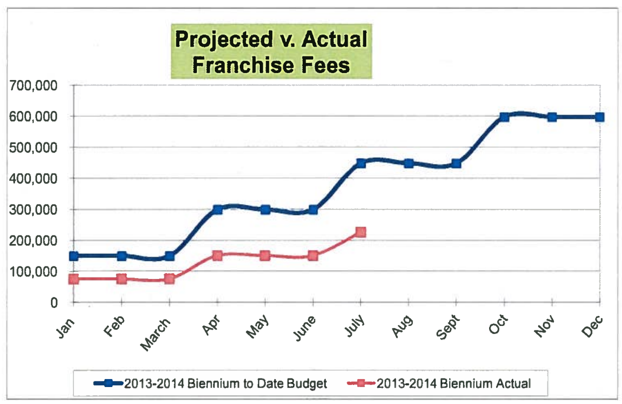
DEVELOPMENT FEES & PERMITS

	2013-2014 Biennium to Date Budget	2013-2014 Biennium Actual
Jan	50,371	21,332
Feb	100,742	82,718
March	151,113	128,247
Apr	201,484	189,092
May	251,855	314,404
June	302,227	408,466
July	352,598	490,433
Aug	402,969	
Sept	453,340	
Oct	503,711	
Nov	554,082	
Dec	604,453	
2013	604,453	
Year To Date Actual v. Projected		139%



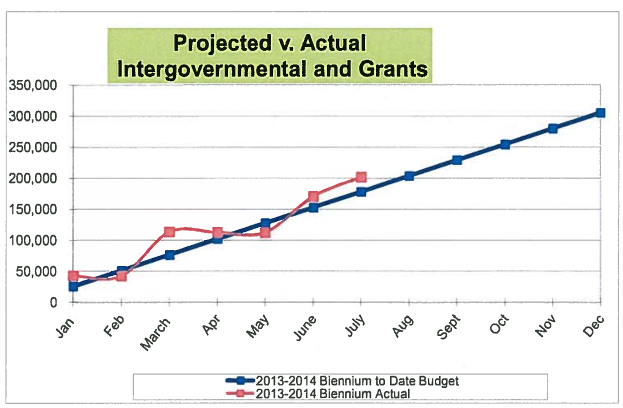
FRANCHISE FEES

	2013-2014 Biennium to Date Budget	2013-2014 Biennium Actual
Jan	149,431	75,656
Feb	149,431	75,656
March	149,431	75,656
Apr	298,862	150,633
May	298,862	150,633
June	298,862	150,633
July	448,292	225,909
Aug	448,292	
Sept	448,292	
Oct	597,723	
Nov	597,723	
Dec	597,723	
2013	597,723	
Year To Date Actual v. Projected		50%



INTERGOVERNMENTAL & GRANTS

	2013-2014 Biennium to Date Budget	2013-2014 Biennium Actual
Jan	25,490	42,428
Feb	50,980	42,428
March	76,471	113,326
Apr	101,961	112,627
May	127,451	112,627
June	152,941	170,380
July	178,431	201,722
Aug	203,921	
Sept	229,412	
Oct	254,902	
Nov	280,392	
Dec	305,882	
2013	305,882	
Year To Date Actual v. Projected		113%



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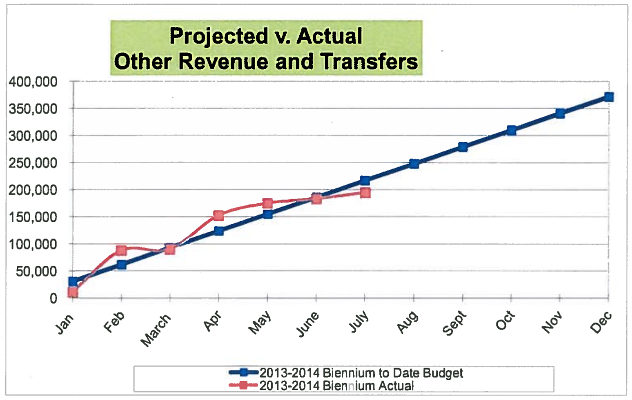
City of Kenmore, Washington
General Fund Revenue Graphs
July 31, 2013

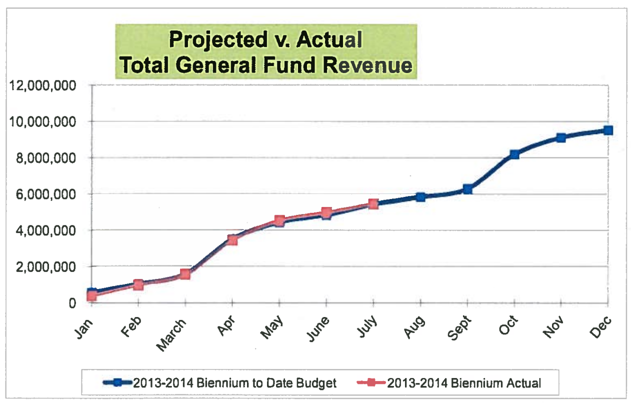
OTHER REVENUES AND TRANSFERS

	2013-2014 Biennium to Date Budget	2013-2014 Biennium Actual
Jan	30,992	11,617
Feb	61,984	87,759
March	92,975	89,956
Apr	123,967	152,398
May	154,959	174,826
June	185,951	183,258
July	216,942	194,627
Aug	247,934	
Sept	278,926	
Oct	309,918	
Nov	340,909	
Dec	371,901	
2013	371,901	
Year To Date Actual v. Projected		90%



TOTAL GENERAL FUND REVENUE

	2013-2014 Biennium to Date Budget	2013-2014 Biennium Actual
Jan	564,712	378,947
Feb	1,026,915	975,789
March	1,583,284	1,573,552
Apr	3,500,596	3,442,666
May	4,440,187	4,528,121
June	4,846,648	4,973,858
July	5,425,792	5,445,205
Aug	5,835,288	
Sept	6,293,161	
Oct	8,180,200	
Nov	9,115,888	
Dec	9,527,491	
2013	9,527,491	
Year To Date Actual v. Projected		100%



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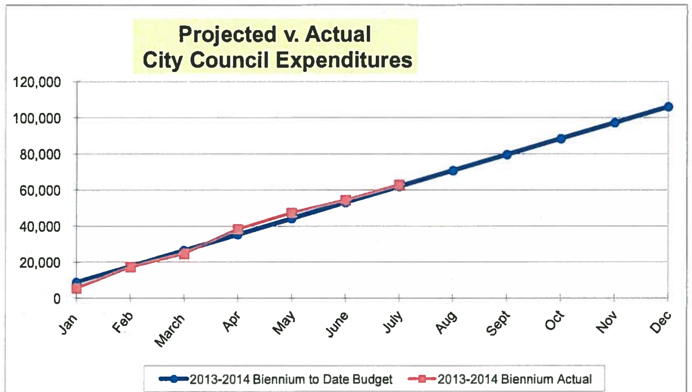
City of Kenmore, Washington
General Fund Expenditure Graphs
July 31, 2013

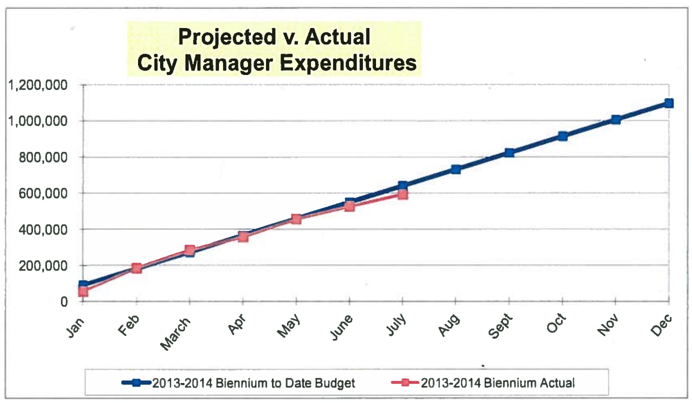
CITY COUNCIL

	2013-2014 Biennium to Date Budget	2013-2014 Biennium Actual
Jan	8,843	5,410
Feb	17,686	17,346
March	26,529	24,746
Apr	35,371	38,240
May	44,214	47,402
June	53,057	54,296
July	61,900	62,704
Aug	70,743	
Sept	79,586	
Oct	88,428	
Nov	97,271	
Dec	106,114	
2013	106,114	
Year To Date Actual v. Projected		101%



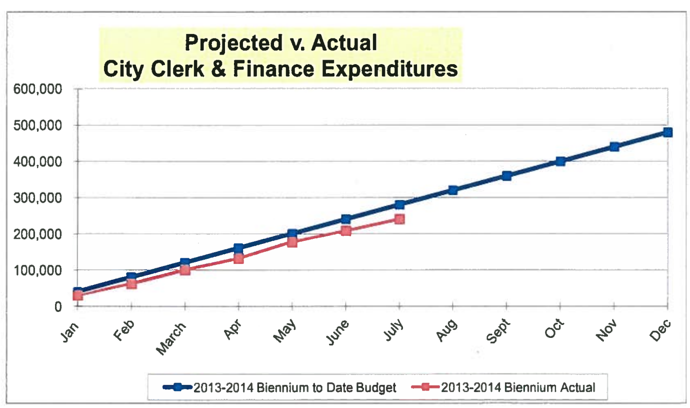
CITY MANAGER

	2013-2014 Biennium to Date Budget	2013-2014 Biennium Actual
Jan	91,491	56,142
Feb	182,983	185,503
March	274,474	285,244
Apr	365,965	358,096
May	457,456	456,223
June	548,948	526,145
July	640,439	592,412
Aug	731,930	
Sept	823,421	
Oct	914,913	
Nov	1,006,404	
Dec	1,097,895	
2013	1,097,895	
Year To Date Actual v. Projected		93%



CITY CLERK & FINANCE

	2013-2014 Biennium to Date Budget	2013-2014 Biennium Actual
Jan	40,054	30,652
Feb	80,108	62,343
March	120,163	100,274
Apr	160,217	132,079
May	200,271	177,097
June	240,325	208,229
July	280,379	240,545
Aug	320,433	
Sept	360,488	
Oct	400,542	
Nov	440,596	
Dec	480,650	
2013	480,650	
Year To Date Actual v. Projected		86%



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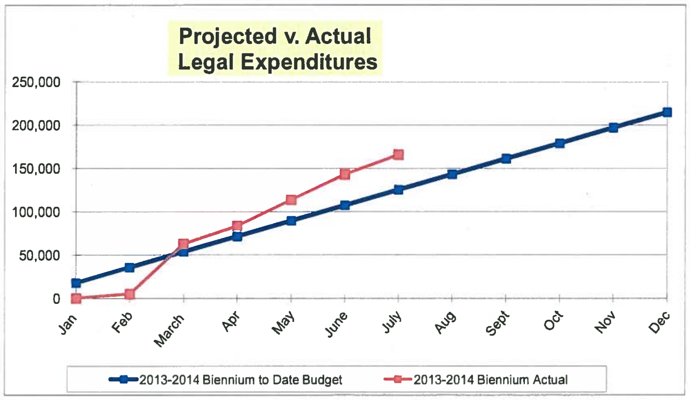
City of Kenmore, Washington
General Fund Expenditure Graphs
July 31, 2013

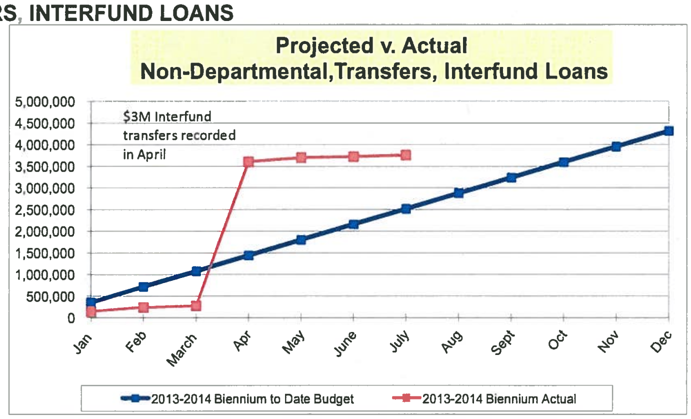
LEGAL

	2013-2014 Biennium to Date Budget	2013-2014 Biennium Actual
Jan	17,917	0
Feb	35,833	4,956
March	53,750	62,981
Apr	71,667	83,627
May	89,583	113,901
June	107,500	143,005
July	125,417	165,919
Aug	143,333	
Sept	161,250	
Oct	179,167	
Nov	197,083	
Dec	215,000	
2013	215,000	
Year To Date Actual v. Projected		132%



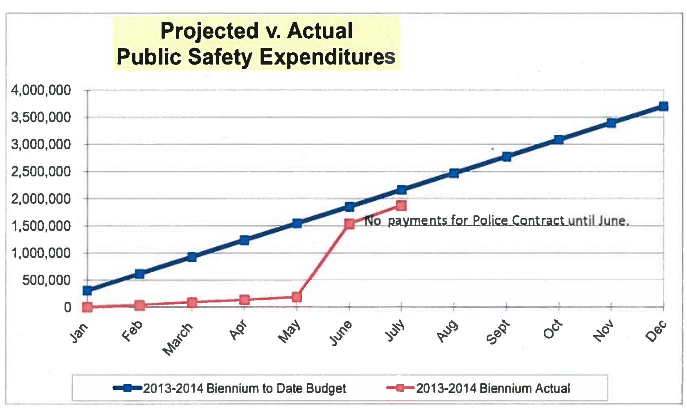
NON-DEPARTMENTAL, TRANSFERS, INTERFUND LOANS

	2013-2014 Biennium to Date Budget	2013-2014 Biennium Actual
Jan	359,856	142,864
Feb	719,713	240,538
March	1,079,569	277,232
Apr	1,439,425	3,606,644
May	1,799,282	3,700,514
June	2,159,138	3,723,691
July	2,518,994	3,757,978
Aug	2,878,851	
Sept	3,238,707	
Oct	3,598,563	
Nov	3,958,420	
Dec	4,318,276	
2013	4,318,276	
Year To Date Actual v. Projected		149%



PUBLIC SAFETY

	2013-2014 Biennium to Date Budget	2013-2014 Biennium Actual
Jan	308,950	537
Feb	617,900	35,598
March	926,850	87,710
Apr	1,235,799	130,739
May	1,544,749	183,224
June	1,853,699	1,537,280
July	2,162,649	1,872,670
Aug	2,471,599	
Sept	2,780,549	
Oct	3,089,498	
Nov	3,398,448	
Dec	3,707,398	
2013	3,707,398	
Year To Date Actual v. Projected		87%



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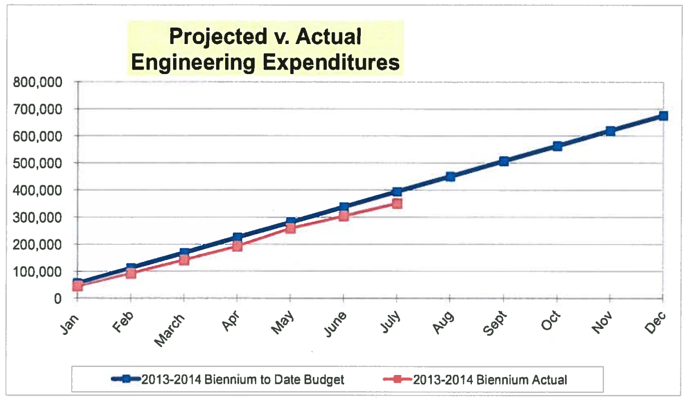
City of Kenmore, Washington
General Fund Expenditure Graphs
July 31, 2013

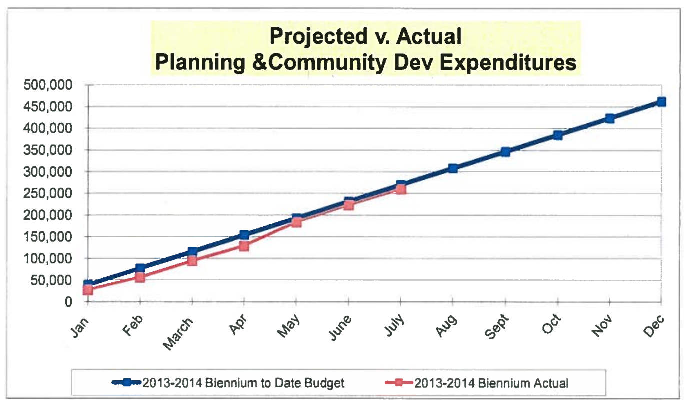
ENGINEERING

	2013-2014 Biennium to Date Budget	2013-2014 Biennium Actual
Jan	56,346	45,402
Feb	112,692	92,037
March	169,038	141,604
Apr	225,384	192,328
May	281,730	258,476
June	338,076	304,242
July	394,421	350,457
Aug	450,767	
Sept	507,113	
Oct	563,459	
Nov	619,805	
Dec	676,151	
2013	676,151	
Year To Date Actual v. Projected		89%



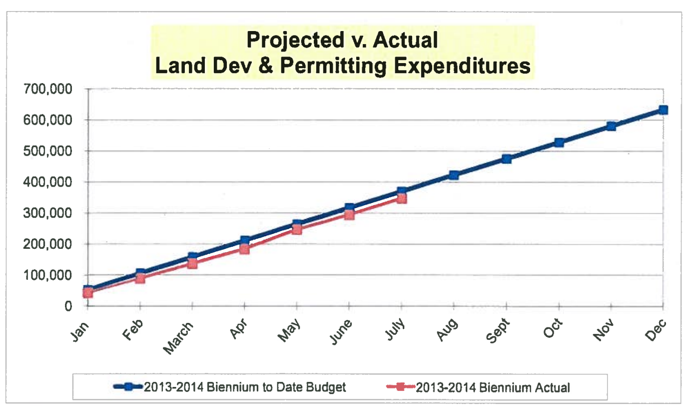
PLANNING & COMMUNITY DEV

	2013-2014 Biennium to Date Budget	2013-2014 Biennium Actual
Jan	38,540	27,290
Feb	77,080	56,350
March	115,621	94,369
Apr	154,161	128,628
May	192,701	183,613
June	231,241	223,359
July	269,781	260,218
Aug	308,321	
Sept	346,862	
Oct	385,402	
Nov	423,942	
Dec	462,482	
2013	462,482	
Year To Date Actual v. Projected		96%



LAND DEV & PERMITTING

	2013-2014 Biennium to Date Budget	2013-2014 Biennium Actual
Jan	52,883	43,452
Feb	105,766	89,527
March	158,650	137,049
Apr	211,533	184,360
May	264,416	247,076
June	317,299	294,559
July	370,182	347,687
Aug	423,065	
Sept	475,949	
Oct	528,832	
Nov	581,715	
Dec	634,598	
2013	634,598	
Year To Date Actual v. Projected		94%



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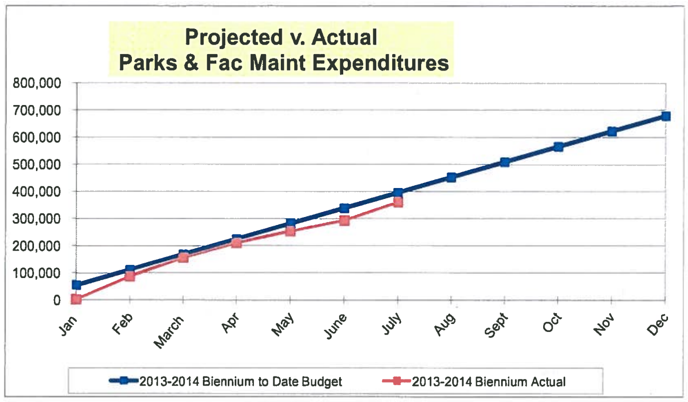
City of Kenmore, Washington
General Fund Expenditure Graphs
July 31, 2013

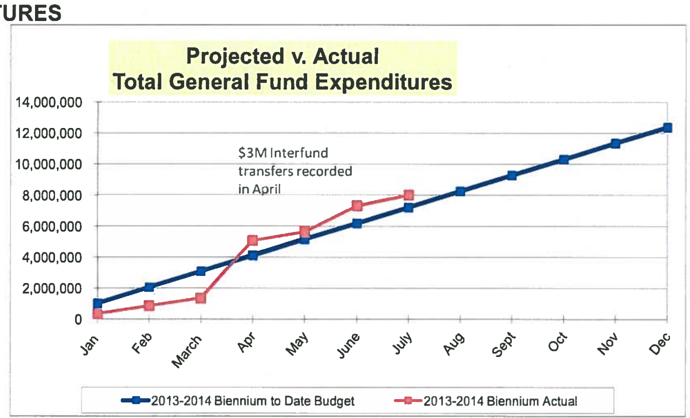
PARKS & FACILITY MAINT

	2013-2014 Biennium to Date Budget	2013-2014 Biennium Actual
Jan	56,544	3,386
Feb	113,088	87,019
March	169,633	156,047
Apr	226,177	210,704
May	282,721	253,744
June	339,265	293,489
July	395,809	361,014
Aug	452,353	
Sept	508,898	
Oct	565,442	
Nov	621,986	
Dec	678,530	
2013	678,530	
Year To Date Actual v. Projected		91%



TOTAL GENERAL FUND EXPENDITURES

	2013-2014 Biennium to Date Budget	2013-2014 Biennium Actual
Jan	1,031,425	355,135
Feb	2,062,849	871,215
March	3,094,274	1,367,258
Apr	4,125,698	5,065,445
May	5,157,123	5,621,271
June	6,188,547	7,308,294
July	7,219,972	8,011,606
Aug	8,251,396	
Sept	9,282,821	
Oct	10,314,245	
Nov	11,345,670	
Dec	12,377,094	
2013	12,377,094	
Year To Date Actual v. Projected		111%



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City of Kenmore, Washington
All Funds Cash Summary
July 31, 2013

	2011-2012 BIENNIUM TO DATE	BUDGET	JULY	2013-2014 BIENNIUM TO DATE
GENERAL FUND				
Beginning Cash	4,941,884	4,351,224		4,351,224
Interfund Loan Repayment	0	0		1,200,000
Revenues	18,860,927	19,241,694	471,347	5,445,205
Total Sources	23,802,811	23,592,918	471,347	10,996,429
Interfund Loans	1,200,000	0		0
Expenditures	18,262,857	21,857,666	703,312	8,011,606
Ending Cash	4,339,954	1,735,252		2,984,823
Total Uses	23,802,811	23,592,918	703,312	10,996,429
STREET FUND				
Beginning Cash	2,040,582	1,512,463		1,512,463
Interfund Loan	0	0		0
Revenues	2,144,716	3,264,173	38,878	1,630,035
Total Sources	4,185,298	4,776,636	38,878	3,142,498
Expenditures	2,672,835	3,279,126	181,135	656,994
Ending Cash	1,512,463	1,497,510		2,485,504
Total Uses	4,185,298	4,776,636	181,135	3,142,498
TRANSPORTATION CAPITAL FUND				
Beginning Cash	1,209,197	427,539		427,539
Revenues	4,657,682	11,600,750	51,719	1,733,008
Total Sources	5,866,879	12,028,289	51,719	2,160,547
Expenditures	4,447,557	11,665,837	19,628	1,022,496
Ending Cash	1,419,322	362,452		1,138,051
Total Uses	5,866,879	12,028,289	19,628	2,160,547
PUBLIC ART FUND				
Beginning Cash	68,244	68,540		68,540
Revenues	1,296	600	0	0
Total Sources	69,540	69,140	0	68,540
Expenditures	1,000	1,000	0	767
Ending Cash	68,540	68,140		67,774
Total Uses	69,540	69,140	0	68,540
PARK IMPACT FEE FUND				
Beginning Cash	1,354,455	1,610,440		1,610,440
Revenues	285,604	346,567	25,370	93,869
Total Sources	1,640,059	1,957,007	25,370	1,704,309
Expenditures	24,963	220,000	0	190,000
Ending Cash	1,615,096	1,737,007		1,514,309
Total Uses	1,640,059	1,957,007	0	1,704,309
TRANSPORTATION IMPACT FEE FUND				
Beginning Cash	545,655	240,535		240,535
Revenues	916,135	876,670	84,340	312,059
Total Sources	1,461,790	1,117,205	84,340	552,594
Expenditures	1,221,255	822,500	0	248,000
Ending Cash	240,535	294,705		304,594
Total Uses	1,461,790	1,117,205	0	552,594
SWAMP CREEK BASIN FUND				
Beginning Cash	1,762,640	1,581,067		1,581,067
Revenues	16,536	16,000	0	0
Total Sources	1,779,176	1,597,067	0	1,581,067
Expenditures	198,109	160,000	0	3,483
Ending Cash	1,581,067	1,437,067		1,577,584
Total Uses	1,779,176	1,597,067	0	1,581,067
TRANSPORTATION BENEFIT DISTRICT FUND				
Beginning Cash	0	0		0
Revenues	0	535,000	23,661	30,690
Total Sources	0	535,000	23,661	30,690
Expenditures	0	535,000	0	5,000
Ending Cash	0	0		25,690
Total Uses	0	535,000	0	30,690
SAMMAMISH BRIDGE REPLACEMENT FUND				
Beginning Cash	0	0		0
Revenues	0	80,000	0	80,000
Total Sources	0	80,000	0	80,000
Expenditures	0	0	0	0
Ending Cash	0	80,000		80,000
Total Uses	0	80,000	0	80,000

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City of Kenmore, Washington
All Funds Cash Summary
July 31, 2013

	2011-2012 BIENNIUM TO DATE	BUDGET	JULY	2013-2014 BIENNIUM TO DATE
REAL ESTATE EXCISE TAX FUND				
Beginning Cash	1,866,318	1,965,806		1,965,806
Revenues	1,497,557	1,147,317	91,779	427,594
Total Sources	3,363,874	3,113,123	91,779	2,393,400
Expenditures	2,386,812	2,365,050	0	1,076,956
Ending Cash	977,062	748,073		1,316,444
Total Uses	3,363,874	3,113,123	0	2,393,400
KENMORE VILLAGE FUND				
Beginning Cash	60,725	151,088		151,088
Interfund Loan	1,200,000			0
Revenues	555,153	1,692,340	7,282	1,360,779
Total Sources	1,815,878	1,843,428	7,282	1,511,867
Interfund Loans	0	0		1,200,000
Expenditures	1,663,002	339,200	(4,520)	108,461
Ending Cash	152,875	1,504,228		203,406
Total Uses	1,815,878	1,843,428	(4,520)	1,511,867
PARK CAPITAL FUND				
Beginning Cash	0	0		0
Revenues	0	678,534	0	212,810
Total Sources	0	678,534	0	212,810
Expenditures	0	635,000	34,604	56,492
Ending Cash	0	43,534		156,318
Total Uses	0	678,534	34,604	212,810
SURFACE WATER MANAGEMENT FUND				
Beginning Cash	1,590,280	1,419,392		1,419,392
Revenues	3,739,336	3,799,176	3,293	1,233,370
Total Sources	5,329,616	5,218,568	3,293	2,652,762
Expenditures	3,908,437	4,919,887	61,793	1,092,286
Ending Cash	1,421,179	298,681		1,560,476
Total Uses	5,329,616	5,218,568	61,793	2,652,762
SURFACE WATER CAPITAL FUND				
Beginning Cash	0	0		0
Revenues	0	2,369,261	0	492,011
Total Sources	0	2,369,261	0	492,011
Expenditures	0	2,369,261	0	11,686
Ending Cash	0	0		480,325
Total Uses	0	2,369,261	0	492,011
STRATEGIC RESERVE FUND				
Beginning Cash	1,264,464	1,264,464		1,264,464
Interfund Loan Repayment	0			0
Revenues	0	0	0	0
Total Sources	1,264,464	1,264,464	0	1,264,464
Interfund Loans	0			0
Expenditures	0	0	0	0
Ending Cash	1,264,464	1,264,464		1,264,464
Total Uses	1,264,464	1,264,464	0	1,264,464
STRATEGIC OPPORTUNITIES FUND				
Beginning Cash	0	0		0
Revenues	0	2,525,062	1,200	2,505,602
Total Sources	0	2,525,062	1,200	2,505,602
Expenditures	0	364,100	782,784	860,293
Ending Cash	0	2,160,962		1,645,308
Total Uses	0	2,525,062	782,784	2,505,602
EQUIPMENT REPLACEMENT FUND				
Beginning Cash	524,310	490,603		490,603
Revenues	188,365	155,142	0	0
Total Sources	712,675	645,745	0	490,603
Expenditures	222,072	276,250	11,517	19,708
Ending Cash	490,603	369,495		470,895
Total Uses	712,675	645,745	11,517	490,603
TRUST AND AGENCY (NON BUDGETED FUND)*				
Beginning Cash	278,859	247,209		247,209
Revenues	122,994	0	8,064	51,926
Total Sources	401,854	247,209	8,064	299,135
Expenditures	154,645	0	250	4,350
Ending Cash	247,209	247,209		294,785
Total Uses	401,854	247,209	250	299,135
TOTALS				
Beginning Cash	17,507,613	15,330,369		15,330,369
Interfund Loan	0	0	0	1,200,000
Revenues	32,986,301	48,328,286	806,932	15,608,958
Total Sources	50,493,914	63,658,655	806,932	32,139,327
Interfund Loan	1,200,000	0	0	1,200,000
Expenditures	34,965,435	49,809,877	1,790,503	13,368,577
Ending Cash	15,330,370	13,848,778		17,570,751
Total Uses	51,495,805	63,658,655	1,790,503	32,139,327

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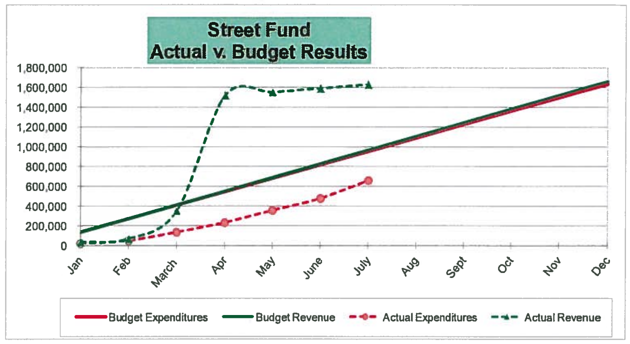
VIID. Receive and File July 2013 Financial Report

City of Kenmore, Washington
Other Funds Monthly Activity
July 31, 2013

STREET FUND

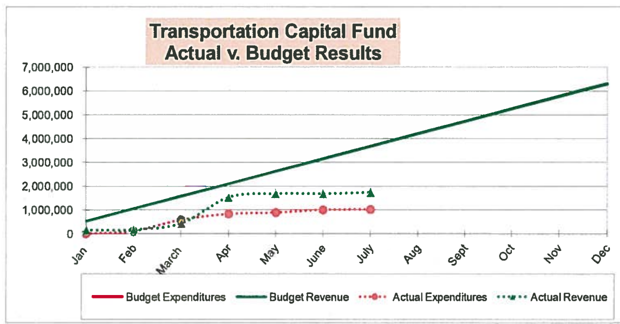
	2013-2014 Budget Expenditures	2013-2014 Actual Expenditures	2013-2014 Budget Revenue	2013-2014 Actual Revenue
Jan	136,066	20,826	138,310	33,895
Feb	272,131	50,658	276,620	67,931
March	408,197	135,152	414,931	351,822
Apr	544,263	232,266	553,241	1,519,322
May	680,328	355,188	691,551	1,555,856
June	816,394	475,859	829,861	1,591,157
July	952,460	656,994	968,171	1,630,035
Aug	1,088,525		1,106,481	
Sept	1,224,591		1,244,792	
Oct	1,360,657		1,383,102	
Nov	1,496,722		1,521,412	
Dec	1,632,788		1,659,722	
2013-2014	3,279,126		3,264,173	
Total Actual to Date vs Total Budget		20%		50%



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

TRANSPORTATION CAPITAL FUND

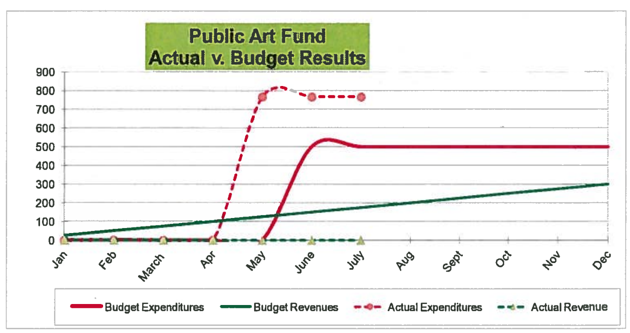
	2013-2014 Budget Expenditures	2013-2014 Actual Expenditures	2013-2014 Budget Revenue	2013-2014 Actual Revenue
Jan	525,903	0	524,563	143,512
Feb	1,051,806	108,258	1,049,125	166,545
March	1,577,709	580,440	1,573,688	428,039
Apr	2,103,612	830,508	2,098,250	1,531,290
May	2,629,515	887,923	2,622,813	1,681,290
June	3,155,419	1,002,868	3,147,375	1,681,290
July	3,681,322	1,022,496	3,671,938	1,733,008
Aug	4,207,225		4,196,500	
Sept	4,733,128		4,721,063	
Oct	5,259,031		5,245,625	
Nov	5,784,934		5,770,188	
Dec	6,310,837		6,294,750	
2013-2014	11,575,837		11,600,750	
Total Actual to Date vs Total Budget		9%		15%



The Transportation Capital 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

	2013-2014 Budget Expenditures	2013-2014 Actual Expenditures	2013-2014 Budget Revenue	2013-2014 Actual Revenue
Jan	0	0	25	0
Feb	0	0	50	0
March	0	0	75	0
Apr	0	0	100	0
May	0	767	125	0
June	500	767	150	0
July	500	767	175	0
Aug	500		200	
Sept	500		225	
Oct	500		250	
Nov	500		275	
Dec	500		300	
2013-2014	1,000		600	
Total Actual to Date vs Total Budget		77%		0%



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.

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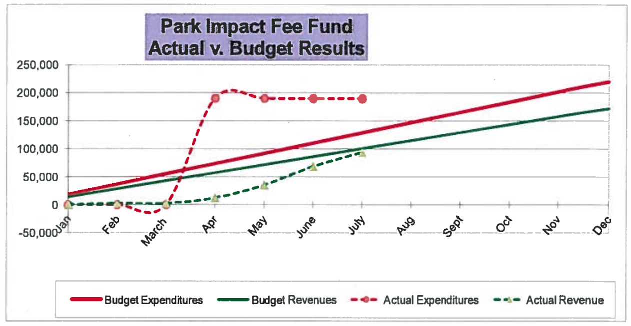
City of Kenmore, Washington
Other Funds Monthly Activity
July 31, 2013

PARK IMPACT FEE FUND

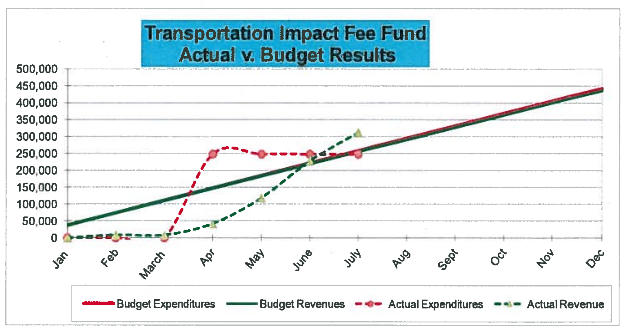
	2013-2014 Budget Expenditures	2013-2014 Actual Expenditures	2013-2014 Budget Revenue	2013-2014 Actual Revenue
Jan	18,333	0	14,351	0
Feb	36,667	0	28,702	2,537
March	55,000	0	43,054	2,537
Apr	73,333	190,000	57,405	12,685
May	91,667	190,000	71,756	35,518
June	110,000	190,000	86,107	68,499
July	128,333	190,000	100,458	93,869
Aug	146,667		114,809	
Sept	165,000		129,161	
Oct	183,333		143,512	
Nov	201,667		157,863	
Dec	220,000		172,214	
2013-2014	220,000		346,567	
Total Actual to Date vs Total Budget		86%		27%



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

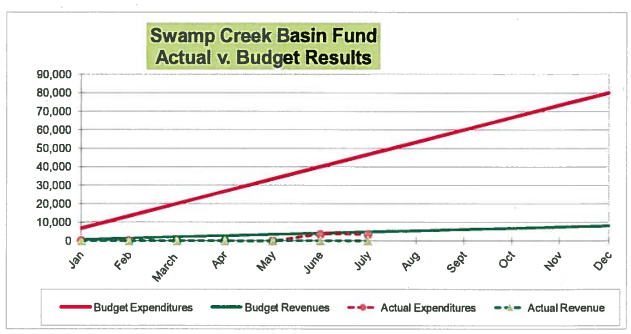
	2013-2014 Budget Expenditures	2013-2014 Actual Expenditures	2013-2014 Budget Revenue	2013-2014 Actual Revenue
Jan	36,875	0	36,331	0
Feb	73,750	0	72,662	8,434
March	110,625	0	108,993	8,434
Apr	147,500	248,000	145,324	42,170
May	184,375	248,000	181,655	118,076
June	221,250	248,000	217,987	227,719
July	258,125	248,000	254,318	312,059
Aug	295,000		290,649	
Sept	331,875		326,980	
Oct	368,750		363,311	
Nov	405,625		399,642	
Dec	442,500		435,973	
2013-2014	822,500		876,670	
Total Actual to Date vs Total Budget		30%		36%



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

SWAMP CREEK BASIN FUND

	2013-2014 Budget Expenditures	2013-2014 Actual Expenditures	2013-2014 Budget Revenue	2013-2014 Actual Revenue
Jan	6,667	0	683	0
Feb	13,333	0	1,367	0
March	20,000	0	2,050	0
Apr	26,667	0	2,733	0
May	33,333	0	3,417	0
June	40,000	3,483	4,100	0
July	46,667	3,483	4,783	0
Aug	53,333		5,467	
Sept	60,000		6,150	
Oct	66,667		6,833	
Nov	73,333		7,517	
Dec	80,000		8,200	
2013-2014	160,000		16,000	
Total Actual to Date vs Total Budget		2%		0%



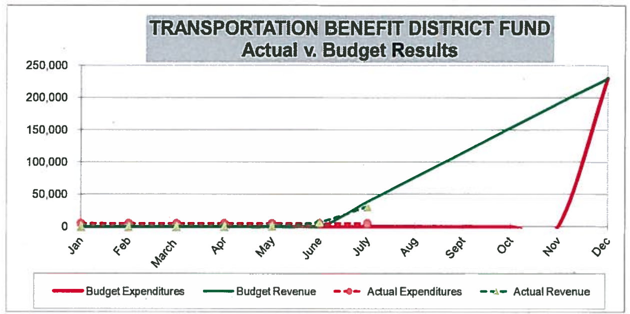
This fund accounts for the Memorandum of Agreement with King County which provided funds reserved for surface water projects, improvements, and maintenance within the Swamp Creek Basin.

I:\Admin & Finance\Monthly Reports\2013\July.xlsxOther Funds Graphs

City of Kenmore, Washington
Other Funds Monthly Activity
July 31, 2013

TRANSPORTATION BENEFIT DISTRICT FUND

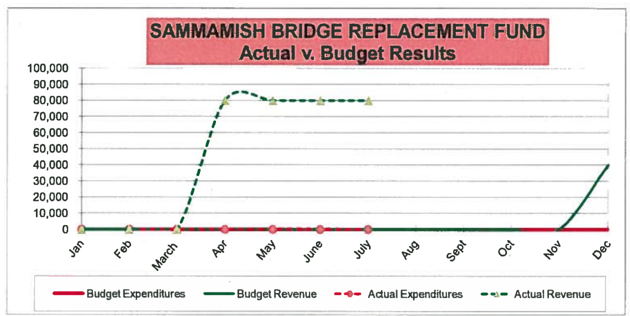
	2013-2014 Budget Expenditures	2013-2014 Actual Expenditures	2013-2014 Budget Revenue	2013-2014 Actual Revenue
Jan	0	5,000	0	0
Feb	0	5,000	0	0
March	0	5,000	0	0
Apr	0	5,000	0	0
May	0	5,000	0	772
June	0	5,000	0	7,029
July	0	5,000	38,333	30,690
Aug	0		76,666	
Sept	0		114,999	
Oct	0		153,332	
Nov	0		191,665	
Dec	230,000		230,000	
2013-2014	535,000		535,000	
Total Actual to Date vs Total Budget		1%		6%



The Transportation Benefit District fund accounts for the $20 vehicle license tab fees levied on vehicles located in the Kenmore city limits. The revenue generated will be used in maintaining the City's transportation system.

SAMMAMISH BRIDGE REPLACEMENT FUND

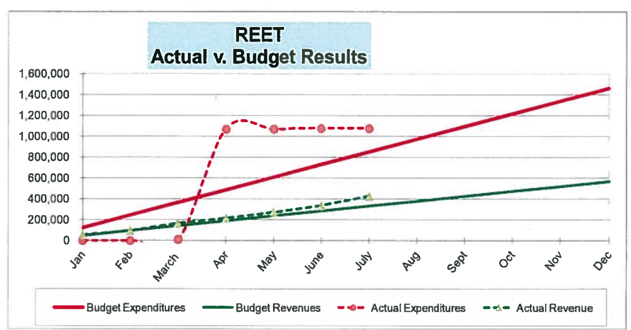
	2013-2014 Budget Expenditures	2013-2014 Actual Expenditures	2013-2014 Budget Revenue	2013-2014 Actual Revenue
Jan	0	0	0	0
Feb	0	0	0	0
March	0	0	0	0
Apr	0	0	0	80,000
May	0	0	0	80,000
June	0	0	0	80,000
July	0	0	0	80,000
Aug	0		0	
Sept	0		0	
Oct	0		0	
Nov	0		0	
Dec	0		40,000	
2013-2014	0		80,000	
Total Actual to Date vs Total Budget		0%		100%



The Sammamish Bridge Replacement fund is a fund used to put money aside for the replacement of the West Sammamish bridge.

REAL ESTATE EXCISE TAX FUND

	2013-2014 Budget Expenditures	2013-2014 Actual Expenditures	2013-2014 Budget Revenue	2013-2014 Actual Revenue
Jan	121,671	0	47,456	55,801
Feb	243,342	0	94,911	96,082
March	365,013	9,610	142,367	166,028
Apr	486,683	1,070,100	189,823	214,700
May	608,354	1,070,100	237,278	270,878
June	730,025	1,076,956	284,734	335,816
July	851,696	1,076,956	332,190	427,594
Aug	973,367		379,645	
Sept	1,095,038		427,101	
Oct	1,216,708		474,557	
Nov	1,338,379		522,012	
Dec	1,460,050		569,468	
2013-2014	2,365,050		1,147,317	
Total Actual to Date vs Total Budget		46%		37%



The Real Estate Excise Tax 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 Transportation Capital Fund for transportation improvements.

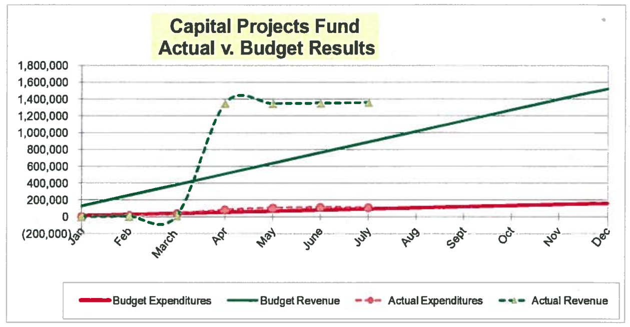
I:\Admin & Finance\Monthly Reports\2013\July.xlsxOther Funds Graphs

City of Kenmore, Washington
Other Funds Monthly Activity
July 31, 2013

KENMORE VILLAGE FUND

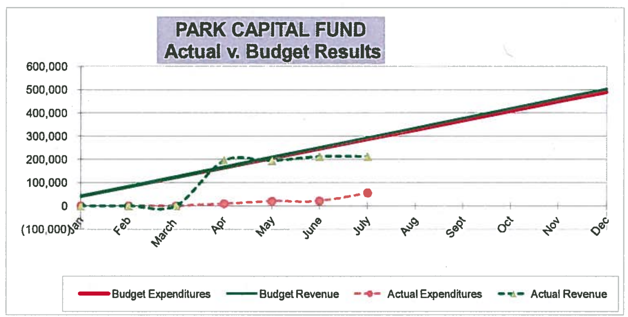
	2013-2014 Budget Expenditures	2013-2014 Actual Expenditures	2013-2014 Budget Revenue	2013-2014 Actual Revenue
Jan	13,467	3,120	126,918	2,050
Feb	26,933	14,302	253,837	4,650
March	40,400	38,391	380,755	9,641
Apr	53,867	82,954	507,673	1,347,548
May	67,333	105,120	634,592	1,348,848
June	80,800	112,981	761,510	1,353,497
July	94,267	108,461	888,428	1,360,779
Aug	107,733		1,015,347	
Sept	121,200		1,142,265	
Oct	134,667		1,269,183	
Nov	148,133		1,396,102	
Dec	161,600		1,523,020	
2013-2014	339,200		1,692,340	
Total Actual to Date vs Total Budget		32%		80%

The Kenmore Village Fund accounts for leasing activity within Kenmore Village



PARK CAPITAL FUND

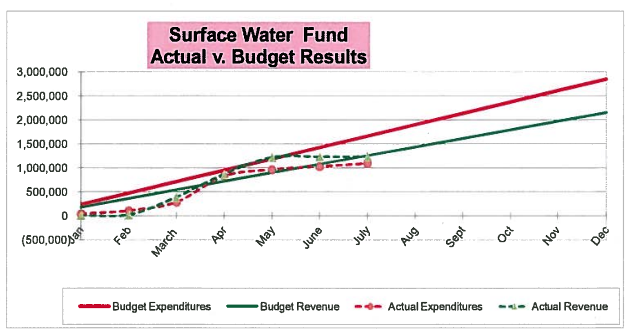
	2013-2014 Budget Expenditures	2013-2014 Actual Expenditures	2013-2014 Budget Revenue	2013-2014 Actual Revenue
Jan	40,833	0	41,961	0
Feb	81,667	0	83,922	340
March	122,500	0	125,884	340
Apr	163,333	9,952	167,845	194,803
May	204,167	20,823	209,806	194,803
June	245,000	21,888	251,767	212,810
July	285,833	56,492	293,728	212,810
Aug	326,667		335,689	
Sept	367,500		377,651	
Oct	408,333		419,612	
Nov	449,167		461,573	
Dec	490,000		503,534	
2013-2014	650,000		663,534	
Total Actual to Date vs Total Budget		9%		32%



The Park Capital fund will account for Park Capital Projects formerly included in the Municipal Capital fund. In addition, distributions from the King County Proposition 2 Parks Expansion Levy will be receipted into this fund

SURFACE WATER MANAGEMENT FUND

	2013-2014 Budget Expenditures	2013-2014 Actual Expenditures	2013-2014 Budget Revenue	2013-2014 Actual Revenue
Jan	237,469	40,806	179,928	11,144
Feb	474,938	109,357	359,856	20,625
March	712,407	284,556	539,784	384,041
Apr	949,875	829,064	719,712	869,859
May	1,187,344	964,357	899,640	1,216,519
June	1,424,813	1,030,493	1,079,569	1,230,077
July	1,662,282	1,092,286	1,259,497	1,233,370
Aug	1,899,751		1,439,425	
Sept	2,137,220		1,619,353	
Oct	2,374,688		1,799,281	
Nov	2,612,157		1,979,209	
Dec	2,849,626		2,159,137	
2013-2014	4,919,887		3,799,176	
Total Actual to Date vs Total Budget		22%		32%



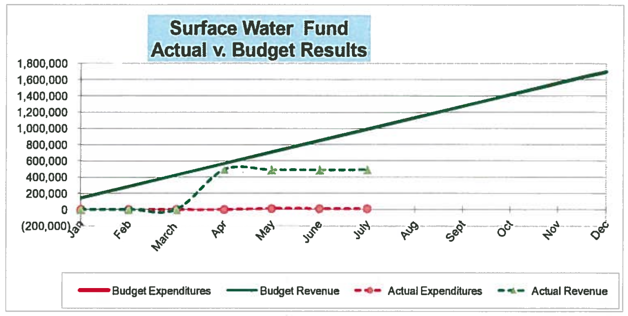
This fund accounts for receipts from surface water assessments. The assessments are collected through the property tax billings; the majority of the receipts are collected in May and November. Expenditures are for surface water maintenance activities such as sweeping and drainage as well as capital improvements.

I:\Admin & Finance\Monthly Reports\2013\July xlsxOther Funds Graphs

City of Kenmore, Washington
Other Funds Monthly Activity
July 31, 2013

SURFACE WATER CAPITAL FUND

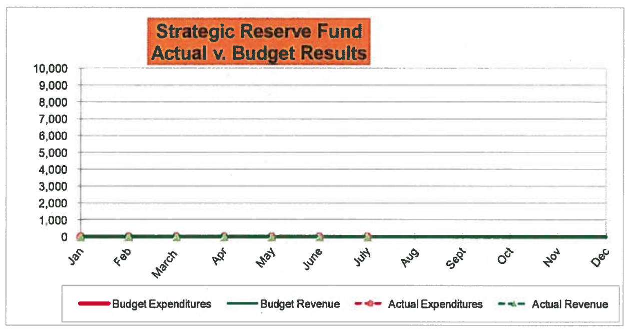
	2013-2014 Budget Expenditures	2013-2014 Actual Expenditures	2013-2014 Budget Revenue	2013-2014 Actual Revenue
Jan	141,438	0	141,438	0
Feb	282,877	0	282,877	0
March	424,315	632	424,315	0
Apr	565,754	632	565,754	492,011
May	707,192	11,686	707,192	492,011
June	848,631	11,686	848,631	492,011
July	990,069	11,686	990,069	492,011
Aug	1,131,507		1,131,507	
Sept	1,272,946		1,272,946	
Oct	1,414,384		1,414,384	
Nov	1,555,823		1,555,823	
Dec	1,697,261		1,697,261	
2013-2014	2,369,261		2,369,261	
Total Actual to Date vs Total Budget		0%		21%



This fund accounts for the expenditures for Surface Water Capital Improvements. Revenue sources for this fund include a variety of federal, state, or local grants, surface water management fees transferred from the Surface Water Management Fund and real estate excise taxes.

STRATEGIC RESERVE FUND

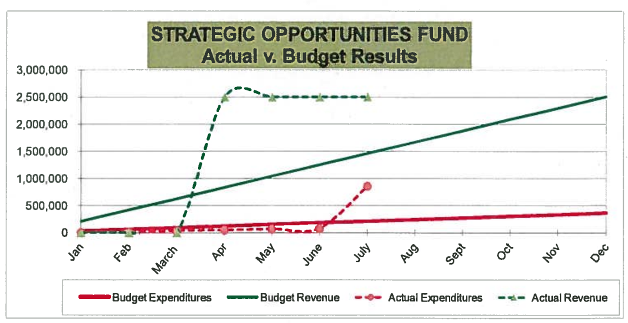
	2013-2014 Budget Expenditures	2013-2014 Actual Expenditures	2013-2014 Budget Revenue	2013-2014 Actual Revenue
Jan	0	0	0	0
Feb	0	0	0	0
March	0	0	0	0
Apr	0	0	0	0
May	0	0	0	0
June	0	0	0	0
July	0	0	0	0
Aug	0		0	
Sept	0		0	
Oct	0		0	
Nov	0		0	
Dec	0		0	
2013-2014	0		0	
Total Actual to Date vs Total Budget		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.

STRATEGIC OPPORTUNITIES FUND

	2013-2014 Budget Expenditures	2013-2014 Actual Expenditures	2013-2014 Budget Revenue	2013-2014 Actual Revenue
Jan	30,342	2,856	209,375	0
Feb	60,683	16,847	418,750	1,502
March	91,025	40,110	628,125	1,502
Apr	121,367	51,688	837,500	2,502,352
May	151,708	69,644	1,046,875	2,503,552
June	182,050	77,510	1,256,250	2,504,402
July	212,392	860,293	1,465,625	2,505,602
Aug	242,733		1,675,000	
Sept	273,075		1,884,375	
Oct	303,417		2,093,750	
Nov	333,758		2,303,125	
Dec	364,100		2,512,500	
2013-2014	364,100		2,525,062	
Total Actual to Date vs Total Budget		236%		99%



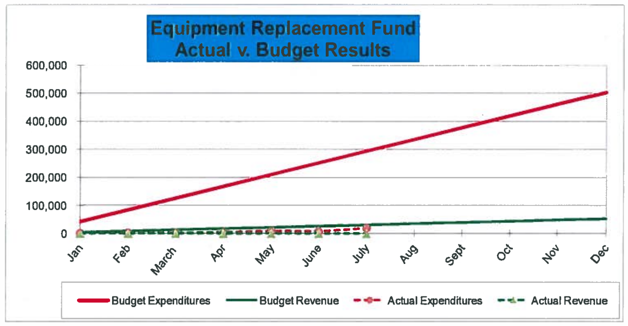
The purpose of the Strategic Opportunities Fund is to have funds available for "rainy days" and for the City to make key investments or take advantage of strategic opportunities as they present themselves. For 2013-14, the Business Incubator expenditures are budgeted in this fund.

I:\Admin & Finance\Monthly Reports\2013\July xlsxOther Funds Graphs

City of Kenmore, Washington
Other Funds Monthly Activity
July 31, 2013

EQUIPMENT REPLACEMENT FUND

	2013-2014 Budget Expenditures	2013-2014 Actual Expenditures	2013-2014 Budget Revenue	2013-2014 Actual Revenue
Jan	41,883	0	4,321	0
Feb	83,767	1,948	8,642	0
March	125,650	1,948	12,963	0
Apr	167,534	4,145	17,283	0
May	209,417	8,191	21,604	0
June	251,301	8,191	25,925	0
July	293,184	19,708	30,246	0
Aug	335,067		34,567	
Sept	376,951		38,888	
Oct	418,834		43,208	
Nov	460,718		47,529	
Dec	502,601		51,850	
2013-2014	276,250		155,142	
Total Actual to Date vs Total Budget		7%		0%



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.

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City of Kenmore, Washington
Cash and Investment Report
July 31, 2013

Fund	Beg. Cash & Inv. from Prev. Mo.	Monthly Revenues	Monthly Expenditures	End. Cash & Inv. Current Month
General	$3,203,510	$471,347	$703,312	2,971,545
Street	2,627,760	38,878	181,135	2,485,503
Transportation Capital	2,097,745	51,719	19,628	2,129,835
Public Art	67,775	0	0	67,775
Park Impact Fee	1,493,597	25,370	0	1,518,967
Transp Impact Fee	220,255	84,340	0	304,595
Swamp Creek Basin	1,577,584	0	0	1,577,584
Transportation Benefit District	2,029	23,661	0	25,690
Sammamish Bridge Replacement	80,000	0	0	80,000
Real Estate Excise Tax	235,920	91,779	0	327,699
Kenmore Village	193,388	7,282	-4,520	205,191
Park Capital	190,922	0	34,604	156,318
Surface Water Management	1,620,764	3,293	61,793	1,562,264
Surface Water Capital	480,325	0	0	480,325
Strategic Reserve	1,264,465	0	0	1,264,465
Strategic Opportunities	2,426,892	1,200	782,784	1,645,308
Equipment Replacement	482,411	0	11,517	470,894
Trust & Agency	286,968	8,064	250	294,781
Totals	$18,552,310	$806,932	$1,790,503	$17,568,739

Fund	Cash, Savings, Local Govt Investment Pool	(> One Year) Fixed Investments	Total
General	-$3,739,584	$6,724,811	2,985,227
Street	1,635,504	850,000	2,485,504
Transportation Capital	1,138,053	0	1,138,053
Public Art	52,774	15,000	67,774
Park Impact Fee	584,311	930,000	1,514,311
Transp Impact Fee	274,596	30,000	304,596
Swamp Creek Basin	177,585	1,400,000	1,577,585
Transportation Benefit District	25,690	0	25,690
Sammamish Bridge Replacement	80,000	0	80,000
Real Estate Excise Tax	1,316,443	0	1,316,443
Kenmore Village	-246,596	450,000	203,404
Park Capital	156,318	0	156,318
Surface Water Management	1,050,477	510,000	1,560,477
Surface Water Capital	480,325	0	480,325
Strategic Reserve	414,465	850,000	1,264,465
Strategic Opportunities	1,645,308	0	1,645,308
Equipment Replacement	20,894	450,000	470,894
Trust & Agency	194,781	100,000	294,781
Totals	$5,261,343	$12,309,811	$17,571,154

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City of Kenmore, Washington
Schedule of Investments
July 31, 2013

Report by Security	Investment #	Type	Maturity Date	Purchase Date	Rate	Yield	Possible Call Date	Principal or Balance	Yield Equivalents
		Average Yield to Maturity-Securities						Overall Average Yield	0.64%
Piper Jaffray									
	313371PC4	FHLB	12/12/2014	6/7/2011	0.88%	0.88%	no call	991,238.90	8,722.90
	3136G0QY0	FNMA	7/25/2017	7/25/2012	0.75%	0.75%	7/25/2013	1,000,000.00	7,500.00
	313383MV0	FHLB	7/10/2018	7/10/2013	1.00%	1.00%	10/10/2013	1,000,000.00	10,000.00
	31771J4M9	FICO	9/26/2017	8/14/2012	1.13%	1.13%	non callable	894,731.88	10,137.31
Total Piper Jaffrey Purchases								**3,885,970.78**	**36,360.21**
Morgan Stanley									
	3134G4CY2	FDMC	10/25/2016	7/25/2013	1.00%	1.00%	10/25/2013	1,000,000.00	10,000.00
								-	-
								1,000,000.00	**10,000.00**
Time Value Investments									
	313586QR3	FNMA	7/5/2014	6/7/2011	1.00%	compounds	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
	3136G1BT5	FNMA	8/7/2017	7/2/2013	1.30%	1.30%	8/7/2013	982,099.00	12,767.29
	3135GOVB6	FNMA	3/28/2016	7/1/2013	0.70%	0.70%	8/28/2013	998,644.00	6,990.51
	31359MEL3	FNMA	4/22/2017	10/22/2012	0.86%	0.86%	no call	999,468.08	8,595.43
Total TVI Purchases								**4,979,059.45**	**48,341.70**
Banner Bank CD's									
	5740005425	CD	2/6/2014	2/6/2013	0.45%	0.45%		1,195,585.97	5,380.14
Total Banner Bank CD's								**1,195,585.97**	**5,380.14**
Sound Community Bank CD's									
	18299229	CD	2/11/2014	8/17/2012	0.65%	0.65%		1,000,000.00	6,500.00
Total Sound Community Bank CD's								**1,000,000.00**	**6,500.00**
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								**$ 11,309,810.69**	**$ 99,447.79**
		Banner Checking and Savings				**0.07%**	**Banner**	**1,008,612.95**	706.03
		Opus Bank				**0.20%**		**11,091.74**	22.18
		Cash						**1,005.00**	-
		Local Government Investment Pool				**0.13%**	**LGIP**	**4,240,631.78**	5,686.69
									-
				Total Accounts				**$ 16,571,152.16**	**105,862.69**

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City of Kenmore, Washington

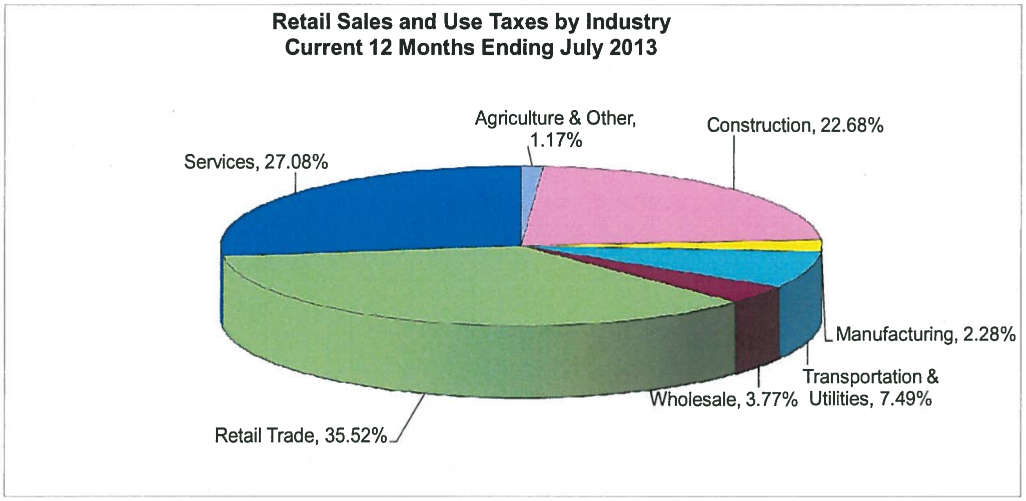
SALES TAX RECEIPTS BY BUSINESS TYPE

July 2013

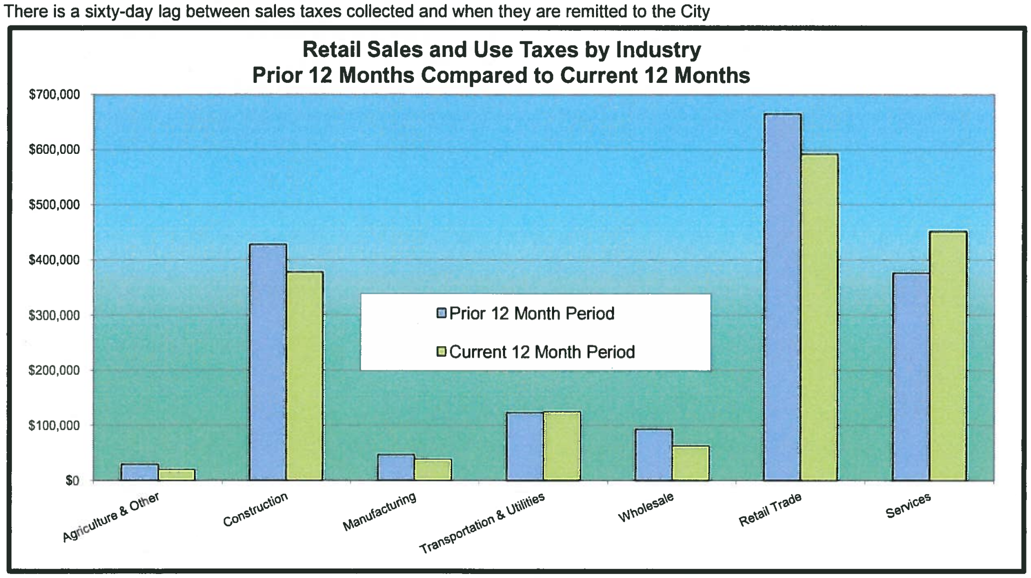
	SALES TAX	USE TAX	TOTAL	PERCENT
AGRICULTURE & OTHER	252.91	0.00	252.91	0.2%
CONSTRUCTION	23,329.19	689.67	24,018.86	18.0%
MANUFACTURING	2,460.47	0.02	2,460.49	1.8%
TRANSPORTATION & UTILITIES	1,269.61	835.35	2,104.96	1.6%
WHOLESALE	6,245.61	30.04	6,275.65	4.7%
RETAIL TRADE	49,196.90	200.27	49,397.17	37.1%
SERVICES	38,393.88	514.34	38,908.22	29.2%
INFORMATION	7,474.63	66.40	7,541.03	5.7%
PUBLIC SERVICES	2.46	2,184.54	2,187.00	1.6%
	128,625.65	4,520.64	133,146.29	100.0%

City of Kenmore, Washington
Retail Sales and Use Tax Distribution
July 31, 2013

Industry	Prior 12 Months ending July 2012	Current 12 Months ending July 2013		% Increase/ (Decrease)	% of Total
Agriculture & Other (Landscaping, Animal Hospitals)	$29,649	$19,564		-34.02%	1.17%
Construction	428,001	377,689	*	-11.76%	22.68%
Manufacturing (Printing, Publishing, Other Manuf.)	46,703	37,936		-18.77%	2.28%
Transp/Comm/Utilities (Telecomm., Air Transport.)	123,207	124,682		1.20%	7.49%
Wholesale (Lumber, Other Wholesale)	92,943	62,863		-32.36%	3.77%
Retail Trade (Eating, Merchandise, Food Stores)	664,241	591,535		-10.95%	35.52%
Services (Auction, Recreation, Auto Repair, Financial)	376,327	451,020		19.85%	27.08%
Totals	$1,761,070	$1,665,287		-5.44%	100%
Increase/(Decrease)		($95,783)		-5.44%	



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



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City of Kenmore, Washington
Real Estate Excise Tax Report
July 31, 2013

Real Estate Excise Taxes (REET)
2009 - 2013 Monthly Receipts

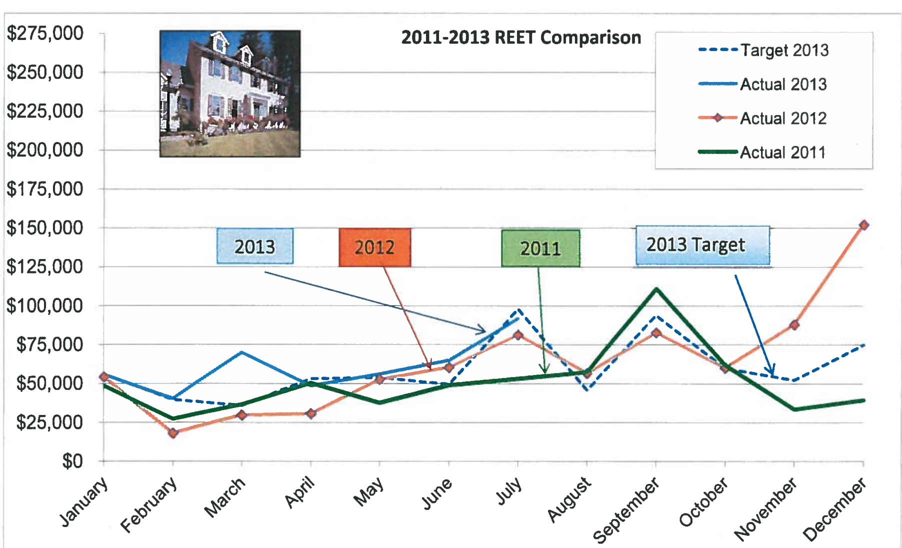
	Actual 2010	Actual 2011	Actual 2012	Actual 2013	Target 2013
January	64,792	48,679	54,359	55,801	55,943
February	73,383	27,294	18,064	40,281	39,580
March	41,445	36,507	29,691	69,946	35,881
April	78,233	50,463	30,662	48,671	53,119
May	71,622	37,671	52,575	56,178	53,956
June	38,919	48,938	60,408	64,938	49,422
July	158,221	53,012	81,316	91,779	97,516
August	23,033	57,471	56,626		45,710
September	87,734	111,107	82,785		93,875
October	57,761	61,805	60,265		59,944
November	35,585	33,475	88,057		52,372
December	32,962	39,510	152,262		74,911
	$763,689	$605,931	$767,070	$427,594	$712,230

For 2013, REET is $100,519 more than the same period last year and more than the 2013 target by $42,177

* NOTE THE 2013 target is computed on a 3 year average (2010-2012) of actual receipts

Real Estate Excise Taxes (REET)
2010 - 2013 Property Sales > $500,000
sales actually occur in the prior month; there is a 30 day lag between sales and when the City receives the reve

	2010	2011	2012	2013	Taxes from > $500,000 Sale Amounts 2010	2011	2012	2013
January	3,790,500	1,046,085	5,515,283	3,380,165	18,763	5,178	27,301	16,732
February	4,805,000	547,257	1,152,000	3,417,500	23,785	2,709	5,702	16,917
March	1,149,000	1,100,000	750,000	3,514,000	5,688	5,445	3,713	17,394
April	1,779,000	1,075,000	870,000	1,570,450	8,806	5,321	4,307	7,774
May	1,859,000	2,372,000	2,796,250	3,634,210	9,202	11,741	13,841	17,989
June	540,000	2,605,000	1,215,000	2,761,500	2,673	12,895	6,014	13,669
July	18,013,000	3,354,950	4,196,500	8,478,706	89,164	16,607	20,773	41,970
August	1,020,000	3,045,950	1,756,200		5,049	15,077	8,693	0
September	11,276,760	15,691,044	4,859,500		55,820	77,671	24,055	0
October	610,000	7,873,950	3,087,500		3,020	38,976	15,283	0
November	1,020,000	875,000	8,334,960		5,049	4,331	41,258	0
December	2,178,000	2,189,000	23,033,200		10,781	10,836	114,014	0
	$48,040,260	$41,775,236	$57,566,393	$26,756,531	237,800	206,787	284,954	132,445



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City of Kenmore, Washington
Monthly Report for Kenmore Village
July 31, 2013

Revenues	July 2013	Biennium-to-Date	Biennium Budget
Lease Income (USPS & Kenmore Village)	$ 8,482	$ 12,724	$ 317,940
Return of Security Deposit	-	0	0
Other Rent Income	(1,200)	10,900	15,000
Landlord Expense (CAM*) Reimbursement	-	0	0
Insurance Proceeds	-	0	0
Sale of Property	-	1,335,034	1,250,000
Leasehold Excise Returned	-	2,121	14,900
Total Revenues	$ 7,282	$ 1,360,779	1,597,840
Expenditures			
6700 Building Improvements	$ -	$ -	11,000
Property Management	-	3,263	43,200
Utilities and Insurance - Kenmore Village	-	32,006	103,400
Repairs, Maintenance, Other Services	-	-	
Total Expenditures	$ -	$ 35,269	157,600
Net Income (Loss)	$ 7,282	$ 1,325,511	$ 1,440,240

NOTE: This schedule only reflects activity occurring on the City books and does not include the lease revenue and expenditures accounted for by the property management firm.

City of Kenmore, Washington
SR 522 Phase I Revenue and Expenditure History
as of July 31, 2013

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	Year to Date 2012	July 2013	Year to Date 2013	Life to Date
Revenues:									
Wa State Transportation Improve. Board:									
to Street Fund	5,047,000	851,786	0	0	0	0	0	0	**851,786**
to Arterial Street Fund	0	148,214	2,545,308	1,501,692	0	0	0	0	**4,195,214**
Wa State Gas Tax	4,663,620	3,119,047	1,765,416	0	0	0	0	0	**4,884,463**
Federal Surface Transportation Prog	12,045,444	1,708,895	8,535,460	1,781,817	0	55	0	0	**12,026,227**
Brightwater	15,000	15,000	0	0	0	0	0	0	**15,000**
Federal: Wa State Dept of Trans Signal	357,914	0	0	546,862	0	0	0	0	**546,862**
King County Parks	906,500	514,616	201,467	0	0	0	0	0	**716,083**
King County Roads	350,000	350,000	0	0	0	0	0	0	**350,000**
Northshore Utility District Reimb	432,400	80,559	0	0	0	259,387	0	0	**339,946**
Puget Sound Energy Reimb	264,100	0	0	0	0	0	0	0	**0**
Northshore School Dist Reimb	22,258	0	0	0	0	0	0	0	**0**
Library Reimb	10,000	0	0	0	0	0	0	0	**0**
Comcast Reimb	168,800	88,620	0	0	0	113,383	0	0	**202,003**
Urban Partners	75,000	0	25,000	54,438	0	0	0	0	**79,438**
Fire District Reim	49,000	0	0	0	0	63,245	0	0	**63,245**
City Art Fund	126,486	0	0	0	0	0	0	0	**0**
BWR St. 1 Ph. 1 Settlement		0	0	0	0	0	0	0	**0**
HDR St. 1 Ph. 1 Settlement		0	0	0	0	0	0	150,000	**150,000**
U of WA IT Reimbursement		0	0	0	0	26,113	0	0	**26,113**
City Light Reimbursement		0	0	0	0	0	0	23,033	**23,033**
City Funds:	5,607,250	0	0	0	0	200,000	0	0	**200,000**
Transfer from REET Muni Cap		1,083,250	0	3,290,000	0	0	0	0	**4,373,250**
Transfer from Street Fund		0	0	521,870	0	0	0	0	**521,870**
Stage 1/181st Transfer from REET Muni Cap		0	334,000	0	0	0	0	0	**334,000**
Stage 2 Transfer from REET Muni Cap	700,000	0	700,000	0	470,174	157,468	0	0	**1,327,642**
Transfer from Trans Impact Fees		900,000	0	0	0	0	0	0	**900,000**
								0	**0**
Total Revenues	30,840,772	8,859,987	14,106,651	7,696,679	470,174	819,651	0	173,033	**32,126,175**
Expenditures:									
Street Fund		15,148,961	1,090	0	0	0	0	0	**15,150,051**
Street-Interfund Loan Interest		0	0	0	0	0	0	0	**0**
1% Art Fund		0	0	0	0	0	0	0	**0**
Arterial Street Fund		253,860	11,708,313	2,874,519	154,162	418,047	5,913	11,082	**15,419,983**
Stage 2 Design Arterial Street Fund			483,830	435,358	132,834	102,132	0	1,108	**1,155,263**
Muni Cap Fund		46,782	0	0	0	0	0	0	**46,782**
Total Expenditures		15,449,603	12,193,233	3,309,877	352,046	520,179	5,913	12,191	**31,772,079**

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City of Kenmore, Washington
SR 522 Phase II Revenue and Expenditure History
as of July 31, 2013

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

		Actuals Received on Cash Basis							
		Cumulative through 2008	2009	2010	2011	2012	July 2013	Year to Date 2013	**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	250,000	**250,000**
Federal Grant via WSDOT	**697,312**	578,381	91,120	0	6,683	0	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	112,124	0	11,494	**1,701,954**
Northshore School District Reimb	**28,914**	0	0	0	2,694	2,444	0	0	**5,138**
PSE Reimbursement	**150,000**	0	0	0	0	0	0	0	**0**
Integra Reimbursement		0	0	0	0	9,144	0	0	**9,144**
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	387,500	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	215,307	0	0	0	**1,096,420**
Total Revenues	**28,789,576**	21,272,299	4,918,188	2,519,742	612,184	123,712	0	261,494	**29,216,936**
Expenditures:									
Arterial Street		22,497,211	4,671,626	1,068,152	1,403,237	48,234	13,184	38,431	**29,726,890**
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	1,403,237	48,234	13,184	38,431	**29,954,065**

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City Council Business Agenda Item
City of Kenmore, WA

Subject/Topic: Jail Services Agreement for 2013 to 2020 **Proposed Council Action/Motion:** Authorize City Manager to Execute Contract 13-C1210 Interlocal Agreement Between King County and the City of Kenmore for Jail Services.	For Council Meeting Agenda of: September 23, 2013 Department: Finance Prepared by: Joanne Gregory To Be Presented By: N/A Initial & Date Approved by Department Head: JMG 9/12/13 Approved by City Attorney: N/A Approved by Finance Director: JMG 9/12/13 Approved by City Manager: RMK **Exhibits/Attachments:** Interlocal Agreement Between King County and The City of Kenmore for Jail Services.

Expenditure Required None **Amount Budgeted** N/A **Appropriation Required** N/A

INFORMATION/BACKGROUND:

In 2012 the City entered into contract 12-C1072 with King County for jail services through 2020. In contract arrangements between King County and other agencies, some additional language was added to Exhibit III of the same contract template. The County has requested that Kenmore add this information to our contract as well and change the effective date to 1/1/13. The language is no more than an explanation of how the jail rates are calculated for various years and does not impact the rates or any substance of the contract at all. The language to be added is as follows and is highlighted in yellow on the attached contract:

> The following fees, charges surcharges were developed and agreed upon, during the negotiations with the cities in 2011 for city contracts which started January, 2012, and are the basis for the years 2013, 2014, 2015 and 2016 by applying the inflators to 2012 fees and charges per Subsection 5.a. Years 2017, 2018, 2019 and 2020 will be determined by allocating the 2016 Budgeted Costs per the cost model in Attachment III-1 and applying the inflators per Subsection 5.a.
>
> Starting January 1, 2013, the City shall pay the fees, charges, surcharges and Offsite Medical Charges with such annual adjustments for inflation and other re-sets as described below. The parties understand that during 2012 the City shall pay fees as detailed in the 2002 contract.

Kenmore entered into the previous agreement a bit late in the process and our City was not included in the County ordinance when this contract template was approved. This was recently discovered and the County has requested that Kenmore add it now as a housekeeping measure.

VIIE. Authorize City Manager to Execute Interlocal Agreement with King County for Jail Services, Contract No. 13-C1210

FISCAL CONSIDERATION: None
COUNCIL GOAL/BUDGET OBJECTIVE BEING ADDRESSED: To meet obligations by providing effective and efficient services.

Interlocal Agreement Between King County and The City of Kenmore for Jail Services

THIS AGREEMENT is dated effective as of the 1st day of January 2013. The Parties to this Agreement are 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, this Agreement is made in accordance with the Interlocal Cooperation Act (RCW Chapter 39.34) and the City and County Jails Act (RCW Chapter 70.48);

NOW THEREFORE, in consideration of the promises, payments, 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:

1.1 "Agreement" means this Interlocal Agreement by and between King County and the City for Jail Services and any amendments to this Agreement.

1.2 "Booking" means registering, screening and examining persons for confinement in the Jail or assignment to Work and Education Release (WER); inventorying and safekeeping personal property of such persons; maintaining all computerized records of arrest; performing warrant checks; and all other activities associated with processing a person for confinement in Jail or assignment to WER.

1.3 "Booking Fee" means the fee incurred for booking City Inmates, as further described in Section 4 and Exhibit III, Section 2.

1.4 "Business Day" means Monday through Friday, 8:00 a.m. until 5:00 p.m., except holidays and County-designated furlough days.

1.5 "City Detainee" means a person booked into or housed in a Secure Detention facility such as the Jail but also including any other Secure Detention facility not operated by or on behalf of the County, which individual would, if housed in the Jail, qualify as a City Inmate.

1.6 "City Inmate" means a person booked into or housed in the Jail when a City charge is the principal basis for booking or confining that person.

A. A City charge is the principal basis for booking or confining a person where one or more of the following applies, whether pre-trial or post-trial. (See Exhibit I for further billable charge rules.):

1.6.1 The person is booked or confined by reason of committing or allegedly committing a misdemeanor or gross misdemeanor offense within the City's jurisdiction, and:

1.6.1.1 the case is referred to the City, through its City Attorney or contracted attorney, for a filing decision; or

1.6.1.2 the case is referred to the City, through its City Attorney or contracted attorney, who then refers the case to the County Prosecutor for a filing decision per section 1.6.2; or

VIIE. Authorize City Manager to Execute Interlocal Agreement with King County for Jail Services, Contract No. 13-C1210

1.6.1.3 the case is filed by the City, through its City Attorney or contracted attorney, whether filed under state law or city ordinance.

1.6.2 The person is booked or confined by reason of committing or allegedly committing a misdemeanor or gross misdemeanor offense, whether filed under state law or city ordinance, within the City's jurisdiction and the case is referred by the City, through its City attorney or contracted attorney, to the County prosecutor and filed by the County prosecutor as a misdemeanor in district court due to a conflict or other reason but excluding a case filed in a regionally-funded mental health court as described in Section 1.6.10.

1.6.3 The person is booked or confined by reason of a Court warrant issued either by the City's Municipal Court or other court when acting as the City's Municipal Court;

1.6.4 The person is booked or confined by reason of a Court order issued either by the City's Municipal Court or other court when acting as the City's Municipal Court; or,

1.6.5 The person is booked or confined by reason of subsections 1.6.1 through 1.6.4 above in combination with charges, investigation of charges, and/or warrants of other governments, and the booking or confinement by reason of subsections 1.6.1 through 1.6.4 above is determined to be the most serious charge in accordance with Exhibit I.

1.6.6 The person has been booked or confined for reasons other than subsections 1.6.1 through 1.6.5 and would be released or transferred but for the City having requested that the County continue to confine the person.

B. A City charge is not the principal basis for confining a person where:

1.6.7 The person is booked or confined exclusively or in combination with other charges by reason of a felony charge or felony investigation.

1.6.8 The person is confined exclusively or in combination with other charges by reason of a felony charge or felony investigation that has been reduced to a State misdemeanor or gross misdemeanor.

1.6.9 The City has requested the transfer of the person to another jail facility not operated by King County and the County denies the request, unless one or more of the transfer exception criteria listed in Attachment I-2 are met, in which case the person remains a City Inmate. The billing status of the person will change to no longer be the City's responsibility effective the calendar day following the day that the County denies the transfer request. If the County thereafter determines that it no longer needs to detain the person and the person would as a result become a City Inmate, then the County will provide notice to the City that it will become billable for the Inmate. For details on notice and billing, see Attachment I-2.

1.6.10 The person is booked or confined by reason of committing a misdemeanor or gross misdemeanor offense, whether filed under state law or city ordinance, within the City's jurisdiction and the case is referred by the City attorney or contracted attorney to the County prosecutor and filed by the County prosecutor as a misdemeanor in the mental health court (or successor) for so long as the operations of such court are substantially funded by special regional funds (for example, Mental Illness and Drug Dependency sales tax levy) or other regional funding as the County may determine. The County shall provide the City thirty (30) days Notification before changing the status of a regionally-funded mental health court to local funding status. The City is not billable for cases filed by the County prosecutor into mental health court prior to changing to local funding status.

1.7 "City WER Participant" means a person ordered to WER by the City's municipal court or court designated or contracted to provide municipal court services on the City's behalf.

1.8 "Community Corrections Programs" means programs designed as alternatives to, or as rehabilitative or treatment in lieu of, Secure Detention, operated by or on behalf of the King County Department of Adult and Juvenile Detention (DAJD) Community Corrections Division, or its successor. Upon the date of the execution of this Agreement, Community Corrections Programs include WER, Electronic Home Detention, Community Work Program and Community Center for Alternative Programs (CCAP).

1.9 "Continuity of Care Records" means an Inmate's diagnosis, list of current medications, treatments, PPD (tuberculosis screening test) results and scheduled appointments or follow-ups.

1.10 "Contract Cities" mean cities that are signatory to an agreement in substantially similar form to this Agreement. Contract Cities do not include cities who are a party to the 2012-2030 Agreement.

1.11 "Contract Cities Inmates" means all Contract Cities' City Inmates.

1.12 "County Inmate" means any Inmate that is not a City Inmate.

1.13 "DAJD" means the King County Department of Adult and Juvenile Detention or its successor agency.

1.14 "Fees and Charges" are the Fees and Charges imposed as described in Section 4 and Exhibit III.

1.15 "Force Majeure" means war, civil unrest, and any natural event outside of the party's reasonable control, including fire, storm, flood, earthquake or other act of nature.

1.16 "Inmate" means a person booked into or housed in the Jail.

1.17 The first "Inmate Day" means confinement for more than six (6) hours measured from the time such Inmate or City WER Participant is first presented to and accepted by the Jail for housing in the Jail or WER until the person is released, provided that an arrival on or after six (6) o'clock p.m. and continuing into the succeeding day shall be considered one day. The second and each subsequent Inmate Day means confinement for any portion of a calendar day after the first Inmate Day. For persons confined to the Jail for the purpose of mandatory Driving Under the Influence (DUI) sentences, "Inmate Day" means confinement in accordance with Exhibit II.

1.18 "JAG" means the Jail Agreement Administration Group created pursuant to Section 10 of this Agreement.

1.19 "Jail" means a place owned or operated by or under contract to the County primarily designed, staffed, and used for the housing, in full confinement, of adults charged or convicted of a criminal offense; for the punishment, correction, and rehabilitation of offenders charged or convicted of a criminal offense; for confinement during a criminal investigation or for civil detention to enforce a court order, all where such place is structured and operated to ensure such individuals remain on the premises 24-hours a day (excluding time for court appearances, court approved off-premises trips, or medical treatment). Inmates housed in the Jail are considered to be in Secure Detention as defined in Section 1.37. Upon the date of the execution of the Agreement, Jail includes the King County Correctional Facility and the detention facility at the Maleng Regional Justice Center.

1.20 "Maintenance Charge" is the daily housing charge incurred for City Inmates housed in Jail as further described in Section 4 and Exhibit III, Section 1.a.

1.21 "Medical Inmate" means an Inmate clinically determined by the Seattle-King County Department of Public Health, or its successor charged with the same duties, as needing the level of services provided in the Jail's infirmary. If an Inmate is moved to the general population then the Inmate is no longer considered a Medical Inmate.

1.22 "Notification" means provision of written alert, confirmation of information or request meeting the requirements of Section 13.10. In contrast, a "notice" means providing alert or confirmation of information or request in writing to the individuals identified in Section 13.10, or their designee (as may be specified through a formal Notification) through means less formal than required by Section 13.10 including but not limited to electronic mail or facsimile.

1.23 "Official Daily Population Count" is an official count of Inmates in the custody of the Jail made at a point in time in a 24-hour period for, among other purposes, security and population management. It is not used for billing purposes.

1.24 "Offsite Medical Care Charges" means those pass through charges for treatment of a City Inmate where that Inmate is clinically determined by the Seattle-King County Department of Public Health, or its successor charged with the same duties, as needing a level of services provided from offsite medical institutions, as further defined in Exhibit III Section 4 and Attachment III-2. An Inmate may receive Offsite Medical Care that triggers an Offsite Medical Care Charge without being otherwise classified as a Medical Inmate or Psychiatric Inmate (e.g., some Inmates held in the general population receive offsite medical care that will result in Offsite Medical Care Charges being incurred).

1.25 "Psychiatric Inmate" means either an Acute Psychiatric Inmate or a Non-Acute Psychiatric Inmate, as defined below.

1.25.1 A "Non-Acute Psychiatric Inmate" is an Inmate clinically determined by the Seattle-King County Department of Public Health, or its successor charged with the same duties, as needing Psychiatric Care Services (as further described in Exhibit III, Attachment III-2) and housed outside the Jail's acute psychiatric housing units.

1.25.2 An "Acute Psychiatric Inmate" is an inmate clinically determined by the Seattle-King County Department of Public Health, or its successor charged with the same duties, as needing the level of services provided in the Jail's acute psychiatric housing units (as further described in Exhibit III, Attachment III-2). If an Inmate is moved to housing outside the Jail's acute psychiatric housing units then the Inmate is no longer considered an Acute Psychiatric Inmate.

1.26 "Parties" mean the City and County, as parties to this Agreement.

1.27 "Secure Bed Cap for Contract Cities" means the maximum total number of beds in Secure Detention in the Jail available on a daily basis to house Contract Cities Inmates in the aggregate. The Secure Bed Cap for Contract Cities is based on the Official Daily Population Count, and is established in Section 6.

1.28 "Secure Detention" refers to a facility structured and operated for the full confinement of City Detainees to ensure such individuals remain on the premises 24-hours a day (excluding time for court appearances, court approved off-premises trips, or medical treatment), such as the Jail but also including other similar facilities that the City may elect to house City Detainees. Secure Detention in the Jail excludes City Inmates enrolled in Community Corrections Programs.

1.29 "Surcharge" means any of the following special charges, defined in Exhibit III, Section 3 and further described in Attachment III-2: Infirmary Care Surcharge; Non-Acute Psychiatric Care Surcharge; Acute Psychiatric Care Surcharge; and 1:1 Guarding Surcharge.

1.30 "2010 Agreement" means the interlocal agreement for jail services between King County and the City as executed between the County and the City effective February 1, 2010, as amended. Twenty-four cities each signed a separate agreement with the County in a form substantially similar to the 2010 Agreement, excepting for provisions related to the effective date and the date certain fees and charges were revised. Such agreements are collectively referred to herein as the 2010 Agreement.

1.31 "2012-2030 Agreement" means the agreement executed by the County and the City of Seattle effective on January 1, 2012 together with any other interlocal agreement in substantially the same form of said agreement executed by the County and another city.

1.32 "WER" means the County's Work and Education Release Program, operated by the Community Corrections Division of DAJD, or its successor.

1.33 "WER Charge" is the daily housing charge incurred for City WER Participants as further described in Section 4 and Exhibit III, Subsection 1.b.

2. Term. This Agreement shall commence on January 1, 2013, and shall extend through December 31, 2020. This Agreement shall supersede all previous contracts and agreements between the

Parties relating to the Jail, WER, and any other jail services, except that any obligations contained in these previous contracts or agreements which expressly survived termination or expiration of these previous contracts or agreements shall remain in effect.

3. Jail and Health Services. The County shall accept City Inmates for confinement in the Jail and City WER Participants for assignment to WER, except as provided in Sections 5.4, and 6 of this Agreement. The County shall also furnish the City with Jail facilities, booking, transportation among facilities, as determined necessary in the County's sole discretion, including the various Jail facilities, Harborview Medical Center and Western State Hospital, and custodial services, and personnel for the confinement of City Inmates at least equal to those the County provides for confinement of County Inmates. However, the County reserves the right to operate specific programs and/or facilities exclusively for County Inmates or persons sentenced or assigned to Community Corrections Programs. The County shall furnish to City Inmates in Secure Detention all Jail medical, dental and other health care services required to be provided pursuant to federal or state law. Also, the County shall make every reasonable effort to release a City Inmate or City WER Participant as expeditiously as possible after the County has received notice of a court order to release. Nothing in this section shall be deemed to limit the County's right to refuse to accept City Detainees for confinement in Jail or sentencing to WER when they are deemed by the County to be in need of urgent medical care.

4. City Compensation. The City will pay the County a Booking Fee, Maintenance Charge, WER Charge, Surcharges and Offsite Medical Charges as follows (together with such other charges as may be applicable in accordance with this Agreement):

4.1 Booking Fee. The Booking Fee shall be assessed for the booking of City Inmates by or on behalf of the City into Secure Detention in the Jail, and for the booking of City WER Participants directly reporting to WER, as further described in Exhibit III, Section 2. The Booking Fee will be annually adjusted effective each January 1st.

4.2 Maintenance Charge. The Maintenance Charge shall be assessed for a City Inmate for each Inmate Day as provided in Exhibit III, Subsection 1.a. The Maintenance Charge will be annually adjusted effective each January 1st.

4.2.1 The County will maintain its program to provide notice to the City after booking a City Inmate in order to give notice that the City Inmate has been booked and to provide the opportunity for release to the City if the City so desires. Such action will take place as soon as reasonably possible but no later than the next business day after booking. A City Inmate released within six hours of booking will result in no Maintenance Charges.

4.2.2 The County will maintain its program to provide notice to the City of the billing status of its Inmates for the prior calendar day in cases where confinement is the result of multiple warrants or sentences from two or more jurisdictions. As of the date of this Agreement, this notice is provided to the City once each business day when applicable. The intent of this program is to allow the City to take custody of a City Inmate if it so desires after the other jurisdictional warrants are resolved and thereby prevent unnecessary Maintenance Charges.

4.2.3 The Parties may amend the notice requirements of Sections 4.2.1 and 4.2.2 by administrative agreement signed by both the Chief Executive Officer of the City and the King County Executive.

4.3 WER Charge. The WER Charge shall be assessed for a City WER Participant for each Inmate Day as provided in Exhibit III, Subsection 1.b. The WER charge will be annually adjusted effective each January 1st.

4.3.1 Access to and Charges for City Inmate Use of Community Corrections Programs. The Parties agree to discuss in good faith the ability for the City to access Community Corrections Programs in addition to WER, and to negotiate charges for such access. Any agreement between the Parties with respect to access and charges for Community Corrections Programs in addition to WER shall be enacted through an amendment to this Agreement.

4.4 Surcharges and Offsite Medical Charges. In addition to the Booking Fee, Maintenance Charge, WER Charge, and any other charges agreed to per Section 4.3.1, the City will be charged for Offsite Medical Charges and Surcharges as detailed in Exhibit III, Section 3 and 4.

4.4.1 Proposed Notice of Certain Surcharges. The County intends to provide or make available to the City timely notice of occurrences when a City Inmate is *admitted* to Harborview Medical Center or other offsite medical institution, or is receiving infirmary care or psychiatric care that will subject a City to Surcharges. Notice provided or made available will be based on information known to DAJD at the time (since billing status of an Inmate may be changed retroactively based on new information or other factors). The County intends to provide or make available this notice within 2 business days following the day in which the chargeable event occurs and will make good faith efforts to provide notice sooner if practicable. The County will make good faith efforts to try to institute a means to provide notice to the City within 24 hours of the admittance of a City Inmate to Harborview Medical Center or other offsite medical institution. The County's failure to provide or make available notice or develop quicker means to provide notice to the City as detailed above shall not excuse the City from financial responsibility for related Offsite Medical Charges or Surcharges, and shall not be a basis for imposing financial responsibility for related Offsite Medical Charges or Surcharges on the County.

5. Billing and Billing Dispute Resolution Procedures.

5.1 The County shall transmit billings to the City monthly. Within forty-five (45) days after receipt, the City shall pay the full amount billed or withhold a portion thereof and provide the County written notice meeting the requirements of Section 5.2.1 specifying the total amount withheld and the grounds for withholding such amount, together with payment of the remainder of the amount billed (if any amount remains). Notwithstanding the foregoing, the County shall bill the City for Offsite Medical Charges as such charges are periodically received by the County from third party medical institutions or other offsite medical providers. Offsite Medical Charges shall be due within such time and subject to such withholding and dispute resolution procedures as otherwise provided in this Section 5.

5.2 Withholding of any amount billed or alleging a violation related to billing provisions of this Agreement shall constitute a dispute, which shall be resolved as follows:

5.2.1 The County shall respond in writing to billing disputes within 60-days of receipt of such disputes by the DAJD billing offices. To ensure the soonest start to the 60-day timeline, the City should send billing disputes directly to the DAJD billing office by fax or U.S. mail, rather than to any other County office or officer. The DAJD billing office address as of the date of this Amendment is:

KC DAJD
Attn: Finance – Inmate Billing
500 5th Avenue
Seattle, WA 98104 FAX Number: 206-296-0570

5.2.2 Thereafter, the County and the City shall attempt to resolve the dispute by negotiation. If such negotiation is unsuccessful, either Party may refer the dispute to JAG for resolution. In the event JAG is unable to resolve the dispute within 30-days of referral, either Party may pursue the dispute resolution mechanisms outlined in Section 11.

5.3 Any amount withheld from a billing, which is determined to be owed to the County pursuant to the dispute resolution procedure described herein, shall be paid by the City within thirty (30) days of the date of the negotiated resolution or appeal determination.

5.4 If the City fails to pay a billing within 45-days of receipt, the County will provide the City with a notice of its failure to pay and the City shall have ten (10) days from receipt of such notice to cure non-payment. Any undisputed billing amount not paid by the City within sixty (60) days of receipt of the billing, and any amounts found to be owing to the County as a result of the billing dispute resolution procedure that are not paid within thirty (30) days of resolution, shall be conclusively established as a lawful debt owed to the County by the City, shall be binding on the Parties and shall not be subject to legal question either directly or collaterally. In the event the City fails to cure its nonpayment, the City shall be deemed to have voluntarily waived its right to house City Inmates in the Jail or be assigned to WER and, at the County's request, will remove City Inmates already housed in the Jail or assigned to WER within thirty (30) days. Thereafter, the County, at its sole discretion, may accept no further City Inmates or City WER Participants until all outstanding bills are paid. This provision shall not limit the City's ability to challenge or dispute any billings that have been paid by the City.

5.5 The County may charge an interest rate equal to the interest rate on the monthly County investment earnings on any undisputed billing amount not paid by the City within forty-five (45) days of receipt of the billing, and any amounts found to be owing to the County as a result of the billing dispute resolution procedure.

5.6 Each Party may examine the other's books and records to verify charges. If an examination reveals an improper charge, the next billing statement will be adjusted appropriately. Disputes on matters related to this Agreement which are revealed by an audit shall be resolved pursuant to Section 5.2.

6. Jail Capacity.

6.1 The Contract Cities may house Contract Cities Inmates in the Jail at an aggregate number, calculated based on the Jail's Official Daily Population Count, equal to or less than the Secure Bed Cap for Contract Cities established in Sections 6.1.1 and 6.1.2.

6.1.1 Effective January 1, 2012 and through December 31, 2016, the Secure Bed Cap for Contract Cities in the aggregate is 75 beds. These 75 beds shall be available on a first-come, first-served basis measured at the time of the Jail's Official Daily Population Count.

6.1.2 For the calendar year beginning January 1, 2017 and each calendar year thereafter through the term of this Agreement, the County at its sole discretion shall establish the Secure Bed Cap for Contract Cities; provided that the Secure Bed Cap for Contract Cities cannot exceed 130 without approval of the Parties' respective legislative bodies. The County shall provide to the Contract Cities notice of the Secure Bed Cap for Contract Cities six months before the start of the calendar year beginning with notice on July 1, 2016 for the 2017 calendar year.

6.1.2.1 The County shall also provide to the Contract Cities a preliminary estimate of the Secure Bed Cap for Contract Cities 12 months before the start of the calendar year. Such preliminary estimate is provided to the Contract Cities for planning purposes only and does not limit the County in setting the Secure Bed Cap as described in Section 6.1.2.

6.2 In the event the number of Contract Cities Inmates exceeds the Secure Bed Cap for Contract Cities described in Section 6.1, the County will notify the Contract Cities by phone or electronic mail. The County may then decide to continue to house Contract Cities Inmates in excess of the Secure Bed Cap for Contract Cities. Alternatively, the County may refuse to accept bookings from the City until such time as the aggregate number of Contract Cities Inmates is reduced below the Secure Bed Cap for Contract Cities. If the aggregate number of Contract Cities Inmates is reduced below the Secure Bed Cap for Contract Cities through removal of Contract Cities Inmates from the Jail, then the County will be obligated to accept new City bookings. The notice required by the first sentence of this Section 6.2, will be made to the person designated in Section 13.10 of this Agreement, and will inform the City whether the County intends to continue to house Contract Cities Inmates in excess of the Secure Bed Cap for Contract Cities described in Section 6.1, or whether the County will refuse to accept bookings from the City until such time as the aggregate number of Contract Cities Inmates is reduced below the Secure Bed Cap for Contract Cities described in Section 6.1.

6.3 At the end of the last day of this Agreement, the City agrees to reduce the number of City Inmates in the Jail to 0 and the number of City WER Participants to 0, with the exception that Inmates whose status has changed to City Inmate, or WER participants whose status has changed to City WER Participant will not be included in the calculation of the number of City Inmates or WER Participants if such individuals are removed from the Jail or WER within 72-hours of such change in status.

For the purpose of determining the number of Contract Cities Inmates and Contract Cities WER Participants only, and not for billing purposes, Inmates held on multiple warrants or sentences by the County which include one or more city warrants or sentences in addition to a County and/or state warrant or sentence, and Contract Cities Inmates or Contract Cities WER Participants that have been booked into the Jail or WER and the City has not been notified of such booking shall not be considered a Contract Cities Inmate or Contract Cities WER Participant. Also, Contract Cities Inmates housed in the Jail or Contract Cities WER Participants assigned to WER pursuant to a reciprocal bed-use agreement will not be considered Contract Cities Inmates or Contract Cities WER Participants for the purpose of determining the number of City Inmates or City WER Participants.

6.4 The Contract Cities can access WER beds, subject to availability, on a first come, first serve basis. The County may in its sole discretion provide a specific number of WER beds to City WER Participants.

6.5 The Jail's capacity limit for Medical Inmates is thirty (30). The Jail's capacity limit for Psychiatric Inmates is one-hundred fifty-one (151). For the purpose of this Section the Medical and Psychiatric Inmate population will be determined following the definitions in Sections 1.21 and 1.25 at the time of the Jail's Official Daily Population Count.

6.6 When the Jail has reached its capacity limit for either Medical or Psychiatric Inmates as set forth in Section 6.5, the County will provide notice to the City by phone or electronic mail. Such notification will be made to the person designated in Section 13.10 of this Agreement. At the time this notification is made the County may request that the City take custody of a sufficient number of its Medical or Psychiatric Inmates to reduce the number of Medical or Psychiatric Inmates to the capacity limits detailed in Section 6.5, or the County may inform the City that it is willing to continue to house these Inmates.

6.7 County requests under Section 6.6 will be made as follows. The billable city (under this Agreement or other jail service agreements between the County and cities that have identical provisions as this Section) with the Inmate most recently admitted as Medical or Psychiatric Inmate will be asked to take custody of that inmate. This process will be repeated until such time as the Medical and Psychiatric populations are reduced below capacity limits, or the Jail is willing to house these Inmates.

6.8 If the County, pursuant to Sections 6.6 and 6.7, requests that the City take custody of Medical or Psychiatric Inmates, the City shall comply with the County's request. The

City may take custody of its[1] Medical or Psychiatric Inmates by picking them up within 24-hours of the County's request, or by providing notice to the County, within 24-hours of the County's request, that the City would like the County to deliver the Inmates to the City's designated drop-off location or a backup location previously provided to the County[2]. If the City has not picked-up the Medical or Psychiatric Inmate within 24-hours of the County's request, or the City has requested that the County take the Medical or Psychiatric Inmate to the designated drop-off location or backup location, the County will deliver the Medical or Psychiatric Inmate to the City's designated drop-off location or backup location. In either case, the City's designated drop-off location or backup location must accept delivery from the County, and must be available to do so seven days a week, twenty-four hours a day. In all cases, the County shall provide the receiving entity with Continuity of Care Records, in a sealed envelope, at the time custody is transferred. The City will ensure that the City and the receiving entity comply with all applicable confidentiality laws and rules. Similarly, the City will ensure that Continuity of Care Records are provided to the County at the time custody of a City Inmate receiving the level of care consistent with a Medical or Psychiatric Inmate is transferred to the County.

6.9 The County will transport Medical or Psychiatric Inmates to a designated drop-off location or backup location within King County, Washington without charge. The City will pay all transportation costs for Medical or Psychiatric Inmates taken to a designated drop off location or backup location outside of King County, Washington. In no case will the County be obligated to transport a Medical or Psychiatric Inmate out-of-state.

7. Jail Planning and Potential Future Agreements.

7.1 Jail Planning. The County and the City recognize the value of sharing information about their respective inmate populations and anticipated use of Secure Detention and alternative means of detention. The Parties agree to make good faith efforts to share this information regularly through the Regional Jail Group or similar forum. Furthermore, at the point the County begins planning for potential jail bed expansion, the County will make good faith efforts to provide notice to the City that such planning is underway so that the City has an opportunity to express any interest in contracting for additional jail beds based on terms potentially similar to many of those in the 2012-2030 Agreement.

[1] Within eight (8)-hours of the County's request, the City may provide the County with the names of other Medical Inmates to substitute for the Medical Inmates identified for pick-up by the County. In the event the City identifies substitute Medical Inmates that are City Inmates, the provisions of Section 6 will continue to apply. In the event the City identifies substitute Medical Inmates that are the responsibility of a different city (Substitute City) that is party to this Agreement or a jail services agreement with the King County containing these same provisions, the Substitute City will be responsible for picking-up the substitute Medical Inmates within 24-hours of the initial request for pick-up. In the event the Substitute City fails to pick-up its Medical Inmates within 24-hours of initial notification to the City, the County will deliver the Medical Inmates named in the original notification to the City's designated drop-off location or backup location. The procedures outlined in this footnote will also apply to Psychiatric Inmates.

[2] The City's designated drop off location and backup location must be either a facility in the direct control of the City or a facility that is contractually obligated, consistent with the terms of this Agreement, to act as the City's designated drop-off location or backup location. The City may change its designated drop off location or backup location by providing Notification to the County of the change.

7.2 Potential Future Agreements. If in the future the City is interested in executing an agreement with the County for jail beds incorporating terms similar to many of those in the 2012-2030 Agreement, the City shall provide Notification of its interest to enter into negotiations with the County. Within 60 days of the City's Notification, the County shall provide a response through written Notification to the City of whether it agrees to enter negotiations with the City. The County at its sole discretion can determine whether to negotiate an agreement with the City for jail beds incorporating terms similar to many of those in the 2012-2030 Agreement, which agreement would be subject to approval by both Parties' respective legislative bodies.

8. Indemnification.

8.1 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 reason of or arising out of any negligent action or omission of the County, its officers, agents, and employees, or any of them. In the event that any suit based upon such a claim, action, loss, or damage is brought against the City, the County shall defend the same at its sole cost and expense; provided, that, the City retains 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 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.

8.2 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 reason of or arising out of any negligent act or omission of the City, its officers, agents, and employees, or any of them. In the event that any suit based upon such a claim, action, loss, or damage is brought against the County, the City shall defend the same at its sole cost and expense; provided that the County retains the right to participate in said suit if any principle of governmental or public laws 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.

8.3 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, which arises in whole or in part from the existence or effect of City ordinances, rules or regulations. If any cause, claim, suit, action or administrative proceeding is commenced in which the enforceability and/or validity of any such City ordinance, 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 attorney's fees.

8.4 The terms of this Section 8 "Indemnification" shall survive the termination or expiration of this Agreement.

9. Most Favored Treatment.

9.1 During the term of this Agreement, the County represents and assures the City that no other city or town will be offered a contract covering the Jail, WER or jail services that grants such city or town Favored Treatment (as defined below), unless such contract, in substantially similar form, is also offered through Notification by the King County Executive to the City.

9.2 Within 60-days of receipt of an offer that the County represents as being made in accordance with Section 9.1, the City through Notification by its Chief Executive Officer must either:

i) Accept the offer and such acceptance means the City acknowledges that the County has complied with Section 9.1;
ii) Decline the offer; or
iii) Inform the County that the City believes the offer does not comply with the requirements of Section 9.1 at which point the matter will be deemed referred to JAG pursuant to Section 10 and thereafter either party may pursue dispute resolution per Section 11 of this Agreement.

If the City within 60-days declines the offer per Section 9.2 (ii), or fails to respond within 60-days in the manner described in Section 9.2 (i), (ii) or (iii), then the City shall be deemed to have waived its right to enforce this Section with respect to the offer.

9.3 Per Section 13.11 of this Agreement, final execution of any new or amended contract is subject to City Council and County Council approvals.

9.4 Favored Treatment means that the terms contained in such other contract are clearly preferable to the terms contained in this Agreement, taking into account all provisions, including but not limited to, rates, guaranteed bed capacity, and minimum payment obligations.

9.5 This Section shall not apply to a) temporary service contracts of twelve months or less in duration; provided that such temporary service contracts shall not cause the City to pay more in Maintenance Charges and booking fees than the City would have paid without such a temporary service contract; b) reciprocal bed use agreements; and c) any agreements among the County and any city or town for additional services not provided for in this Agreement.

9.6 The City acknowledges that the County offered the City the 2012-2030 Agreement and hereby waives its right under Section 9 with respect to the 2012-2030 Agreement.

10. Jail Agreement Administration Group (JAG). A JAG is hereby established to work together to assure the effective implementation of this Agreement and resolve any Agreement administration, implementation or interpretation issues including, without limitation, issues related to Inmate transportation, alternative and community correction programs, coordination with the courts and law enforcement, mental health, drug and alcohol treatment, Agreement interpretation, any capital expenditure charge or budget included in the Maintenance Charge or WER Charge, referrals of disputes (including but not limited to disputes arising under Section 5) and issues

related to the expedient transfer of City Inmates into or out of alternative facilities within or outside of King County. Each Contract City shall have one representative on the JAG. The County shall have two representatives (including a representative of the Executive and the Director of DAJD).

The Parties agree that the JAG has no authority to make a final decision with regard to any matter related to the Agreement. If the City, or the County, is not satisfied with status of a matter after discussion in the JAG, that party retains all rights to seek further legal redress as provided for the Agreement, including referral of matters to dispute resolution per Section 11 of the Agreement. The JAG may meet with other similar jail agreement advisory groups created under other jail service agreements between the County and other cities when there are issues in common between this Agreement and other agreements.

11. Dispute Resolution. In the event the Parties are unable to resolve a dispute within 30 days of its referral to the JAG per Section 5 or Section 10, then either Party may pursue the dispute resolution provisions of this Section 11.

11.1 Either Party may give Notification to the other in writing of a dispute involving the interpretation or execution of the Agreement. Within thirty (30) days of this Notification, the King County Executive and the Chief Executive Officer of the City shall meet to resolve the dispute. If the dispute is not resolved, then at the request of either Party it shall be referred to non-binding mediation. Except as provided in Section 11.2, the mediator will be selected in the following manner: the City shall propose a mediator and the County shall propose a mediator; in the event the mediators are not the same person, the two proposed mediators shall select a third mediator who shall mediate the dispute. Alternately, the Parties may agree to select a mediator through a mediation service mutually acceptable to both Parties. The Parties shall share equally in the costs charged by the mediator or mediation service.

11.2 If other cities are party to an agreement substantially similar to this Agreement, each such city shall be promptly sent Notification of the dispute and, any such city shall be given the opportunity to both participate in the initial meeting to resolve the dispute and to participate as a party in mediation of such dispute. In the case of more than two cities participating in a mediation, the parties agree to engage a mediator through a mediator or mediation service acceptable to both King County and a majority of cities participating in the mediation. The County and all cities joining the mediation shall share equally in the costs thereof per Section 11.1.

11.3 Each party reserves the right to litigate any disputed issue in court, *de novo*.

12. Termination. Either Party may initiate a process to terminate this Agreement as follows:

12.1 Ten-Day Notification of Intent to Terminate. Any Party wishing to terminate this Agreement shall issue a written Notification of intent to terminate, not less than ten (10) days prior to issuing a ninety (90) day termination Notification under Section 12.2 of this Agreement. Upon receipt of the written Notification of intent to terminate, the parties will meet to confer on whether there are steps that the non-terminating party can take in order to avoid a ninety (90) day termination Notification notice under Section 12.2 of this Agreement.

12.2 Ninety-Day Termination Notification. After the ten (10) day period has run under Section 12.1 of this Agreement, the party desiring to terminate this Agreement may provide the other party ninety (90) days written termination Notification, as provided in RCW 70.48.090.

13. General Provisions.

13.1 Other Facilities. This Agreement reserves in each party the power to establish a temporary holding facility during a riot, civil disobedience or natural disaster, to establish group homes or other care or rehabilitation facilities in furtherance of a social service program, to temporarily transfer Inmates to alternative detention facilities in order to respond to Jail overcrowding, and to comply with a final order of a federal court or a state court of record for the care and treatment of Inmates.

13.2 Grants. Both Parties shall cooperate and assist each other toward procuring grants or financial assistance from the United States, the State of Washington, and private benefactors for the Jail, the care and rehabilitation of Inmates, and the reduction of costs of operating and maintaining Jail facilities.

13.3 Severability. If any provision of this Agreement shall be held invalid, the remainder of this Agreement shall not be affected thereby.

13.4 Remedies. No waiver of any right under this Agreement shall be effective unless made in writing by the authorized representative of the party to be bound thereby. Failure to insist upon full performance on 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 Notification of a deficiency in performance constitute an acquiescence thereto. The Parties are entitled to all remedies in law or equity.

13.5 Exhibits. This Agreement consists of several pages plus the following attached exhibits, which are incorporated herein by reference as fully set forth:

Exhibit I	Method of Determining Billable Charge and Agency
Exhibit II	Exception to Billing Procedure
Exhibit III	Calculation of Fees, Charges and Surcharges

13.6 Not Binding on Future Agreements. This Agreement does not bind the Parties as to the terms, fees, or rate formulas to be included in any future jail services agreements.

13.7 Entire Agreement. This Agreement, including all exhibits and attachments hereto, represents the entire understanding of the Parties and supersedes any oral representations that are inconsistent with or modify its terms and conditions.

13.8 Modifications. The provisions of this Agreement may only be modified and amended with the mutual written consent of the King County Executive and the Chief Executive

Officer of the City and the approval of their respective legislative bodies, excepting that certain modifications to the fee re-sets and the notice requirements in Sections 4.2.2, 4.2.3 and Attachment I-2 may be approved administratively by signature of both the Chief Executive Officer of the City and King County Executive as specified herein.

13.9 Force Majeure. In the event either party's performance of any of the provisions of this Agreement become impossible due to Force Majeure, 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.

13.10 Notifications. Except as otherwise provided in this Agreement, any Notification required to be provided under the terms of this Agreement, shall be delivered by certified mail, return receipt requested or by personal service to the following person:

For the City:

City of Kenmore
Attn: Joanne Gregory
PO Box 82607
Kenmore, WA 98028

Or his/her successor, as may be designated by written Notification from the City to the County.

For the County:

Chief of Administration
Dept. of Adult and Juvenile Detention
500 Fifth Avenue
Seattle, WA 98104

Or his successor, as may be designated by written Notification from the County to the City.

As defined in Section 1.22, written notices delivered to the individuals identified above, or their designee (as may be specified through a formal Notification) through alternate means including but not limited to electronic mail are intended to meet the requirements of this Agreement when the term "notice" rather than "Notification" is used.

13.11 Council Approval. The Parties' obligations under this Agreement are subject to official City and County Council approval.

13.12. Filing. As provided by RCW 39.34.040, this Agreement shall be filed with the King County Department of Records and Elections.

13.13. Assignment/Subcontracting. The City may not assign or subcontract any portion of this Agreement or transfer or assign any claim arising pursuant to this Agreement.

13.14. No-Third Party Beneficiaries. Except as expressly provided in Section 10 and 11 relating to the JAG and Dispute Resolution, there are no third-party beneficiaries to this Agreement. No person or entity other than a party to this Agreement shall have any rights hereunder or any authority to enforce its provisions, and any such rights or enforcement must be consistent with and subject to the terms of this Agreement.

13.15. Termination of 2010 Agreement. The Parties by execution of this Agreement terminate the 2010 Agreement effective as of 12:00 A.M. December 31, 2012, to coincide with the effective date of this Agreement.

13.16 Execution in 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.

King County	The City of Kenmore
King County Executive	Rod Karlinsey, City Manager
Date	Date
Approved as to Form:	Approved as to Form:
King County Deputy Prosecuting Attorney	Rod Kaseguma, City Attorney
Date	Date

EXHIBIT I
Method of Determining Billable Charge and Agency

Process Overview

The application of all billing rules in conjunction with Section 1.6 of this Agreement comprises the method for determining the principal basis for booking or confining a person. The County's billing system examines all open and active charges and holds for each calendar day and applies the Billing Priority Rules and Tie Breaker Rules as set forth below. Then the charge billable agency is determined from the billable charge(s) or hold(s) and the application of exception rules, for example, the special DUI sentencing rule or the special six hour rule.

Billing Priority Rules

The Billing Priority Group is determined in the following order:

1. Local felony charge(s)	A local felony charge is filed by the King County Prosecuting Attorney into a King County court.
2. Investigation holds from King County agencies or pursuant to a contract	An investigation hold is one that has been referred to the King County Prosecutor and includes King County investigation holds.
3. Department of Corrections (DOC) charge(s) pursuant to contract with DOC	Felony and misdemeanor charges adjudicated by DOC hearing examiner. Cases heard by a local court are considered local misdemeanors even if DOC is the originating agency.
4. Local misdemeanor charge(s) and city court appearance orders	Includes King County misdemeanors.
5. Other holds (contract and non-contract)	

Tie Breaker Rules

Tie breaker rules are applied in the following order to the Local Misdemeanor Priority Group (Number 4 under Billing Priority Rules) when there are charges with multiple charge billable agencies. The first rule that applies determines the billable charge(s). The charge billable agency for the selected charge(s) is the billable agency.

1. Longest or only sentenced charge rule	This rule selects the charge(s) with an active sentenced charge or, if there is more than one active sentenced charge, the rule selects the charge with the longest imposed sentence length.
2. Earliest sentence rule	This rule selects the charge(s) with the earliest sentence start date.
3. Lowest sentence charge number rule	This rule selects the sentenced charge(s) with the lowest charge number as given on the Subject-in-Process (SIP) booking system.
4. Arresting agency rule	This rule selects the charge(s) or hold(s) with a charge billable agency that matches the arresting agency for the booking.
5. Accumulated bail rule	This rule selects the agency with the highest total bail summed for all of the charge(s) and hold(s) for which the agency is the charge billable agency.
6. Lowest charge number rule	This rule selects the charge or hold with the lowest charge number as given on the Subject-in-Process (SIP) booking system.

Attachment I-1: City and County Jail Charges Clarification

This document contains several examples consistent with Section 1.6 of this Agreement.

#	Situation	Jail Costs associated with these cases are:
1	**Inmate *booked by a city on a felony investigation*, whose case is filed by the Prosecutor *initially as a felony in Superior Court* but *subsequently amended to a misdemeanor* charge (for evidentiary reasons, or entry into mental health court, or for other reasons)**	County responsibility
2	**Inmate *booked by a city on a felony investigation* and whose case is *initially filed* by the Prosecutor *as a felony in District Court* as part of a plea bargain effort (so called "*expedited cases*")**	County responsibility (including the expedited cases to be filed under the new Prosecutor Filing Standards).
3	**Inmate *booked by a city on a felony investigation whose case is* initially filed by the County Prosecutor as a *misdemeanor* in district court (i.e., mental health, domestic violence *or* in regular district court)**	County responsibility
4	**Inmate *booked by a city on a felony investigation.* The County prosecutor declines to file the case and refers it *to a city* prosecutor or law enforcement for any further action.**	County responsibility prior to release of felony investigation by County prosecutor; City responsibility from and after release of felony investigation
5	**Misdemeanor or felony cases *originated by state agencies (* i.e., WSP)**	County responsibility
6	**Inmates *booked by a city on a juvenile charge* who are held in adult detention or become adults during the pendency of their charge or sentence.**	County responsibility

Attachment I-2

Inmate Transfers: Transfer Request Exemption Criteria, Notice and Billing
(Relating to Section 1.6.9)

A. In the event of one or more of the following transfer exception criteria_are met, a transfer may be denied by the County, in which case the person for whom the City has sought a transfer remains a City Inmate:

(1) Inmate has medical/health conditions/ treatments preventing transfer.
(2) Transfer location refuses Inmate.
(3) Inmate refuses to be transported and poses a security risk.
(4) Inmate misses transport due to being at court or other location.
(5) City refuses to sign transfer paperwork requiring the City to arrange transportation for Inmate back to King County, if needed, when City sentence ends.

B. If the County has refused a transfer request and thereafter determines that it no longer needs to detain the person and the person would as a result become a City Inmate, then the County will provide notice to the City that it will become billable for the Inmate. The City will not incur a Maintenance Charge on the day of notice. If the City transfers the Inmate during the six calendar days immediately following the day of notice, it will not incur a Maintenance Charge for the first calendar day following notice, but will incur a Maintenance Charge for each subsequent calendar day until the Inmate is transferred. If the City does not transfer the Inmate from the Jail during this six day period, the City is billable beginning the calendar day following the day of notice from the County.

C. The terms of this Attachment I-2 may be amended by administrative agreement evidenced by execution in writing by the Chief Executive Officer of the City and King County Executive.

EXHIBIT II
Exception to Billing Procedure

For persons serving the one and two day commitments pursuant to the mandatory DUI sentence grid who report directly from the community to the Jail for incarceration, Inmate day shall not be defined according to Section 1.17 of the Agreement. Instead, Inmate day shall be defined as a twenty-four hour period beginning at the time of booking. Any portion of a twenty-four hour period shall be counted as a full Inmate day. The number of days billed for each sentence shall not exceed the sentence lengths specified on the court commitment.

Two examples are provided for illustration:

Two-day sentence served on consecutive days:

John Doe	Booked 7/1/90 0700	Released 7/3/90 0700
	Number of Inmate days = 2	

Two-day sentence served on non-consecutive days:

John Doe	Booked 7/1/90 0700	Temporary Release 7/2/90 0700
	Return to Jail 7/8/90 0700 Number of Inmate days = 2	Released 7/9/90 0700

The Department of Adult and Juvenile Detention will apply this definition of Inmate day to the City's direct DUI one and two-day Inmates by adjusting the City's monthly bill before it is sent to the City. If the changes are not made for some reason, the City will notify the Department of Adult and Juvenile Detention, which will make the necessary adjustments.

EXHIBIT III
Calculation of Fees, Charges and Surcharges

The City shall pay the fees, charges, surcharges and Offsite Medical Charges with such annual adjustments for inflation and other re-sets as described below.

The following fees, charges surcharges were developed and agreed upon, during the negotiations with the cities in 2011 for city contracts which started January, 2012, and are the basis for the years 2013, 2014, 2015 and 2016 by applying the inflators to 2012 fees and charges per Subsection 5.a. Years 2017, 2018, 2019 and 2020 will be determined by allocating the 2016 Budgeted Costs per the cost model in Attachment III-1 and applying the inflators per Subsection 5.a.

Starting January 1, 2013, the City shall pay the fees, charges, surcharges and Offsite Medical Charges with such annual adjustments for inflation and other re-sets as described below. The parties understand that during 2012 the City shall pay fees as detailed in the 2002 contract.

1. MAINTENANCE CHARGE, WER CHARGE AND CAPITAL EXPENDITURE CHARGE

The Maintenance Charge and WER Charge shall be calculated as shown in Attachment III-1 and as described below.

a. The **Maintenance Charge** starting **November 1, 2012,** and for the remainder of the calendar year 2012, **excluding** any adjustments for Capital Expenditure Charges, will be **$127.97.** When combined with the Capital Expenditure Charges, the Maintenance Charge for calendar year 2012 is **$132.01**. The Maintenance Charge shall be annually adjusted as described in Section 5 below and shall be annually inflated and/or re-set as described in Section 5 below. The Maintenance Charge calculation shall include 70.56% of the total DAJD Budgeted Jail Costs associated with booking; this percentage of booking costs to be included in the Maintenance Charge shall remain fixed through the term of this Agreement.

i. The City will not be charged a Maintenance Charge for a City Inmate where the Inmate has been offsite (e.g. housed outside of the Jail) for all 24 hours of a Surcharge Day and subject to 1:1 Guarding Surcharge for the entirety of such 24 hour period.

b. **WER Charge.** In lieu of the Maintenance Charge, the City will be charged a WER Charge for each Inmate Day in which a City WER Participant is in the WER program. Starting **November 1, 2012,** and for the remainder of the calendar year 2012, **excluding** any adjustments for Capital Expenditure Charges, the WER Charge will be **$88.10.** When combined with Capital Expenditure Charges, the WER Charge for calendar year 2012 is **$92.14**. The WER Charge shall be annually adjusted as described in Section 5 below and shall be annually inflated and/or re-set as described in Section 5 below.

c. In addition to the annual adjustments to the Maintenance Charge and WER Charge described above, King County will increase the Maintenance Charge and WER Charge to capture the cost of **Capital Expenditures**. Capital Expenditures are defined as the cost of repairing and renovating current jail capacity and support and administrative facilities that benefit Jail or WER operations. Capital Expenditures include, but shall not be limited to, the Integrated Security Project (ISP) and the Courthouse

Seismic Stabilization Project (CSSP). Additional Capital Expenditures will be included in the Maintenance Charge and WER Charge if such expenditures benefit City Inmates or City WER Participants. Any Capital Expenditure that solely benefits County Inmates will not be charged to the City. Capital Expenditures do not include Jail Bed Expansion Projects. Capital Expenditures do not include Major Maintenance as defined in Attachment III-1.

i. Capital Expenditures will be calculated in proportion to the square footage that benefits adult detention. Cities will be billed their proportionate share based on the total number of Inmate Days (as defined in Section 1.17). By August 15 of each year, DAJD will estimate the total number of Inmate Days for the following calendar year and provide notice to the City of the Capital Expenditure Charge to be included in the Maintenance Charge and WER Charge in the following calendar year.

ii. Upon request of the City, the County shall provide its 6-year CIP and its 6-year major maintenance plan to the City. The County will provide a detailed line item budget of each Capital Expenditure. If the City disputes that the Capital Expenditure benefits City Inmates or otherwise disputes the inclusion of the Capital Expenditure or any portion of the Capital Expenditures' budget in the maintenance fee, the matter will be referred to the JAG as described in Sections10 and 11 of this Agreement. Capital Expenditures will not be charged to the City to the extent such Capital Expenditures are covered by federal grants, state grants, insurance proceeds, capital maintenance reserves or voter approved capital funding for jail related improvements.

iii. Capital Expenditures, if debt financed, shall begin being charged when debt service payments begin for the permanent financing of the Capital Expenditure and shall continue until the end of the debt amortization unless the debt amortization is less than fifteen (15) years, in which case the charges to the City will be amortized over fifteen (15) years. If the Capital Expenditure is not debt financed, Capital Expenditure charges shall be based on actual expenditures. The County will make available documentation evidencing such expenditures.

iv. Beginning **November 1, 2012** and continuing through calendar year 2012, the Capital Expenditure Charge for ISP for the City is **$3.36** and the Capital Expenditure Charge for the CSSP is $**0.68**, for a combined total Capital Expenditure Charge of **$4.04** to be added to the Maintenance Charge and WER Charge amounts set forth in subparagraphs a and b above.

2. <u>BOOKING FEE</u>

a. The booking fee shall be based on whether or not the City is using the County's Personal Recognizance (PR) screeners for individuals it brings to a County jail facility to be booked. The two booking fees starting **November 1, 2012** and for the remainder of the calendar year 2012 will be initially set as follows, as illustrated in **Exhibit III-1**:

i. The **Base Booking Fee** shall be **$150.00**. This is the booking fee payable by Contract Cities that are **not** using the County's PR screeners. This Booking Fee shall include **40.86%** of the total Budgeted Jail Costs associated with booking (including Jail Health Intake Services); this percentage of booking costs to be included in the Booking Fee shall remain fixed through the term of this Agreement.

ii. The **Standard Booking Fee** shall be **$195.96.** This is the booking fee payable by Contract Cities using the County's PR screeners. This booking fee is composed of the Base Booking Fee plus the fee associated with the County's PR screeners.

b. If the City has a court order on file as of **November 1, 2012**, confirming that the City and not the County will have authorization to provide PR screening for City Inmates, then the City will be qualified for the Base Booking Fee in 2012. To qualify for the Base Booking Fee in subsequent years, the City must either provide a court order not later than July 1 of the preceding calendar year confirming that the City and not the County will have authorization to provide PR screening for City Inmates, or a previously issued court order must remain in effect. If an authorizing court order is revoked or expires and is not renewed, the City will no longer qualify for the Base Booking Fee.

3. <u>SURCHARGES</u>

In addition to payment of the Maintenance Charge, WER Charge and the Booking Fees, the City shall pay Surcharges associated with services provided to City Inmates as described below. The types of services provided to an Inmate associated with each Surcharge, and a general description of each Surcharge, is set forth in Attachment III-2.

The initial Surcharge amounts described in paragraphs (a) – (d) below shall apply from the November 1, 2012 through December 31, 2012 and shall thereafter be annually adjusted as described in Section 5 below.

a. **Infirmary Care**. For Medical Inmates, the City shall pay an Infirmary Care Surcharge of **$193.87** for each Surcharge Day.

b. **Non-Acute Psychiatric Care**. For Non-Acute Psychiatric Inmates, the City shall pay a Psychiatric Care Surcharge of **$61.00** for each Surcharge Day.

c. **Acute Psychiatric Care**. For Acute Psychiatric Inmates, the City shall pay an Acute Psychiatric Care Surcharge of **$231.11** (which is the sum of the Psychiatric Care Surcharge plus the Acute Psychiatric Housing Surcharge) for each Surcharge Day.

i. The **Acute Psychiatric Housing Surcharge** for each Surcharge Day shall be **$170.11**.

ii. The **Psychiatric Care Surcharge** for each Surcharge Day of **$61.00** is added to the Acute Psychiatric Housing surcharge for a total Acute Psychiatric Care Surcharge of **$231.11**.

d. **1:1 Guarding Surcharge**. The 1:1 Guarding Surcharge is the charge imposed when the County dedicates an individual officer to guard a City Inmate. The Surcharge shall be **$57.67** per guard *for each hour* or portion thereof, and as further described in Attachment III-2.

e. A **Surcharge Day** is defined as a 24-hour period from midnight to midnight, or any portion thereof, in which an Inmate receives any of the services within the Surcharges listed in subparagraphs (a) – (c) above; *provided that* with respect to the Infirmary Care Surcharge, Psychiatric Care Surcharge and Acute Psychiatric Surcharge, a maximum of one (1) charge may be imposed within the 24-hour period for a single inmate, and the charge imposed shall be the highest applicable charge. For example, if an inmate is placed in Acute Psychiatric Care, released to the general population, and then again placed in Acute Psychiatric Care all within the same 24-hour period (midnight to midnight), a single Acute Psychiatric Care Surcharge will be imposed. Similarly, if an Inmate is placed in Acute Psychiatric Care and then in Non-Acute Psychiatric Care within the 24-hour midnight to midnight period, then a single Acute Psychiatric Care charge will be imposed.

4. OFFSITE MEDICAL CARE CHARGES

In addition to the Maintenance Charge or WER Charge, the Booking Fee, and the Surcharges detailed above, the City shall be responsible for payment of all Offsite Medical Care Charges incurred by a City Inmate.

5. INFLATORS AND RE-SETS OF FEES AND CHARGES

a. Inflators. All fees and charges, excluding: (1) Offsite Medical Care Charges and (2) the Capital Expenditure Charge components of the Maintenance Charge and WER Charge shall be annually inflated by the percentage rates described below, effective January 1 of each calendar year starting January 1, 2013, in order to determine the final rates and charges for said calendar year, subject further to re-set of the underlying "base rates" periodically as described in Subsection 5.e below.

Non-Medical Charges: the following fees and charges are subject to an annual inflator of the Seattle-Tacoma-Bremerton CPI-W (covering the 12-month period ending in June) plus 1.5%, but shall in no event be lower than 1.5%.:

i. Maintenance Charge
ii. WER Charge
iii. Booking Fee
iv. Acute Psychiatric Housing Surcharge
v. 1:1 Guarding

Medical Charges: the following fees and charges are subject to an annual inflator of the Seattle-Tacoma-Bremerton CPI-W (covering the 12-month period ending in June) plus 3%, but shall in no event be lower than 3%:

i. Infirmary Care Surcharge
ii. Psychiatric Care Surcharge

b. Final Fee and Charge Notice for Following Calendar Year. No later than August 15 of each year, the County will provide notice to the City of the final fees and charges listed in this Subsection 5.a for the following calendar year reflecting the application of the June-June CPI index in the manner prescribed in Subsection 5.a above.

c. Inflation Re-sets. Notwithstanding the terms of Subsections 5.a and 5.b to the contrary, in the event the Seattle-Tacoma-Bremerton CPI-W (June-June) exceeds 8% then, as part of the August 15 final fee and charge notice, the County will include information demonstrating whether, based on factors affecting the DAJD Budgeted Jail Costs including but not limited to personnel costs, food, utilities and pharmaceuticals, the County's reasonably expected inflation experience for the DAJD Budgeted Jail Costs in the next calendar year (the "Expected Inflation Rate") is *less than or greater than* said CPI-W (June-June) rate. If the Expected Inflation Rate is lower than the CPI-W (June-June) rate, the County will apply the lower of the two rates to the fees and charges listed in this Subsection 5.c for the following calendar year.

d. 2012 Fees and Charges. Attachment III-1 shows the allocation of **2011 Budgeted Jail Costs** used to derive the 2012 fees and charges, applying the inflators in Subsection 5.a above in order to calculate the fees and charges applicable in 2012 as set forth above in Sections 1, 2, 3 and 4.

e. Five-Year Base Re-set for Fees and Charges. After five years, the base costs on which fees and charges are based will be updated, by applying the previous year's Budgeted Jail Costs to the allocation methodology as illustrated in Attachment III-1. Thus, fees and charges in 2017 will be determined using the model in Attachment III-1 incorporating 2016 Budgeted Jail Costs, and then applying the annual inflators per Subsection 5.a. By **March 1** of the calendar year before each Base Re-set Year, the County will provide the City written notice including a detailed calculation of the re-set fees and charges for the next occurring Base Year (excluding application of inflators, which will be provided by August 15 per Subsection 5.b above). The Parties shall promptly thereafter meet to review the information and will work in good faith to resolve any questions or issues by May 1 of calendar year preceding the Base Re-set Year. In the event that the County implements a new accounting system that makes it impracticable to generate the same cost allocations shown in the cost model illustrated in Attachment III-1, the Parties agree that technical adjustments may be made to the rate model in order to recreate as nearly as practicable the original rate model.

By way of illustration and without limitation:

- Year 2013 fees and charges are determined by applying the inflators to 2012 fees and charges per Subsection 5.a.
- Year 2014 fees and charges are determined by applying the inflators to 2013 fees and charges per Subsection 5.a.
- Year 2015 fees and charges are determined by applying the inflators to 2014 fees and charges per Subsection 5.a.
- Year 2016 fees and charges are determined by applying the inflators to 2015 fees and charges per Subsection 5.a.
- Year 2017 fees and charges are determined by allocating the 2016 Budgeted Costs per the cost model in Attachment III-1 and applying the inflators per Subsection 5.a.
- Year 2018 fees and charges are determined by applying the inflators to 2017 fees and charges per Subsection 5.a.

Definition of Budgeted Jail Costs:

Budgeted Jail Costs means the direct and indirect costs related to operating the Jail, including without limitation health services, per the adopted County Budget approved by the County Council.

Attachment III-1
Illustration of Fee and Charge Calculations

MAINTENANCE (DAILY) CHARGE

PART I: CALCULATION OF THE MAINTENANCE (DAILY) CHARGE

	Based on 2011 Adopted Budget	Budgeted Costs
1	Total Department of Adult and Juvenile Detention	126,871,483
2	Plus County Admin for Detention	4,474,086
3	Remove 70% of court detail	(5,545,872)
4	Less Juvenile Detention and Associated DAJD Admin	(17,768,627)
5	Less CCD Division and Associated DAJD Admin	(6,047,574)
6	Less WER Secure Detention Costs	(1,553,522)
7	Less 1:1 Guarding Detention	(2,335,103)
8	Less Psych Housing DAJD	(3,050,414)
9	Less 29.44% of DAJD Booking Costs (Booking Fee line 3)	(4,186,451)
10	**SUBTOTAL DETENTION COSTS for Daily Maintenance**	**90,858,006**
11	Total Jail Health Services (JHS) Costs	27,415,896
11a	Less Off Site Medical	-
11b	Less Psych Services JHS	(3,325,962)
11c	Less Infirmary JHS	(1,665,769)
11d	Less Booking Costs - JHS ONLY	(2,744,549)
12	**SUBTOTAL JAIL HEALTH COSTS for Daily Maintenance Charge**	**19,679,616**
13	**SUBTOTAL DAJD plus JHS for Daily Maint. Only**	**110,537,622**
14	Less DAJD Cost Recoveries	
14a	SMC Transport	(192,559)
14b	Medical Reimbursement	(19,000)
14c	SSI Incentive	(100,000)
14d	Bulletproof Vest Reimbursement	(5,000)
14e	IWF CX Transfer	(531,810)
14f	SCAAP	(883,136)
15	**Subtotal DAJD Cost Recoveries**	**(1,731,505)**
16	**NET Maintenance Costs**	**108,806,117**
17	Total Maintenance Days	875,807
18	Average Maintenance Days	2,399
19	**Cost per General Maintenance Day PRIOR to Capital Expenditure Surcharge**	124.24

PART II: 2011 Costs inflated to 2012

20	3% Increase 2012	127.97
21	2012 CSSP	0.68
22	2012 ISP	3.36
	Total 2012 Daily Maintenance Charge including Debt Service	**$132.01**

NOTES:

1	Based on DAJD 2011 Adopted Budget in Essbase (the budget system).
2	Includes 100% of County Admin for Personnel, F/A Mgmt, Mail, State Auditor, and Budget. In addition, includes $3.57 million of Major Maintenance. This amount is the 2009 County adopted contribution from DAJD to the Major Maintenance Reserve Fund for the KCCF and MRJC facilities. It represents the annualized amount necessary to fund major maintenance projects at these two facilities on a rolling 20 year-basis in effect a "depreciation payment," applicable for each year of use/wear & tear.
3	70% of Court Detail costs are attributed directly to Superior Court, therefore not accessible to the cities and are removed from calculation.
4	Remove Juvenile Detention Division low orgs (cost centers) and associated DAJD Admin.
5	Remove Community Corrections Division (CCD) low orgs (cost centers) and associated DAJD admin.
6	WER is a standalone rate therefore all CCD costs associated with WER including the cost recoveries were removed in line 5. This line represents the removal of the costs from the detention operation that is used to support WER and are now included in the standalone WER Charge.
7	Surcharge for 1:1 guarding is removed from the maintenance charge.
8	Surcharge charge for services associated with housing the Acute Psychiatric Inmates is removed from the maintenance charge.
9	Removal of 29.44% of DAJD's Booking Costs associated with Booking from the maintenance charge. (See Exhibit III, Section 1a).
11 a-d	All jail health services direct and indirect budgeted costs for: Offsite Medical Care, Psychiatric Care for Acute- and Non-Acute Psychiatric Inmates, Infirmary Care, and intake health screening are removed from the calculation of the maintenance charge and are instead established as separate surcharges or components of separate charges. Other remaining direct and indirect Jail Health Services budgeted costs are included in the jail health portion of the maintenance charge.
12	The subtotal of lines 11 through 11d.
13	The subtotal of lines 10 and 12.
14 a-f	Removal of reimbursements received by DAJD.
17	Calculation of total Maintenance days in 2011 is a weighted average of Secure and WER days based on the allocation of percentage of actual costs.
18	Calculation is Line 17 divided by number of days in year.
19	Cost per General Maintenance Day is PRIOR to the additional cost for capital expenditure charges (e.g. in 2012 seismic retrofit and ISP). See Exhibit III.c.i-III.c.iv.
20	This is the rate for 2012. For future years the inflator will be calculated as described in Exhibit III, Section 5.
21	Debt service CSSP is the Courthouse Seismic Project; DAJD is responsible for 10% of the $84,747,000 that is financed over 20 years (2005-2024). The 2012 charge ($.68) is calculated by taking the amount apportioned for 2012 ($641,773) divided by the number of custodial maintenance days for 2012 (946,036).
22	Debt service ISP is the Integrated Security Project; DAJD is responsible for $42,921,801 that is financed over 20 years (2010-2029). The 2012 ($3.36) charge is calculated by taking the amount apportioned for 2012 ($3,179,500) divided by the number of custodial maintenance days for 2012 (946,036).

WORK EDUCATION RELEASE (WER) (DAILY) CHARGE

PART I: CALCULATION OF THE WER (DAILY) CHARGE

	Based on 2011 Adopted Budget	Budgeted Costs
1	Direct Detention Staffing Costs	1,389,308.98
2	Overhead - County and DAJD Admin	164,213.09
3	**Subtotal Direct Detention**	**1,553,522.07**
4	Work Release in Community Corrections	1,481,264.00
5	County, DAJD, and CCD Admin	418,844.34
6	Less WER Revenue	(245,556.00)
7	**Subtotal CCD WER**	**1,654,552.34**
8	**Subtotal Detention and CCD Costs**	**3,208,074.41**
9	**Detention Support Services**	**2,036,453.66**
10	**Total WER (Daily) Costs**	**5,244,528.07**
11	Total WER Maintenance Days	61,320.00
12	**WER Cost/Day**	85.53

PART II: 2011 Costs inflated to 2012

13	3% Increase 2012	88.10
14	2012 CSSP	0.68
15	2012 ISP	3.36
	Total 2012 WER Charge including Debt Service	**$92.14**

NOTES:

1 Detention costs include staffing, shift relief, meal delivery, etc.

2 Overhead is allocated based on proportionate share of the adopted budget.

4 Community Corrections costs are for case managers, and administrative staff in WER.

6 WER Inmate payments for room and food charges are backed out of the total costs.

9 Additional services used to support WER include food preparation and food costs, janitorial costs, utilities, supplies, command management, etc. Costs are added proportionately including overhead charges.

11 Budget ADP of 168 multiplied by 365 = 61,320.

12 Cost per WER is PRIOR to the additional cost for capital expenditure charges (e.g. in 2012 seismic retrofit and ISP). See Exhibit III.c.i-III.c.iv.

13 This is the rate for 2012, for future years the inflator will be calculated as described in Exhibit III, Section 5.

14 Debt service CSSP is the Courthouse Seismic Project; DAJD is responsible for 10% of the $84,747,000 that is financed over 20 years (2005-2024). The 2012 charge ($.68) is calculated by taking the amount apportioned for 2012 ($641,773) divided by the number of custodial maintenance days for 2012 (946,036).

15 Debt service ISP is the Integrated Security Project; DAJD is responsible for $42,921,801 that is financed over 20 years (2010-2029). The 2012 ($3.36) charge is calculated by taking the amount apportioned for 2012 ($3,179,500) divided by the number of custodial maintenance days for 2012 (946,036).

BOOKING FEE

PART I: CALCULATION OF THE BOOKING FEE

	Based on 2011 Adopted Budget	Base Booking Fee for those entities that **do not use** King County PR Screeners	Standard Booking Fee for those entities who **do use** King County PR Screeners	Total Budgeted Costs
1	Detention Booking Costs - DAJD	12,715,934		12,715,934
2	Plus County and DAJD Overhead	1,502,994		1,502,994
3	Sub-total - DAJD Booking Cost Before Adjustments	**14,218,928**		**14,218,928**
	Adjustments			
4	Plus Jail Health Intake Services	2,744,549		2,744,549
5	Plus PR Screeners & Overhead	-	1,683,055	1,683,055
6	Sub-total - Booking Cost Adjustments	**2,744,549**	**1,683,055**	**4,427,604**
7	**Total Booking Costs**	**16,963,477**	**1,683,055**	**18,646,532**
8	**Less DAJD Booking Cost Recovered in Daily Maint.**	10,032,477		
	% of DAJD Booking Cost	70.56%		
9	**Total Book Cost included in Calculation**	**6,931,000**		
	% of Base Booking Cost	40.86%		
11	Bookings	47,594	37,717	
12	**Booking Fee**	145.63	44.62	
	3% Increase 2012	150.00	45.96	

PART II: 2011 Costs inflated to 2012

		Base Booking Fee for those entities that **do not use** King County PR Screeners	Standard Booking Fee for those entities who **do use** King County PR Screeners
13	3% Increase 2012	**$150.00**	**$195.96**

NOTES:

1 Based on the DAJD 2011 Adopted Budget, in both the KCCF and RJC Cost Center (Orgs) from Essbase (the budget system).

2 Overhead is allocated based on proportionate share of the adopted budget including allocating costs to the booking charge.

3 Total of lines 1 and 2

4 Jail intake health screening costs are included in the booking fee, and removed from basic jail health (line 11d on the general maintenance day comparison sheet).

5 PR Screeners are part of the Community Corrections Division (CCD). PR Screener costs are part of the Standard Booking Fee charged to any cities using the County's PR Screeners. Refer to Exhibit III Section 2b on how the City can qualify for the Base Booking Fee which does not include the costs for the County's PR Screeners.

6 Total of lines 4 and 5.

7 Total of lines 3 and 6.

8 Represents total amount $10,032,477 and percentage (70.56%) of DAJD Booking Costs recovered in the Daily Maintenance Fee. The remaining 29.44%, $4,186,451(ties to Line 9 Daily Maintenance Calculation), is included in Line 9 Total Booking Cost.

9 Represents the amount of total booking costs (including Jail Health Intake Services, line 4) and percentage (40.86%) used to calculate the Base Booking Fee of $150. Calculation: Line 3 $14,218,928 plus Line 6 $2,744,549 less Line 8 ($10,032,477). See Exhibit III Section 2.

11 Total budgeted Bookings are used to calculate the base and standard booking fees.

12 Calculated Fee prior to 2012 Inflation.

13 This is the rate for 2012. Future years the inflator will be calculated as described in Exhibit III, Section 5.

INFIRMARY (DAILY) SURCHARGE JAIL HEALTH SERVICES (JHS)

PART I: CALCULATION OF THE INFIRMARY (DAILY) SURCHARGE (JHS)

	Based on 2011 Adopted Budget	**Budgeted Costs**
1	JHS Infirmary Services Staffing Costs	1,332,615
2	JHS Infirmary Non-Staffing Costs	333,154
3	Total JHS Infirmary Costs	1,665,769
4	Average maintenance days for the Infirmary (Location: Infirmary or successor location)	24.60
5	**JHS Infirmary Fee per inmate/day**	185.52

PART II: 2011 Costs inflated to 2012

6	4.5% Increase 2012	**$193.87**

NOTES:

1 2011 Budgeted wage and benefit costs for JHS staff who provided services to Inmates in the Infirmary. Costs are allocated to the Infirmary Surcharge based upon the number of shifts scheduled in the Infirmary as a percentage of all JHS shifts scheduled in the jails. Scheduled shifts are based upon the most current staffing model designed and flexed to meet the needs of a changing population. The staffing model used for calculation of the 2009 Amendment rate was in place in September, 2008 (at the time the cost model was updated).

2 2011 Budgeted costs for pharmaceuticals (including intravenous medications and supplies), medical supplies and medical equipment for Inmates in the Infirmary.

3 Ties to Line 11c of the General Maintenance Daily Charge.

4 Budgeted Maintenance Days for Infirmary Location or Successor Location as defined in "Maintenance Day Population by Jurisdiction and Housing Type" - Infirmary - Total ADM.

6 This is the rate for 2012. Future years the inflator will be calculated as described in Exhibit III, Section 5.

PSYCHIATRIC CARE SERVICES DAILY JAIL HEALTH SERVICES (JHS)

PART I: CALCULATION OF THE PSYCHIATRIC (DAILY) SURCHARGE (JHS)

	Based on 2011 Adopted Budget	**Budgeted Costs**
1	JHS Psychiatric Services Staffing Costs	2,926,847
2	JHS Psychiatric Services Non-Staffing Costs	399,115
3	Total JHS Psychiatric Services Costs	3,325,962
4	Average maintenance days for Inmates receiving Psychiatric Care Services	156.10
5	**JHS Psychiatric Services Fee per inmate/day**	58.37

PART II: 2011 Costs inflated to 2012

6	4.5% Increase 2012	**$61.00**

NOTES:

1 Budgeted wage and benefit costs for JHS staff who provided services to the Acute and Non-Acute Psychiatric Housing units. Costs are allocated to the Psych Care Surcharge based upon the number of shifts scheduled in psych housing units as a percentage of all JHS shifts scheduled in the jails. Scheduled shifts are based upon the most current staffing model designed and flexed to meet the needs of a changing population. The staffing model used for calculation of the 2009 Amendment rate was in place in September, 2008 (at the time the cost model was updated).

2 Budgeted costs for pharmaceuticals and medical supplies for Inmates in Acute and Non-Acute Psychiatric housing.

3 Ties to 11b of the General Maintenance Daily Charge.

4 Budgeted Maintenance Days for 7North Location or Successor Location as defined in "Maintenance Day Population by Jurisdiction and Housing Type" - (Acute Psych - Total ADM PLUS Non-Acute Psych - Total ADM).

6 This is the rate for 2012. Future years the inflator will be calculated as described in Exhibit III, Section 5.

ACUTE PSYCHIATRIC HOUSING (DAILY) SURCHARGE

PART I: CALCULATION OF THE ACUTE PSYCHIATRIC HOUSING (DAILY) COMPONENT OF THE ACUTE PYSCHIATRIC SURCHARGE

	Based on 2011 Adopted Budget	Budgeted Costs
1	Direct Detention Staffing Costs	2,727,974
2	Overhead - County and DAJD Admin	322,440
3	Total Acute Psych Jail Costs	3,050,414
4	Average Maintenance Days for Acute Psych Housing (7North location or successor location)	50.60
5	**Acute Pysch Housing (Daily)**	165.16

PART II: 2011 Costs inflated to 2012

6	3% Increase 2012	**$170.11**

NOTES:

1 Detention costs include staffing (salaries, benefits, meals).

2 Overhead allocated based on proportionate share of the budgeted costs.

3 Budgeted Maintenance Days for 7North Location or Successor Location as defined in "Maintenance Day Population by Jurisdiction and Housing Type" – Acute Psych - Total ADM.

6 This is the rate for 2012. Future years the inflator will be calculated as described in Exhibit III, Section 5.

1:1 GUARDING (HOURLY) SURCHARGE

PART I: CALCULATION OF THE 1:1 GUARDING (HOURLY) SURCHARGE

		2011 Est. Costs
1	Direct Detention Staffing Costs	2,088,274
2	Overhead - County and DAJD Admin	246,829
3	Total 1:1 Guarding Costs	2,335,103
4	Average Officers per day	4.76
5	1:1 Guarding Cost/Day	1,343.67
6	**1:1 Guarding Cost/Hour**	55.99

PART II: 2011 Costs inflated to 2012

7	3% Increase 2012	**$57.67**

NOTES:

1 Direct Detention Staffing Costs are determined using the following methodology
Actual 1:1 Guarding Hours X Avg. CO Hourly Overtime Rate = Direct Staffing Costs

Avg. CO Hourly Overtime Rates is derived from the 2011 Essbase PSQ Salary file, taking the average Overtime hourly rate for a Corrections Officer, and increasing by 3% for Gun Qualification Premium.

2 Overhead is allocated based on proportionate share of the budgeted costs.

4 Calculation: 1:1 Guarding Hours / # of days in year / 24 hours = Average Officers per day.

5 Calculation: Line 3 / (Average Officers per day x # of days in year).

6 Calculation: Line 5 / 24hrs.

7 This is the rate for 2012. Future years the inflator will be calculated as described in Exhibit III, Section 5.

Attachment III-2
Summary Description of Medical Cost Model Surcharges and Pass-Through Charges

	Surcharge	Description
1.	**1:1 Guarding**	Cost to guard an inmate in a 1:1 situation. Most common occurrence is at hospital or at off-site medical appointments. If more than one guard is required, then the rate would be the multiple of guards.
2.	**Acute Psychiatric Care** (two components) – billed by location (7North in KCCF or successor location)	
	a. Psychiatric Care Surcharge	Costs for Jail Health Services (JHS) treatment team for services listed below for Psychiatric Care.
	b. Acute Psychiatric Housing Surcharge	Costs for additional officer staffing for: 15-minute checks, assistance with feeding, emergency responses, escorts, and other necessary services to provide for an inmate who poses a potential danger to him or her self.
3.	**Non-Acute Psychiatric Care** (one component)	
	a. Psychiatric Care Surcharge	Costs for JHS Psychiatric treatment team for services listed below for Psychiatric Care.
4.	**Infirmary Care**	Costs for JHS Infirmary care, services listed on reverse.

	Pass-Through Charge	Description
5.	**Off-Site Medical Charges**	Costs for inmates to receive services from outside medical providers (services not available from JHS). Examples include: ❖ Hospital care ❖ Dialysis ❖ Cancer treatment (chemotherapy, radiation) ❖ Specialized transport to medical appointments (wheelchair bound inmates)

JHS Psychiatric Care

Services Provided:	Criteria:
❖ Psychiatric Housing ❖ Psychiatric Treatment & Management ❖ Psychiatric Treatment Team Monitoring ❖ Medication Administration ❖ Mental Health Crisis Counseling ❖ Psychiatric Therapy Groups	*Inmates with severe or unstable mental health conditions are placed in psychiatric housing units and receive a level of monitoring and care based on the acuity of their mental illness. Inmates in psychiatric housing are evaluated upon admission and then re-evaluated on a regular basis by a multi-disciplinary treatment team.*

JHS Infirmary Care

Services Provided:	Criteria:
❖ 24-hour Skilled Nursing Care ❖ Daily Provider Rounds ❖ Treatment and Management of Complex Disease States ❖ Medication Administration ❖ Activities of Daily Living Assistance ❖ Alcohol Detoxification	*Inmates who meet diagnostic criteria that require 24-hour skilled nursing care are housed in the KCCF Infirmary. Examples include but are not limited to:* ❖ *Substance abusers requiring medical detoxification/withdrawal management (chronic alcoholics and opiate addicted pregnant females);* ❖ *Individuals with non-stable medical conditions such as: need for kidney dialysis, wired jaws, newly started on blood thinning medication;* ❖ *Individuals who are mobility impaired and/or not independent in activities of daily living;* ❖ *Individuals requiring IV therapy or with central lines in place;* ❖ *Individuals who are acutely ill, post surgical, who require convalescent care, and those with conditions requiring extensive treatment and frequent monitoring; and* ❖ *Individuals with severe respiratory problems requiring nebulizer treatments, oxygen and close observation.* *Inmates are formally admitted to infirmary care following assessment by a physician or nurse practitioner and then monitored daily by provider and nursing staff. Discharge from the infirmary occurs either at the time of release from jail or as the patient's condition improves and can be safely managed in general population housing. Some individuals remain in infirmary care for the duration of their incarceration.*

City Council Business Agenda Item
City of Kenmore, WA

Subject/Topic: Northshore Summit Park Construction Contract

For Council Meeting Agenda of: September 23, 2013

Departments: Community Development,
Prepared by: Debbie Bent, Community Development Director

	Initial & Date
Approved by Department Head:	OB. 9/11/13.
Approved by City Attorney:	
Approved by Finance Director:	9/11/13
Approved by City Manager:	

Proposed Council Action/Motion:
Authorize the City Manager to award the construction contract for Northshore Summit Park Improvements for an amount not to exceed $452,000.

Exhibits/Attachments:
n/a

Expenditure Required	**Amount Budgeted**	**Appropriation Required**
$452,000	$659,000	$0

INFORMATION/BACKGROUND: The City is soliciting bids (8/28/13 through 10 a.m. 9/19/13) for work to complete improvements at Northshore Summit Park. The project budget estimates $452,000 for project construction. The work includes clearing, grading, landscaping, drainage, paving and other work necessary to construct a neighborhood park. Park improvements include accessible pathways, trails, open lawn areas, playgrounds, signs, entry improvements, woodland restoration, wetland enhancement, fencing, site furnishings and relocation of existing storm drainage. The contract for the playground equipment and its installation will be awarded separately. The project budget includes $91,000 for playground equipment and installation.

Once the construction contract is awarded and a Notice to Proceed is issued, a 45 day construction period is anticipated. Starting and completing construction in 2013 is weather dependent. To expedite the project, staff is requesting that Council give authority to the City Manager to award the construction contract, provided bids do not exceed the project's estimated $452,000 construction budget.

<u>FISCAL CONSIDERATION</u>: The adopted 2013-2018 CIP allocates $190,000 of Park Impact Fee funds for design and construction costs of Northshore Summit Phase 1 park improvements. On 7/15/13 the Council passed a motion authorizing an increase of $469,000 (park impact fee funds) to the project budget for construction of all park improvements, bringing the total project budget to $659,000.

<u>Estimated Project Costs</u>:
$116,000 (staff costs, wetland delineation, survey, engineering/construction drawings, permitting)
$452,000 (construction)
$91,000 (playground equipment/installation)
$659,000 (total)

<u>COUNCIL GOAL/BUDGET OBJECTIVE BEING ADDRESSED</u>:
Goal 5 – Implement a parks improvement and financial plan.

VIIF. Authorize City Manager to Execute Northshore Summit Park Improvements Construction Contract No. 13-1212 for an Amount not

City Council Business Agenda Item
City of Kenmore, WA

Subject/Topic: Sound Transit Light Rail Station at N 145th Street	For Council Meeting Agenda of: September 23, 2013
	Department: Engineering & Environmental Services
	Prepared by: Kris Overleese
Proposed Council Action/Motion: Adopt Resolution No. 13-221 supporting a Sound Transit light rail station at NE 145th Street and Interstate 5.	Initial & Date Approved by Department Head: KHO 9/13/13 Approved by City Attorney: email Approved by Finance Director: _____ Approved by City Manager: KDK
	Exhibits/Attachments: Attachment A: Resolution No. 13-221

Expenditure Required	Amount Budgeted	Appropriation Required
NA	NA	NA

INFORMATION/BACKGROUND:

Sound Transit is in the process of evaluating and selecting light rail station locations that are being funded and built as part of the Sound Transit 2 (ST2) package approved by voters in 2008. Interstate 5 (I-5) is the defined route between Northgate and Lynnwood. Sound Transit is currently reviewing station options as part of the environmental review process and they are considering the following I-5 locations in the vicinity of Kenmore: 130th, 145th, 155th and 185th Streets (all King County).

Staff believes the NE 145th/I-5 station location would best serve Kenmore residents (and those regionally) as NE 145th Street connects with Lake City Way/Bothell Way, I-5 and Aurora Avenue N and would provide for better bus access to the station from Kenmore. None of the other identified station locations directly access Lake City Way/Bothell Way for Kenmore resident access. Sound Transit currently has no plans for light rail along the SR 522 corridor and this station would be the closest and most directly accessible for Kenmore residents. Shoreline strongly prefers the NE 145th/I-5 light rail station location for the reasons mentioned and considers it a better location for transit oriented development. This Resolution also encourages Sound Transit to add bus routes along NE 145th Street connecting SR 522 with I-5 and to add parking at the NE 145th Street station.

Staff recommends that Council adopt the attached Resolution No. 13-221 to encourage the Sound Transit Board to select the light rail station location at NE 145th / I-5. If approved, staff will forward the resolution to Shoreline and also to the Sound Transit Board.

FISCAL CONSIDERATION:

NA

COUNCIL GOAL/BUDGET OBJECTIVE BEING ADDRESSED:

-Evaluation and maintenance of infrastructure
-Planning for critical infrastructure rehabilitation or replacement

CITY OF KENMORE
WASHINGTON
RESOLUTION NO. 13-221

A RESOLUTION OF THE CITY OF KENMORE, WASHINGTON, EXPRESSING SUPPORT FOR LOCATING A LIGHT RAIL STATION AT NE 145TH STREET AND I-5 IN SHORELINE

WHEREAS, voters approved the Sound Transit 2 plan in 2008 which included light rail stations at NE 145th Street and NE 185th Street along I-5; and

WHEREAS, Sound Transit identified I-5 as the preferred route for the light rail line from Northgate to Lynnwood on November 11, 2011; and

WHEREAS, the City of Shoreline designated NE 145th Street & NE 185th Street as its preferred station locations on April 2, 2012; and

WHEREAS, Sound Transit is currently reviewing the environmental impacts of light rail stations at NE 130th Street, NE 145th Street, NE 155th Street, and NE 185th Street in King County; and

WHEREAS, Sound Transit released the Draft Environmental Impact Statement for the Lynnwood Link Extension Project, and will identify a Preferred Alternative that includes alignment and station locations in fall 2013 prior to issuing the Final Impact Statement; and

WHEREAS, the City of Shoreline has already begun station area planning which includes increasing density around stations to facilitate transit oriented development, identification of pedestrian and bicycle access needs, and improvements to the road network to facilitate transit that will serve the stations; and

WHEREAS, Shoreline is evaluating ownership of NE 145th Street in order to improve the transportation facilities for vehicles, buses and non-motorized users; therefore, helping to improve the access to the station; and

WHEREAS, the NE 145th Street station will serve as a regional station for Kenmore, Lake Forest Park, Bothell, and north Seattle residents;

WHEREAS, the Sound Transit 2 plan does not include light rail service on the Highway 522 corridor and a station at NE 145th Street is the only station that would serve the Kenmore community; and

WHEREAS, we urge the Sound Transit Board to strongly consider the preference of the local community when making light rail station siting decisions;

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF KENMORE,

WASHINGTON, DOES RESOLVE AS FOLLOWS:

Section 1. The City Council hereby expresses its strong support and preference for a light rail station at NE 145th Street in Shoreline as this location is a regional station; it provides better opportunities for bus access from the Kenmore community; it has opportunities for higher ridership and greater transit oriented development; and the City of Shoreline has designated NE 145th as its preferred station location.

Section 2. The City Council urges the Sound Transit Board designate NE 145th Street as a light rail station location in the Lynnwood Link Extension Project. Council also urges Sound Transit to improve bus service between SR522 and I-5 along the NE 145th Street corridor and to include parking at the requested NE 145th Street station.

PASSED BY THE CITY COUNCIL OF THE CITY OF KENMORE, WASHINGTON, AT A REGULAR MEETING THEREOF THIS ____ DAY OF ________, 2013.

CITY OF KENMORE

____
Mayor David Baker

ATTEST/AUTHENTICATED:

____
Patty Safrin, City Clerk

City Council Business Agenda Item
City of Kenmore, WA

Subject/Topic:	For Council Meeting Agenda of: September 23, 2013
Amendment to Kenmore Village Purchase and Sale Agreement	Department: City Manager's Office Prepared by: Rob Karlinsey, City Manager
Proposed Council Action/Motion: **Adopt a resolution amending Resolution 13-218 approving a purchase and sale agreement with BCC-RPI Kenmore LLC.**	Initial & Date Approved by Department Head: ________ Approved by City Attorney: A.S. VIA EMAIL Approved by Finance Director: [illegible] 9/20/13 Approved by City Manager: RK 9/19/13 Exhibits/Attachments: Resolution Amending Resolution 13-218 Purchase and Sale Agreement with Proposed Changes Shown

Expenditure Required $0 | Amount Budgeted $N/A | Appropriation Required $0

INFORMATION/BACKGROUND:

Last June, the City entered into a purchase and sale agreement (PSA) with RPI/Benaroya for the sale of the shopping center portion of the Kenmore Village project. City staff have been working with RPI/Benaroya to move the terms of the purchase and sale agreement forward.

The PSA allows for a 90-day Environmental Review Period and a 180-day "Review Period" for determining the economic feasibility of purchasing and developing the property. The buyer requests an extension of the Environmental Review Period of approximately 30 days to October 18. This additional time is needed to request additional information regarding the cleanup of contaminants on the adjacent property west of Kenmore Village.

Also, the proposed amendment to the PSA moves the development of the Town Green covenants from the Environmental Review Period to the Review Period. The location and use of the Town Green will be driven largely by the tenants and how the property is developed to meet the needs of those tenants. RPI/Benaroya is still in the process of securing tenants, which necessitates more time for the development of the Town Green covenants.

The PSA states that $50,000 of the $100,000 earnest money becomes non-refundable at the end of the 90-day Environmental Review Period, during which the Town Green covenants were to be negotiated. Because the Town Green covenants are now proposed to be moved to the 180-day review period, it is proposed that none of the earnest money becomes non-refundable until the Buyer accepts the property within the 180-day period.

VIIH. Adopt Resolution No. 13-225 Approving Amendment No. 1 to BCC-RPI Kenmore, LLC Purchase & Sale Agreement - Rob

The attached resolution incorporates the above changes and also gives the City Manager the discretion to extend the Environmental Feasibility Period an additional 30 days (to mid November) if he concludes doing so is in the best interest of the project and downtown goals.
FISCAL CONSIDERATION: See above.
COUNCIL GOAL/BUDGET OBJECTIVE BEING ADDRESSED: Goal #1: Economic Development and Goal #4, Downtown Development

CITY OF KENMORE
WASHINGTON
RESOLUTION NO. 13-225

AMENDING RESOLUTION NO. 13-218 APPROVING A PURCHASE AND SALE AGREEMENT WITH BCC - RPI KENMORE LLC.

WHEREAS, the City of Kenmore 2003 Downtown Plan and 2009 Economic Development Strategy contain guiding goals and principles that support the stimulation of economic revitalization of the City's Downtown area in a manner that supports and retains independent and community-scale businesses and other development; and

WHEREAS, the City owns certain commercially-zoned real property in the City's Downtown area, which consists of approximately 3.3 acres of land developed with approximately 37,671 square feet of existing buildings, commonly known as the "Kenmore Village" retail site (the "Property"); and

WHEREAS, the City has adopted a Position Statement for the Property, which states: “Kenmore Village is a walkable place with a public square where Kenmore area residents and workers can meet their daily needs and see one another face to face”; and

WHEREAS, the City Council has determined that the Property is surplus to the City's needs, and that it would be in the best interests of the City and the general public to sell the Property; and

WHEREAS, BCC - RPI Kenmore, LLC desires to acquire the Property, with the intent to redevelop the Property as largely a retail development, in keeping with the City’s adopted goals for the Downtown area and the Position Statement for the Property; and

WHEREAS, the City and BCC - RPI Kenmore, LLC negotiated a purchase and sale agreement for the transfer of the Property to BCC - RPI Kenmore, LLC; and

WHEREAS, on June 10, 2013, the City Council adopted Resolution 13-218 approving the Purchase and Sale Agreement, and both the City and the Buyer have subsequently signed and executed the Purchase and Sale Agreement; and

WHEREAS, Buyer needs additional time to review the environmental conditions of the property and therefore extend the Environmental Review Period as described in the Purchase and Sale Agreement; and

WHEREAS, the Buyer and the City need additional time to determine location, configuration, and other factors related to the Town Green;

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

Section 1. Approval of Amendment No. 1 to Purchase and Sale Agreement. The City Council resolution 13-218 by approving Amendment No. 1 to the Purchase and Sale Agreement with BCC - RPI Kenmore, LLC, a Washington limited liability company. The City Council approves and authorizes the City Manager to execute on behalf of the City Amendment No. 1 to the Purchase and Sale Agreement between the City of Kenmore and BCC - RPI Kenmore, LLC. Amendment No. 1 is substantially and materially in the form attached to this Resolution as **Exhibit A** and incorporated herein by this reference.

Section 2. Additional Extension of Environmental Review Period. The City Council hereby authorizes the City Manager, at his discretion, to extend the Environmental Review Period for an additional thirty (30) days beyond the extension in Amendment No. 1.

PASSED BY THE CITY COUNCIL OF THE CITY OF KENMORE, WASHINGTON, AT A REGULAR MEETING THEREOF THIS 23 DAY OF SEPTEMBER, 2013.

CITY OF KENMORE

____
Mayor David Baker

ATTEST/AUTHENTICATED:

____
Patty Safrin, City Clerk

Approved as to form:

____
Rod Kaseguma, City Attorney

EXHIBIT A TO RESOLUTION NO. 13-225

AMENDMENT NO. 1 TO CONTRACT NO. 13-C1169
PURCHASE AND SALE AGREEMENT
KENMORE VILLAGE

This Amendment No. 1 to Purchase and Sale Agreement Kenmore Village ("Amendment No. 1") is made and entered into effective as of September 11, 2013 (the "Amendment No. 1 Effective Date"), by and between The City of Kenmore, a Washington municipal corporation ("Seller") and BCC – RPI Kenmore LLC, a Washington Limited Liability Company ("Buyer").

RECITALS

A. Seller and Buyer have entered into that certain purchase and Sale Agreement dated as of June 13, 2013 (the "Purchase Agreement") regarding the sale of certain Property defined therein.

B. Seller and Buyer now agree to amend the Purchase Agreement in part to extend certain review periods, and to address related matters.

Now therefore, for an in consideration of the mutual terms and conditions set forth herein, the parties hereby agree to amend the Purchase Agreement as follows.

AMENDMENT

1. Recitals. The above recitals are hereby incorporated herein by reference. Capitalized terms shall be as defined in the Purchase Agreement.

2. Section 4, Buyer's Inspection and Contingency. This Section is amended in part to reflect that

(a) the Environmental Review Period in Section 4.a.(i) is extended to October 18, 2013. During this extension (but not as a condition thereto), it is the parties' intent that Seller and Buyer will, as promptly as feasible, jointly write a letter to Kenmore Plaza LLC, owner of the adjacent property where the Boyd Dry Cleaner's was located, on which PCE has been detected which may be migrating onto the Seller's Property. The letter will formally request a meeting with (Kenmore Plaza LLC to determine its intentions for remediation and, to the extent PCE has migrated onto Seller's property, how Kenmore Plaza intends to address the migrated contaminants;

(b) Section 4.a.(i) is further amended to state that the the deadline for finalization of the CC&Rs and agreement on location of the Town Green is now moved to the end of the Review Period;

(c) the phrase in the first and second lines of Section 4.a.(ii) reading: ", and if the CC&Rs are finalized (subject to Section 7.a(5) below) and the location of the Town Green determined (pursuant to Section 16(a) below), all pursuant to Section 4(a)(i) above," is deleted; and

(d) it is the parties' agreement that none of the Earnest Money shall become non-refundable unless and until Buyer gives the notice called for in Section 4.d. Accordingly, in Section 4.d., the phrase "the balance of the Earnest Money Deposit (i.e. the remaining $50,000) shall become nonrefundable" is changed to read: "the Earnest Money Deposit shall become nonrefundable", and the third-to-last sentence in that Section is deleted and replaced with the following sentence: "Upon termination pursuant to this section, the entirety of the Earnest Money Deposit shall be returned to Buyer."

3. Section 5.a, Title. The phrase in the second sentence of Section 5.a., "Buyer shall have ten (10) business days after receipt of the Title Commitment" is deleted and replaced with the phrase: "Buyer shall have until September 26, 2013".

4. Section 16, General Requirements for Property Improvements. All references in this Section to "Environmental Review Period" are hereby amended to read: "Review Period".

5. Seller's Disclosure Statement. Section 6.e. is amended by deleting the words, "Simultaneously with the execution of this Agreement" and adding in their place the words: "Not later than September 30, 2013".

6. Section 19.b, Notices. This Section is amended in part to change the following notice address:

Anne DeVoe Lawler
Jameson Babbitt Stites & Lombard PLLC
801 Second Avenue, Suite 1000
Seattle, WA 98104
Fax: 206-292-1995
Email: alawler@jbsl.com

7. Coordination. During the Review Period, Buyer shall continue to meet with Seller on a regular basis to update Seller as to its progress in review of the Property.

8. Counterparts. This Amendment No. 1 may be executed in counterparts and transmitted by facsimile or attachment to e-mail, all of which shall be binding on the party so executing and, when assembled shall constitute a single, fully-integrated original hereof.

9. Except as specifically amended herein, the Purchase Agreement has not been modified or amended, orally or otherwise, and remains in full force and effect as written and first executed by the parties.

In witness whereof, the parties hereto have hereby executed this Amendment No.1 as of the Amendment No. 1 Effective Date.

SELLER

CITY OF KENMORE
A Municipal Corporation

By:______________________
Its:______________________

BUYER

BCC-RPI KENMORE LLC
A Washington Limited Liability Company

By:______________________
Its:______________________

Contract No. 13-C1169.

PURCHASE AND SALE AGREEMENT
KENMORE VILLAGE

THIS PURCHASE AND SALE AGREEMENT (this "Agreement") is dated for reference purposes June 13, 2013 (the "Effective Date"), and is by and between THE CITY OF KENMORE, a Washington municipal Corporation ("Seller") and BCC – RPI KENMORE LLC, a Washington limited liability company ("Buyer").

RECITALS

A. Seller owns certain real, personal and intangible property referred to herein as the "Property," (defined *infra*), located in the City of Kenmore, County of King, State of Washington, commonly known as the Kenmore Village retail site, which, for reference purposes only, and not as a representation or warranty, includes approximately 3.301 acres, more or less, on which are constructed approximately 37,671 SF of existing buildings.

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B. Buyer desires to acquire the Property from Seller on and subject to the terms, covenants and conditions of this Agreement.

C. Seller is willing to sell and convey the Property to Buyer on and subject to the terms, covenants and conditions of this Agreement.

D. Seller and Buyer intend for Buyer to redevelop the Property as largely a retail development, in keeping with the City's adopted goals for the downtown and Position Statement for the Property, which states: "Kenmore Village is a walkable place with a public square where Kenmore area residents and workers can meet their daily needs and see one another face to face." Seller and Buyer also intend for the Buyer to redevelop the Property in coordination with adjacent properties, specifically, the multi-family (former King County park & ride) site also currently owned by Seller and the property to the north of the Property, known generally as the "Kenmore Camera" site, in a manner so that coordinated and reciprocal parking, utility and landscaping easements are established; consistent development and common area standards are incorporated over all three sites through appropriate covenants, conditions and restrictions ("CC&Rs"); Buyer constructs at least 20,000 SF of building(s) on the Property, including at least 5,000 SF of retail; and a signature "Town Green" public gathering spot is located within the Property. The details of the foregoing are set forth in greater detail in Sections 15 through 18 of this Agreement, the terms of which Sections together with the statements contained in this Recital D are collectively referred to in this Agreement as the "Development Criteria."

AGREEMENT

NOW, THEREFORE, for value received and in consideration of the mutual promises set forth in this Agreement, the parties agree as follows:

1. PURCHASE AND SALE OF THE PROPERTY. Seller agrees to sell the Property to Buyer, and Buyer agrees to purchase the Property from Seller, on the terms and conditions set forth in this Agreement. The Property consists of:

a. The fee simple title to the land described in Exhibit A attached hereto (the "Land");

b. All of the improvements currently situated on or within the Land (the "Improvements") and all personal property owned by Seller and located on the Land or in the Improvements as of the Closing Date ("Personal Property"). Prior to the "Closing Date" (as defined in Section 9.a below) the parties shall agree upon the portion of the purchase price to be allocated to the Personal Property, if any; and

c. All of Seller's rights in all of the following intangible property now or hereafter existing with respect to the Property:

(1) All leases, licenses and other agreements to occupy all or any part of the Land or Improvements (the "Leases") together with, and subject to the manner in which the same are to be prorated under this Agreement, all rents, charges, deposits and other sums due, accrued or to become due thereunder, and all guaranties by third parties of any tenant's obligations under such leases, licenses and other agreements;

(2) All plans and specifications, all building permits and other permits required in connection with the construction of the Improvements and all warranties, guaranties and sureties now or hereafter received in connection with the construction of or equipment on the Improvements, including, without limitation, all rights of Seller under any plans, specifications, drawings and permits and all architectural, engineering or construction contracts with respect to the Improvements and all planned additions and alterations thereto or the redevelopment of the Property;

(3) All licenses, permits, approvals, certificates of occupancy and franchises relating to the zoning, land use, ownership, operation, occupancy, construction or maintenance of the Land and the Improvements running to or in favor of the Seller or the Improvements, and all deposits to governmental authorities relating to the Seller or the Improvements; and

(4) All service and maintenance contracts and equipment leases in connection with or used by the Seller in the operation of the Improvements and which Buyer accepts.

2. TOTAL PURCHASE PRICE. The purchase price for the Property is ONE MILLION EIGHT HUNDRED THOUSAND AND 00/100 DOLLARS ($1,800,000.00), subject to the adjustments provided for in Section 9 hereof.

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3. EARNEST MONEY DEPOSIT. Within one (1) business day after the Effective Date Buyer shall deposit with Chicago Title Insurance Company ("Title Company"), 701 Fifth Avenue, Suite 2300, Seattle, Washington 98104; Attn: Scott Smouse (the "Escrow Agent"), cash in the amount of ONE HUNDRED THOUSAND AND 00/100 DOLLARS ($100,000.00) (the "Earnest Money Deposit") which Earnest Money Deposit shall be applied or returned to Buyer as set forth in Section 4 below. The Earnest Money Deposit shall be placed in an interest bearing account and all interest thereon shall be paid to the party entitled to the Earnest Money Deposit according to the terms of this Agreement. Buyer shall execute a W-9 and/or other documentation necessary to facilitate deposit of the funds into such interest bearing account. Upon closing of this sale, the Earnest Money Deposit and interest thereon shall be paid to Seller and applied against the purchase price for the Property.

4. BUYER'S INSPECTION AND CONTINGENCY.

a. Inspection.

(i) Buyer shall have the duration between the Effective Date and October 18, 2013,~~a date ninety (90) days thereafter for Buyer~~ to evaluate the environmental and physical condition condition of the Property (the "Environmental Review Period"). During ~~this Environmental~~the Review Period (defined below), Buyer and Seller also shall negotiate in good faith the terms, conditions and other contents and form of the Declaration of Covenants to be recorded against the Property at Closing to address the Town Green, (including, but not limited to the elements of and location of the Town Green specified in Section 16a. hereof) and any other matter required to be included in the Declaration of Covenants. Buyer shall indicate its acceptance of the environmental and physical condition of the Property by delivery of a written notice to Seller not later than the end of the Environmental Review Period. ~~and thereafter, $50,000.00 of the Earnest Money Deposit shall become nonrefundable but applicable to the Purchase Price.~~ If, by the end of the Environmental Review Period, Buyer has not notified Seller in writing that Buyer accepts the Property in its then current condition, then this Agreement shall automatically terminate without further notice or action by the parties. Also if, during the ~~Environmental~~ Review Period, Buyer and Seller fail to agree upon the form and content of the Covenants (including, but not limited to the elements of and location of the Town Green specified in Section 16a. hereof), either party shall have the right, but not the obligation, to terminate this Agreement by written notice to the other, in which event all of the Earnest Money shall be refunded to Buyer and Buyer shall have no further right or interest in the Property or this Agreement. Upon termination pursuant to this section, the Earnest Money Deposit shall be returned to Buyer. Buyer agrees to deliver to Seller copies of all non-proprietary third party reports generated for Buyer. Thereafter, neither party shall have any obligation to the other, except for Buyer's obligation to pay for costs incurred during the Environmental Review Period and to defend, indemnify and hold harmless Seller from liability therefrom as stated in this Section 4 and in Section 6(b) below. During the Environmental Review Period, it is the parties' intent that Seller and Buyer will, as promptly as feasible, jointly write a letter to Kenmore Plaza LLC, owner of the adjacent property where the Boyd Dry Cleaner's was located, on which PCE has been detected which may be migrating onto the Seller's Property. The letter will formally request

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a meeting with Kenmore Plaza LLC to determine its intentions for remediation and, to the extent PCE has migrated onto Seller's property, how Kenmore Plaza intends to address the migrated contaminants.

(ii) If Buyer is satisfied with the environmental and physical condition of the Property~~, and if the CC&Rs are finalized (subject to Section 7.a(5) below) and the location of the Town Green determined (pursuant to Section 16(a) below), all~~ pursuant to Section 4(a)(i) above, Buyer shall thereafter have the period ending on the one hundred eightieth (180^{th}) day after the Effective Date (the "Review Period") to satisfy itself, in its sole and absolute discretion, concerning all aspects of the Property, including, without limitation, the contracts, leases and all other financial aspects of the Property; the availability and timing of any necessary governmental permits and approvals; the feasibility of using the Property for Buyer's intended use; acceptance of and finalization of all documentation necessary to memorialize and document the Development Criteria. In addition, during the Review Period, Buyer and Seller shall finalize the CC&Rs (subject to Section 7.a(5) below) and the location of the Town Green determined (pursuant to Section 16(a) below). Subject to the conditions stated in this Section 4, including the duty to indemnify and insure Seller as stated herein and the duty to obtain Seller's consent as to any destructive testing, excavations or similar actions, Buyer shall have the right at Buyer's expense to perform such tests, inspections and feasibility studies ("Inspections") on the Property as Buyer may deem necessary in Buyer's sole and absolute discretion. Buyer shall not perform or cause or permit any contractor working on its behalf to perform any invasive or destructive testing of any portion of the Property or of any improvements thereon or any excavation or boring into the Property without Seller's express written consent, which consent may be conditioned upon any such activity being performed at such times and in such manner as Seller deems appropriate to avoid risk of injury or loss to persons or property; Seller agrees to respond within two (2) business days to any written request received from Buyer to perform such invasive or destructive testing or excavation or boring. During this Review Period, Buyer shall work diligently to develop plans for the redevelopment of the Property in accordance with the Development Criteria, including but not limited to pursuing possible tenants for the redevelopment. First among the Buyer's priorities for pursuing new retail tenants will be a specialty grocery store and a "sit-down" restaurant. During this Review Period, Buyer shall meet with Seller on a regular basis to update Seller as to Buyer's progress in review of the Property. In the event Buyer should terminate this Agreement, Buyer shall provide the Seller with copies of all non-proprietary third party reports developed during the Review Period, as well as information regarding the negotiations with neighboring property owners and possible tenants. All Inspections shall be conducted at Buyer's expense and at no expense to Seller, shall (except as agreed upon in writing with Seller) not take place other than on a business day and after not less than two (2) business days' notice to Seller to enable Seller to have its representative present at such Inspections, and shall be conducted in such manner as not to constitute a breach of any Tenant Lease or violation of the rights of the parties in possession of the Property. Buyer shall maintain as to its own employees and agents, and shall cause any consultants retained by Buyer who conduct an Inspection on the Property to name Seller as additional insured on a comprehensive general liability policy (including personal injury, products/completed operations blanket contractual broad form property damage) with bodily injury coverage of at least $2,000,000 per person and $2,000,000 per occurrence and property damage coverage of at least $2,000,000 per occurrence.

b. Contact With Tenants. For any space which is occupied by a tenant, Buyer shall make appropriate arrangements with Seller as to the time and duration of Buyer's inspections and Buyer shall take all reasonable steps needed to protect tenants' property and to avoid disturbing tenants during the inspection process. In no event shall Buyer conduct or cause its inspections to be conducted in a manner which breaches any of Seller's obligations under any tenant leases.

c. Costs of Inspection Studies. Except as otherwise stated in this Agreement, all costs and expenses of all of Buyer's tests, inspections and studies shall be paid by Buyer when due, regardless of whether this sale closes. Buyer shall hold Seller harmless from, and shall defend and indemnify Seller against, all cost, damages, expense, liability, lien, or claim which is caused by any act or omission of Buyer or any agent or employee of Buyer during the course of Buyer' inspections or tests. Buyer's obligations under this Section 4 and Section 6(b) below shall survive termination, regardless of cause for termination, of this Agreement or Closing.

d. Procedure for Acceptance. If Buyer, by the end of the Review Period, Buyer and Seller have agreed on and finalized the CC&Rs (subject to Section 7.a(5) below) and the location of the Town Green (pursuant to Section 16(a) below) and Buyer has determined it wishes to proceed with purchase of the Property in its then current condition, Buyer shall give Seller written notice so stating. If Buyer provides such notice not later than the end of the Review Period, ~~the balance of~~ the Earnest Money Deposit ~~(i.e. the remaining $50,000.00)~~ shall become nonrefundable but applicable and Buyer shall be obligated to purchase and Seller obligated to sell the Property, subject only to the remaining terms and conditions of this Agreement. Any such notice of acceptance from Buyer must be unequivocal and must state, without qualification or condition (other than the conditions expressly stated in this Agreement as remaining in effect after the end of the Review Period), that Buyer accepts the Property in its then-current condition and desires to proceed with its purchase thereof pursuant to the terms of this Agreement. A notice from Buyer stating that it accepts the Property "subject to" a condition not expressed herein or "conditioned on" Seller taking some action not already required by this Agreement, or words to similar effect, shall not constitute a notice of acceptance for purposes of this Section. Alternatively, if, by the end of the Review Period Buyer and Seller have not agreed on the final form of the CC&Rs and location of the Town Green, or if~~,~~ Buyer has not notified Seller in writing that Buyer accepts the Property in its then current condition, then this Agreement shall automatically terminate without further notice or action by the parties. Upon termination pursuant to this section, the entirety~~remaining refundable portion~~ of the Earnest Money Deposit ~~(i.e. the remaining $50,000.00)~~ shall be returned to Buyer. Buyer agrees to deliver to Seller copies of all non-proprietary third party reports generated for Buyer. Thereafter, neither party shall have any obligation to the other, except for Buyer's obligation to pay for costs incurred during the Review Period and to defend, indemnify and hold harmless Seller from liability therefrom as stated in this Section 4 and in Section 6(b) below.

5. SELLER'S TITLE TO THE PROPERTY.

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a. Title Report. Within two (2) business days after the Effective Date, Seller shall order a Title Insurance Commitment for in ALTA policy of extended coverage title insurance from the Title Company together with copies of all exceptions. Buyer shall have until September 26, 2013~~ten (10) business days after receipt of the Title Commitment in which~~ to notify Seller in writing of any title exceptions or other matters affecting title to the Property as disclosed in the Title Commitment which are not approved by Buyer. All other exceptions to title contained in the Title Commitment and not identified as disapproved in Buyer's written notice shall be deemed "Permitted Exceptions." Seller shall cause the Title Company to provide to Buyer supplemental reports to the Title Commitment (together with copies of any underling exceptions identified therein) covering any additions or deletions from the date of the Title Commitment through the Closing Date. Buyer shall have five (5) business days following the receipt of a supplemental report to notify Seller in writing of its disapproval of any exception first disclosed in that supplemental report; if Buyer's disapproval of any supplemental report exception is not so communicated to Seller, the exception shall be considered a Permitted Exception. Within five (5) business days of its receipt of Buyer's notice of a disapproved title exception, Seller shall give a written response to Buyer ("Seller's Title Response") stating the action Seller agrees to take with respect to each of the title matters as to which Buyer has timely given Seller notice of Buyer's disapproval. Seller's failure to reply to Buyer within this five (5) business days period shall constitute notice to Buyer that Seller will not clear any of the title exceptions disapproved by Buyer. Failure to include mention of a particular disapproved title exception in Seller's Title Response shall constitute Seller's intent not to remove, correct or otherwise take any action as to such disapproved exception or title matter. If Seller does not timely notify Buyer that Seller will cause a disapproved title matter to be corrected to Buyer's satisfaction or removed from title (or if Seller fails to provide any Seller's Title Response within the time here specified), within five (5) business days after Buyer have received Seller' notification, or if no Seller's Title Response is given, then within five (5) business days after Seller's Title Response was due, Buyer shall notify Seller in writing if Buyer waives its objection to such title matter. If following the time for Buyer to give such notice there remain any disapproved title matters which Seller has not agreed to remove or correct, then this Agreement shall terminate, the Earnest Money Deposit shall be refunded to Buyer and thereafter neither party shall have any obligation to the other, except for Buyer's obligation to pay for costs incurred during the Review Period and to indemnify Seller from liability therefrom and further excepting those matters specifically identified in this Agreement as surviving termination. The foregoing notwithstanding, Seller agrees that, except for the lien for any nondelinquent taxes and any lien resulting from Buyer's actions, Seller shall cause all monetary liens against the Property to be released of record on or before the Closing Date.

b. Survey. Seller will provide Buyer with any surveys of the subject Property that Seller has in its possession. Buyer may, at its expense, obtain a new or updated and recertified ALTA/ACSM as-built survey of the Property and the footprints of the Improvements. Provided that the survey or update is completed, Buyer shall provide a copy of the new or updated survey to Seller at no cost to Seller. Seller shall instruct its surveyor to cooperate with Buyer if Buyer elects to have said surveyor update Seller's survey. If Buyer objects to any matter disclosed by any such survey, Buyer shall notify Seller and the parties shall attempt to resolve the matter.

6. DOCUMENTATION REQUIRED PRIOR TO CLOSING.

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a. Copies of Leases, Contracts, Other Information. Within two (2) business days after the Effective Date, Seller shall provide Buyer access to all leases of any portion of the Property, any leasing commission agreements, and all of the documents and reports identified in Exhibit B attached hereto, to the extent the same exist and are in Seller's possession or under Seller's control. Seller shall cooperate with Buyer to provide Buyer with all documents and reports determined by Buyer to be useful or necessary for Buyer's ownership and operation of the Property.

b. Buyer's Access; No Representation or Warranty as to Property Information. Seller agrees that Buyer shall have access to the Property and Seller's books and records relating to the Property between the Effective Date and the Closing Date. All costs and expenses of all of Buyer's tests, inspections and studies shall be paid by Buyer. Buyer shall hold Seller harmless from, and indemnify Seller against, all cost, damages, expense, liability, lien, or claim that is caused by any act or omission of Buyer or any agent or employee of Buyer during the course of Buyer's inspections or tests. Buyer acknowledges that the information maintained by Seller and made available to Buyer pursuant to this Agreement (the "Property Information") may include or consist in whole or in part of documents, reports and materials submitted or prepared by third parties, some of which may be in whole or in part no longer current or as to which Seller is not in a position to make any representation as to accuracy or completeness, and further includes information provided to or generated by Seller for Seller's own management and operational purposes and that Seller makes no representation or warranty of any kind, express or implied, written or oral, as to the completeness, accuracy, correctness, currency, pertinence, applicability or usefulness of such Property Information and that the same is provided to Buyer solely as an accommodation and is not intended as a substitute for Buyer's own complete and independent review and assessment of the Property. Without limitation on the foregoing, and except as specifically set forth in this Agreement, Buyer further acknowledges and agrees that Seller makes no representation or warranty of any kind, express or implied, with respect to information that may be contained in Seller's files or otherwise made available to Buyer consisting of or based on reports, correspondence, statements or other information in any form provided to Seller by any tenant or lessee of the Property.

c. Rent Roll. Seller shall provide Buyer with a rent roll within ten (10) days after the Effective Date, which rent roll (the "Rent Roll") shall identify by tenant name and space number the leases currently in effect on the Property (the "Leases"), any guarantors of the Leases, the commencement and expiration dates of the Leases, security deposits and the extent to which the same have been applied, any other deposits made by the tenant, such as last month's rent, the amount of monthly rent owed under the Leases, the dates through which such rents have been paid, and the total amount of the monthly estimated payment, if any, being made for taxes, insurance premiums and common area maintenance. All of the information contained in the Rent Roll shall be updated within seven (7) days prior to the Closing Date, shall be provided to Buyer not less than one (1) day prior to the Closing Date and shall contain sufficient information to allow the parties to prorate rents on the Closing Date.

d. Estoppel Certificates. Seller shall make commercially reasonable best efforts to provide Buyer with estoppel certificates, dated as of a date that is not earlier than twenty (20) days prior to the end of the Review Period, from all tenants of the Property. The form of the tenant estoppel certificate shall be the form attached hereto as Exhibit D or such other form as may be required by the leases and reasonably approved by Buyer. Buyer acknowledges that the form received from the US Postal Service shall be in the form typically delivered by the GSA. Following execution of this Agreement, Seller shall prepare the proposed forms of estoppel certificate and send the same to Buyer for its approval. Buyer agrees to review the forms and advise Seller as to any changes or objections to form or content within three (3) business days from Buyer's receipt; if Buyer provides no written objection within such time period, Buyer shall be deemed to have accepted the forms and Seller may proceed to submit them to the Tenants, subject to the time period stated in the first sentence of this Subsection d. In the event Buyer has not, by the date five (5) days prior to the scheduled Closing Date (the "Estoppels Delivery Date"), received estoppel certificates from all tenants occupying space in the Property in satisfaction of the conditions of this Section, Seller shall not be in default based thereon, but in such event Buyer shall have the right, but not the obligation, to terminate this Agreement by written notice from Buyer to Seller and to the Escrow Agent given not later than the last business day prior to the Closing Date. However, if by the Estoppels Delivery Date Buyer has received tenant-signed estoppel certificates in form and substance satisfying the conditions of this Section from tenants occupying at least eighty percent (80%) of the rentable and occupied space in the Property, then Seller shall have the obligation to provide a Landlord's estoppel signed by Seller in substantially the form attached hereto as Exhibit D, subject to any qualification or modification as may be required for such Landlord's estoppel accurate, to the best of Seller's actual knowledge, as to the leases with those tenants from whom a tenant-signed estoppel certificate has not been obtained, which Landlord's estoppel shall be considered the same as a tenant-signed estoppel certificate for purposes of this Section. Any such Landlord's estoppel shall, however, be given based solely to the best of Seller's actual knowledge, as defined in this Agreement. Estoppel certificates in the form of Exhibit D, or, if applicable, in the form required by a tenant's lease (including the GSA form), without material modification, shall satisfy the conditions of this Section notwithstanding certificates (from tenant or Landlord) showing the tenant is in arrears in rental payments so long as (i) no such arrearage is greater than thirty (30) days as of the date of the certificate *and* (ii) no such arrearages apply for tenants occupying, in total, more than twenty percent (20%) of the rentable and occupied tenant spaces on the Property. If Buyer elects to terminate this Agreement in the event the conditions of this Section have not been satisfied, upon such termination, the Earnest Money Deposit shall be refunded and returned to Buyer, and Buyer shall have no further right or interest in the Property. If Buyer provides no such notice of termination within the time herein specified, Buyer's right to terminate this Agreement pursuant to this Subsection (d) shall be deemed conclusively waived. In the event Seller provides a Landlord-signed estoppel certificate under this Section and thereafter a tenant-signed estoppel certificate satisfying the conditions of this Section is obtained from the tenant for whose lease such Landlord estoppel was provided, the Landlord estoppel certificate shall be deemed rescinded and of no force or effect and Seller shall have no duty or liability thereon or therefor.

e. Seller's Disclosure Statement. Not later than September 30, 2013~~Simultaneously with the execution of this Agreement~~, Seller shall deliver to Buyer a fully completed and executed Seller's Disclosure Statement (a "Form 17") for the Property.

f. Confidentiality. All information delivered to Buyer hereunder or otherwise obtained by Buyer pursuant to this Agreement shall be used exclusively for Buyer's use in connection with the ownership or operation of the Property. Except where such information is a matter of public record, Buyer shall keep such information strictly confidential by Buyer and, except for disclosures necessary in connection with Buyer's decision whether or not to purchase the Property, including, but not limited to, disclosures to its employees, agents, attorneys, accountants and other consultants, shall not be disclosed to any party or person without the written consent of Seller.

7. REPRESENTATIONS.

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a. Seller's Representations. Seller represents to Buyer that the following statements are true as of the Effective Date. Seller further agrees, as a condition to Closing, the following (subject to any modification made in accordance with Subsection b. hereof) shall be true as of the date of Closing:

(1) Zoning and Other Laws. Seller represents that the redevelopment of the Property in accordance with the Development Criteria described in Sections 15 through 18 of this Agreement is within the scope of actions allowable under the zoning codes applicable to the Property, subject, however, to all other permitting and regulatory requirements that apply to any proposed development, including, building codes, sign codes, ADA requirements and such other permitting and land-use requirements applicable to any proposed development (i.e., this representation is not a representation or warranty, express or implied, of the qualification for permits of any particular intended development). Seller further represents and warrants it has no present intent to adopt or make any material change prior to Closing in the zoning of the Property that would adversely affect the ability to proceed with proposed development as allowed under zoning in effect as of the Effective Date.

(2) Seller has not received any written notice from any governmental agency alleging that the Property or the use thereof by Seller or any Tenant is in violation of applicable statutes, codes, ordinances, rules or regulations, including, but not limited to, building codes, building or use restrictions and zoning ordinances.

(3) No Litigation. There is no pending or overtly threatened litigation or administrative action that will have an adverse effect on the Property.

(4) Eminent Domain. There is no pending or overtly planned eminent domain, condemnation or other governmental taking of the Property or any portion thereof.

(5) Hazardous Substances. Except as set forth in any environmental reports delivered to Buyer in connection herewith (including the reports and documents identified in the Environmental Conditions Summary report for Kenmore Village dated March 12, 2013, prepared by GeoEngineers, Inc., of Redmond, Washington) which reports disclose, among other things, the presence of Perchloroethylene in groundwater under the Property, which appears to have originated off-site from a dry cleaner located on the adjoining property, (a) Seller has no actual knowledge of the presence of any underground storage tanks on the Property or the placement or removal of any underground storage tanks on or from the Property during Seller's ownership of the Property; (b) Seller has no actual knowledge of any enforcement, cleanup, removal or other governmental or regulatory actions being instituted, contemplated or threatened against Seller or the Property; and (c) Seller has received no actual notice of any claims made by any third party or other person with respect to the Property seeking damages, contribution, cost recovery, compensation, loss, or injury resulting from Hazardous Substances. This representation of Seller shall survive closing. "Hazardous Substances" shall mean petroleum or petroleum byproducts, PCBs, and any other waste, substance or material now or hereafter defined, listed or designated as hazardous, toxic, a pollutant, waste or otherwise harmful to human health or the environment under any applicable federal, state or local law, statute, regulation or ordinance. The foregoing representation does not pertain in any way, and Seller expressly disclaims and does not make, any representation or warranty of any kind, express or implied, with respect to the presence or absence of asbestos or asbestos-containing materials on the Property or in any building or improvement located on the Property. Seller's providing of the GeoEngineers report referred to herein shall not be implied as constituting any covenant, agreement, representation or undertaking by Seller to take or be responsible for the cost or performance of any remediation or other action of any kind relating to or with respect to any Hazardous Substances disclosed or identified in such report, nor does Seller give any representation or warranty of any kind as to the contents of such GeoEngineers report other than to state that the GeoEngineers report is or has been provided to Buyer in the same form as provided to Seller.

(6) Assessments. There are no special or general assessments that are in addition to those disclosed in the title report which have been levied against or are overtly planned for the Property.

(7) No Breach of Agreements. This Agreement and the consummation of the transaction evidenced by this Agreement does not constitute a violation of any other agreement to which Seller is a party, or any law, statute or ordinance which is binding upon the Property or Seller.

(8) Authority of Seller. This Agreement is a valid and binding obligation of the Seller. Seller is a governmental entity. The person signing this Agreement on behalf of Seller has obtained all necessary authorizations and approvals to execute

this Agreement on behalf of Seller, and except as to such actions, no authorizations or approvals, whether of other governmental bodies or otherwise, are or will be necessary in order for Seller to enter into this Agreement. Neither the execution nor delivery of this Agreement nor the consummation of the transactions contemplated hereunder will, to Seller's actual knowledge, conflict with or result in the breach of any law, regulation, writ, injunction or decree of any court or governmental instrumentality applicable to Seller.

(9) Nonforeign Status. Seller is not a "foreign person" as defined in Section 1445 of the Internal Revenue Code of 1986, as amended.

(10) Leases.

(a) As of the date of the Rent Roll, Seller has not received any written notice of any offsets, defenses or claims against rent or other charges payable to Seller or other performance or obligations otherwise due from tenants under any Lease, except as specifically set forth in the Rent Roll, and

(b) Seller will provide Buyer with access to true, correct and complete copies of each Lease referred to in the Rent Roll.

(11) Purchase Rights. No person or entity has a contract or option to purchase, letter of intent, right of first refusal or first offer, or similar right with respect to the Property that is presently outstanding.

b. Update of Representations. In the event any of the foregoing representations of Seller in Section 7(a) are or become untrue on or before the Closing Date, or if Seller obtains information indicating any such representation will become untrue on or before the Closing Date, then Seller shall, by written Certificate of Amendment to Seller Representations (the "Certificate") delivered to Buyer within one (1) business day after Seller becomes aware such representation is or will become untrue before the Closing Date, which Certificate shall amend such representation(s) in such way as necessary for such representation(s) to be accurate as of the Closing Date. If such change to any representation(s) arose either by reason of a change in Seller's knowledge first obtained after the Effective Date or as a result of a change in facts or circumstances not caused by a breach by Seller of its obligations under this Agreement, then such change shall not be a breach or default by Seller under this Agreement; *provided, however,* in such event, as its sole remedy for such change, Buyer shall have the right to cancel this Agreement and receive back its entire Earnest Money Deposit by providing written notice of such election to Seller within two (2) business days after receipt of the Certificate. If Buyer provides no such notice within such time, then Seller's representations and warranties shall be deemed modified with Buyer's consent to conform to the change stated in the Certificate and there shall be no other change to this Agreement. If the exception or qualification set out in the Certificate relates to a matter known by Seller not to have been true as of the Effective Date, then such known misrepresentation shall constitute a

Seller default and Buyer shall have as its sole remedy therefor the right to terminate this Agreement and receive damages for such Seller's default as set forth in Section 10(b), or alternatively Buyer may elect to waive such default and proceed to complete its purchase of the Property with Seller's representations and warranties deemed modified by the Certificate. Buyer shall be deemed to have elected to waive such default and proceed to complete its purchase of the Property with Seller's representations and warranties deemed modified by the Certificate unless Buyer gives Seller a written notice of termination under this Section 7(b) within three (3) business days after Buyer receives the Certificate. If no such Certificate is delivered by Seller, then as of the Closing Date, the representations in Section 7.a. shall be deemed re-given as of the Closing Date exactly as set forth in Section 7.a. If one or more Certificates are given to Buyer and Buyer does not terminate this Agreement, and if Closing occurs, then as of the Closing Date Seller's representations as given in Section 7.a shall be deemed given exactly as appears in the text of Section 7.a subject only to such exception or qualification stated in such Certificate(s).

c. Seller's Actual Knowledge. As used herein, "to Seller's knowledge" or "to the actual knowledge of Seller," or words of similar import means the representation is limited to the actual, as opposed to constructive, knowledge of the City Manager of Seller.

d. Buyer's Representations. Buyer represents to Seller that this Agreement is a valid and binding obligation of Buyer. No authorizations or approvals, whether of governmental bodies or otherwise will be necessary in order for Buyer to enter into this Agreement. Neither the execution nor delivery of this Agreement nor the consummation of the transactions contemplated hereunder will, to the best of Buyer's actual knowledge, conflict with or result in the breach of any law, regulation, writ, injunction or decree of any court or governmental instrumentality applicable to Buyer.

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Buyer further represents and warrants to Seller that Buyer has full power and authority to enter into this Agreement. All requisite corporate, limited liability company or other entity action that is required for Buyer to enter into this Agreement has been taken by Buyer in connection with the execution of this Agreement. Except as expressly set forth in this Agreement or the documents delivered at Closing, Buyer acknowledges that no warranties, guarantees or representations have been or are being made by Seller or any agent or representative of Seller concerning the Property. This transaction is also subject to Section 14 below.

d. Survival. Except as otherwise expressly stated in this Section 7, all representations, warranties, agreements and indemnities contained in this Agreement and in all documents executed at closing shall survive the closing of this transaction (and not merge into the Deed and the recordation thereof) and shall remain enforceable.

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8. CONDITIONS TO CLOSING.

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a. Buyer's Conditions. Buyer's obligation to close this transaction is subject to the satisfaction of all of the following conditions in all material respects:

(1) Seller's Compliance. Seller's fulfillment of each of its obligations under this Agreement in all material respects.

(2) Seller's Representations. The accuracy of all of Seller's representations set forth in Section 7a. of this Agreement, as modified pursuant to Section 7b., if applicable, in all material respects. At Closing Seller shall deliver to Buyer a certificate reaffirming that all such Seller's representations are true and correct in all material respects as of the date of Closing.

(3) Estoppels. Buyer's receipt of the estoppels pursuant to Section 6.d and/or waiver of the right to terminate this Agreement as provided in that Section.

(4) Status of Title. The absence of any monetary lien or other defect in title to the Property that was not permitted by this Agreement or approved or deemed by Buyer. If there is any such monetary lien or defect, Buyer at its option may elect to assume or pay off any such monetary lien, or cure any such defect, and the cost incurred by Buyer shall be a credit against the Purchase Price.

(5) Permitted Uses. The absence of any material violation of any applicable statute, law or regulation regarding the physical condition of the Property or Seller's use thereof or of any material change in any laws or statutes which materially affect the Buyer's ability to use the Property for its current purposes;

(6) Condemnation. The absence of any condemnation. If Buyer waives this condition after the institution or threat of institution of condemnation proceedings that result in the taking of any of the Property and this transaction closes, Seller shall assign to Buyer on the Closing Date all condemnation awards and rights to awards that were not used by Seller to pay the costs of any restorations of the Property necessitated by the condemnation.

(7) Casualty. If the Improvements suffer any substantial damage by casualty which is not repaired by the Closing Date, Buyer may at its sole option either cause this transaction to close without increase or decrease in the purchase price, provided, however, that Buyer shall be entitled to all insurance proceeds, plus the amount of Seller's deductible shall be credited against the purchase price or Buyer may choose to not complete this purchase and Seller shall immediately refund all Earnest Money and neither Buyer nor Seller shall have any further obligation to one another. For purposes of this Section, the words "substantially damaged" mean damage that would cost Two Hundred Fifty Thousand and No/100ths Dollars ($250,000.00) or more to repair.

(8) Documentation. Negotiation and execution of all documentation required under this Agreement, including but not limited to the Declaration of Covenants.

(9) Town Green and Declaration of Covenants. Buyer and Seller shall have reached mutual agreement upon the design and options as to location and configuration, and all other principal elements of the Town Green, as described in Section 16.a, and Buyer and Seller shall have agreed upon the form and contents of and shall have executed and acknowledged and directed Escrow Agent to record at Closing the Declaration of Covenants.

b. Seller's Conditions. Seller's obligation to close this transaction is subject to the satisfaction of all of the following conditions in all material respects:

(1) Buyer's Compliance. Buyer's fulfillment of each of its obligations under this Agreement in all material respects.

(2) Buyer's Representations. The accuracy of all of Buyer's representations in this Agreement in all material respects. At Closing Buyer shall deliver to Seller a certificate reaffirming that all of Buyer's representations contained herein continue to be true and correct in all material respects.

(3) Documentation. Negotiation and execution of all documentation required under this Agreement, including the Declaration of Covenants.

(4) Town Green and Declaration of Covenants. Buyer and Seller shall have reached mutual agreement upon the design and options as to location and configuration, and all other principal elements of the Town Green, as described in Section 16a, and Buyer and Seller shall have agreed upon the form and contents of and shall have executed and acknowledged and directed Escrow Agent to record at Closing the Declaration of Covenants.

9. CLOSING.

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Field Code Changed

a. Closing Date. This transaction shall be closed on the "Closing Date," which shall be the fifteenth (15^{th}) day after the end of the Review Period, or the 15^{th} day after the day on which Buyer gives its notice of acceptance of the Property under Section 4.d hereof, whichever is sooner. If the date set for closing according to the preceding sentence is a Friday or non-banking day, then closing shall occur on the first business day thereafter. The Closing Date may be changed by mutual agreement of the parties evidenced in a letter or other writing signed by each party (or, for either party, by its legal counsel) and provided to the Escrow Agent.

b. Manner and Place of Closing. This transaction shall be closed by the Escrow Agent. Closing shall take place in the manner and in accordance with the provisions set forth in this Agreement. This Agreement shall constitute the parties' joint closing instructions to the Escrow Agent, which the Escrow Agent may follow with acquittance. Either party may submit additional closing instructions to the Escrow Agent, provided that a copy of any such additional closing instructions shall be given to the other party or other party's attorney (and if not given, may be provided by the Escrow Agent to the other party or other party's attorney), which additional instructions must, however, not conflict with the terms of this Agreement. The Escrow Agent shall have the right to disregard any such additional closing instructions or portions thereof, including any additional conditions to closing or change in allocation of costs or monetary terms, which conflict with the express terms stated in this Agreement.

c. Prorations; Adjustments.

(1) All utility expenses, all obligations under Service Contracts which are not terminated by the Closing Date and all rentals received from tenants as of the Closing Date and other fees received as of Closing under any Lease or other agreement concerning the Property shall be prorated and adjusted between the parties as of the Closing Date. All real and personal property taxes shall be prorated based upon the year in which they are assessed. At Closing, Buyer shall be given a credit against the purchase price of a dollar amount equal to the sum of all refundable tenant deposits or prepaid rents held by Seller. Each party will pay its own attorneys' fees.

(2) With respect to any rentals that are past due on the Closing Date, Buyer shall make customary good faith efforts to attempt to recover the same from the tenant for a period of sixty (60) days following the Closing Date. Buyer shall not be obligated to expend any monies toward such collection efforts. Buyer shall provide Seller with a report at the end of such period in which both such efforts and the results thereof are identified. All rentals received from such tenants subsequent to the Closing Date, after deduction of necessary collection costs, shall be applied first to the rent due and payable to Buyer on and after the Closing Date and then to the rent due to Seller for any period prior to the Closing Date. Rents received after the Closing Date for the month in which Closing occurs shall be divided between Seller and Buyer pro-rata based on the number of days each has owned the Property during the month in which Closing occurs. Nothing contained in this subparagraph shall impair Seller's rights to pursue any monetary claims against any tenant who is in default under any Lease prior to the Closing Date; provided, however, such actions shall not include any evictions or lease termination petitions. Proration of additional rent paid by tenants for taxes, insurance premiums and common area charges shall be prorated by Seller and Buyer outside of closing.

(3) Seller will attempt to have utility meters read as of the Closing Date. To the extent that this is not possible and to the extent that any other obligation for continuing services is incurred, and statements are rendered for such services covering periods both before and after the closing Date, the amount will be adjusted between the parties as of the Closing Date on a per diem basis. Seller will forward all such statements that are proper statements to Buyer along with Seller's payment for its share and Buyer will pay the same.

(4) Seller shall pay any real estate excise tax in connection with this sale, and Buyer shall pay the sales tax attributable to Personal Property and the recording fees for Seller's deed.

(5) Seller shall pay the premium for an owner's standard coverage owner's policy of title insurance. Buyer shall pay for the extended coverage portion of the premium.

(6) Seller and Buyer shall each pay one-half of the escrow and closing fees charged by the Escrow Agent.

d. Events of Closing. Provided the Escrow Agent has received the sums and is in a position to cause the title insurance policies to be issued as described below, this transaction will be closed on the Closing Date as follows:

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(1) Seller shall provide Buyer with (i) a certificate to the effect that to the actual knowledge of Seller, there have been no material changes in regard to the matters set forth under Section 7.a or (ii) a certificate to the effect that to the actual knowledge of Seller, there have been no material changes in regard to the matters set forth under Section 7.a, except for those exceptions or qualifications authorized by Section 7.b. If Seller delivers a certificate containing exceptions or qualifications under clause (ii) of the preceding sentence that arose by reason of a change in Seller's knowledge after the Effective Date, Buyer shall deliver its written approval of Seller's certificate to the Escrow Agent if Buyer determines to proceed with the purchase of the Property.

(2) Seller shall provide Buyer with the Certificate of Nonforeign Status as provided in Section 7.a (11).

(3) Seller shall deliver the originals of all of the Leases and all of Seller's documents, plans, specifications, reports, studies and contracts relating to the Property which are in Seller's or its manager's possession.

(4) Seller shall deliver the estoppel certificates required under this Agreement.

(5) Seller shall execute and deliver a notice to each tenant of the Property advising such tenant of the sale of the Property and advising them to pay all future rentals to Buyer or as otherwise directed by Buyer.

(6) Seller shall assign to Buyer all warranties and warranty payments, appeal rights, insurance proceeds, condemnation awards and approved Service Contracts as and to the extent required by this Agreement, which assignment shall be in the form attached hereto as Exhibit G.

(7) The Escrow Agent shall calculate the prorations described in Section 8.c., and the parties shall be charged and credited accordingly.

(8) Buyer shall pay the Purchase Price to Seller adjusted for the charges and credits set forth in this Agreement.

(9) Any liens to be paid by Seller at closing pursuant to Section 5.a. shall be paid and satisfied of record at Seller's expense.

(10) Seller shall assign the Leases to Buyer by good and sufficient assignment, which assignment shall be in the form attached hereto as Exhibit E.

(11) Seller shall convey the Personal Property without warranty except for warranty of title by good and sufficient Bill of Sale in the form attached hereto as Exhibit C.

(12) Seller shall convey the Property to Buyer by statutory warranty deed in the form attached hereto as Exhibit F, subject to the matters accepted by Buyer pursuant to Section 5.

(13) Seller shall assign those Service Contracts to Buyer that Buyer elected to assume or that could not be terminated by the Closing Date because of their terms by good and sufficient assignment, which assignment shall be in the form attached hereto as Exhibit G.

(14) Each of Buyer and Seller shall have executed and delivered to Escrow Agent, with instructions to record and deliver consistent with the terms of this Agreement, all of the documents and instruments referred to in this Agreement as necessary for Closing, including the Declaration of Covenants, the Deed, the Assignment and Assumption of Leases, the Assignment and Assumption of Contracts, and all such other documents as necessary for Closing.

(15) The Escrow Agent shall be irrevocably committed to issuing the policy described in Section 5.a. upon recordation of the closing documents.

(16) The Escrow Agent shall record the deed to Buyer and the Declaration of Covenants at Buyer's expense.

e. Title Insurance. As soon as possible after the Closing Date, the Escrow Agent shall furnish Buyer an ALTA extended coverage owner's policy of title insurance in the amount of the purchase price for the Property, in the form, and subject to those exceptions, agreed to by Buyer pursuant to Section 5 of this Agreement.

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f. Possession. Subject to the rights of tenants as tenants only under the Leases, Seller shall deliver possession of the Property to Buyer on the Closing Date subject to the Leases.

10. DEFAULTS AND FAILURE TO CLOSE.

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a. Seller's Remedies. If Buyer fails to complete this purchase without legal excuse, Seller shall have the right to receive the Earnest Money Deposit referred to in Section 3 as its sole and exclusive remedy. The parties acknowledge that this provision is intended to satisfy the requirements of RCW 64.04.005(l)(a) the terms of which are incorporated into and made a part of this Agreement by this reference. Buyer acknowledges the Property is not being purchased by Buyer primarily for Buyer's personal, family or household use, or household purposes. The parties have agreed that Seller's damages in the event of Buyer's failure, without legal excuse, to complete its purchase of the Property would be actual but would be extremely difficult or impracticable to determine, and the parties therefore acknowledge that the Earnest Money has been agreed upon between them, after due negotiation, as the parties' reasonable estimate of Seller's damages in such event. Retention of the Earnest Money shall constitute Seller's exclusive remedy against Buyer at law or in equity in the event of a failure by Buyer to complete its purchase of the Property without legal excuse but shall not satisfy or affect any of Seller's remedies for a breach, after Closing, of any of Buyer's obligations under this Agreement which survive Closing or are to be performed after Closing or Buyer's breach of any agreement, document or instrument executed by Buyer at or after Closing.

b. Buyer's Remedies. In the event that the transaction fails to close on account of Seller's fault, Buyer shall have the right to seek specific performance of Seller's obligation to convey title to the Property to Buyer pursuant to this Agreement, or alternatively (but not in addition to specific performance), Buyer, at its option, may elect to terminate this Agreement and receive return of the Earnest Money Deposit on written demand, together with reimbursement of all of Buyer's out of pocket expenses actually incurred by Buyer. Notwithstanding the foregoing, if Buyer would elect to pursue specific performance, but that remedy is not available or cannot be awarded, then Buyer, may pursue any other remedy available to Buyer at law or in equity.

c. Defaults. Except for the parties' wrongful failure to close by the required Closing Date, except as to its duty to make timely delivery of funds and/or documents as listed in Section 9(d), neither party shall be deemed in default under this Agreement unless such party is given written notice of its failure to comply with this Agreement and such failure continues for a period of ten (10) days following the date such notice is given. As to each party's duty to make timely delivery of funds and/or documents into escrow as specified in Section 9(d), a party that fails timely to do so shall be in default hereunder as of the time such funds and/or documents are due but not delivered and no notice or ten-day (or other period) to cure such default shall be required or apply, and the other party shall be entitled thereupon to enforce its remedies without any further delay.

d. No Consequential, Incidental or Punitive Damages. Notwithstanding any term or provision of this Agreement to the contrary, neither Seller nor Buyer shall under any circumstance relating to or arising from this Agreement, its performance or its default, be liable to the other for damages in the nature of consequential, incidental, punitive or exemplary damages (which include any claim for "lost profits," "lost opportunity" "opportunity costs," tax consequences and similar types of alleged damages). It is the intent of the parties that, in the event of a claim by either of them against the other, relief shall be limited to the actual, out-of-pocket loss of the party making the claim and not for any damages in the nature described above, irrespective of whether the same may actually exist or arise as a consequence of or be incidental to such out-of-pocket costs, or in the nature of punitive or exemplary damages. Nothing herein is intended to bar either party from recovering its attorney's fees and costs to the extent allowed by any other term of this Agreement or applicable law.

11. CONDUCT OF BUSINESS.

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a. Contracts. From the date of this Agreement until the Closing Date, Seller shall perform all of the landlord's obligations as and when required by the Leases and shall continue to operate the Property in accordance with customary and prudent management and operating standards and practices. Seller will not enter into any purchase contract obligation that will not be paid in full prior to the Closing Date or any service, maintenance or management contract that cannot be canceled upon thirty (30) days' notice at no cost to Buyer unless Seller first obtains the written approval of Buyer.

b. Property Maintenance. Seller agrees to maintain and repair the Property between the date of this Agreement and the Closing Date so as to cause the same to be delivered to Buyer in substantially the same condition existing as of the Effective Date, ordinary wear and tear, damage by casualty and damage by condemnation excepted pursuant to the terms and conditions of Sections 8a. (6) and (7) above.

c. Tenant Leases. Following the Effective Date, Seller shall not enter into any new Leases or agree to modify any existing Leases without Buyer's prior written approval. Notwithstanding the foregoing, should Seller execute or modify any Leases prior to Buyer's acceptance of the Property pursuant to Section 4 above, then in such event, Seller shall provide copies thereof to Buyer no later than two (2) business days after execution thereof, and if the Review Period has less than five (5) business days remaining, then in such event the Review Period shall be automatically extended for five (5) business days to allow Buyer to evaluate the new or modified lease(s). Nothing herein shall bar Seller from taking, consenting to or acting on any action specifically required or called for under any lease that may occur between the Effective Date and Closing, i.e., accepting tenant renewals in accordance with the existing lease terms, taking over premises from a tenant that vacates at the end of its lease term, provided that Seller shall provide Buyer with at least two (2) business days' written notice of its intent to take any such action.

d. If, between the date of this Agreement and the Closing Date, Seller receives any written notice or written citation or any other indication of any alleged or possibly alleged violation of any statute, code, ordinance, rule or regulation with respect to the Property or Seller's use thereof which will have an adverse effect on the Property, Seller shall promptly provide Buyer with a true and correct copy thereof.

e. Termination of Service Contracts. All Service Contracts that Buyer does not elect to assume shall be terminated on the Closing Date, unless the Service Contract contains provisions that would make it a breach of contract to terminate the contract on or before the Closing Date. If the Service Contract contains provisions that would make it a breach of contract to terminate the contract on or before the Closing Date, then Seller shall provide Buyer a list of all such contracts and Seller shall give written notice of termination within two (2) business days after Buyer accepts the Property pursuant to Section 4(d) above and Buyer shall assume the unexpired term of the Service Contract on the Closing Date.

f. Termination of Management Agreement. Seller shall take such steps to cause Seller's current management agreement, if any, to terminate on the Closing Date, unless otherwise agreed to by Buyer in writing.

12. AGENCY REPRESENTATION; BROKERS' COMMISSION. Seller and Buyer represent to each other that they have had no dealings with any broker or finder in connection with this Agreement or the transactions contemplated hereby, except that Seller has been represented by Colliers Retail Investment Services (the "Broker"). Seller shall pay a commission to the Broker in an amount pursuant to a separate agreement between Seller and Broker. The parties represent to each other that no other broker or person other than Broker is entitled to receive any broker's commissions or finder's fees or similar compensation in connection with any aspect of this transaction. It is agreed that if any claims for brokerage commissions or fees are ever made against Seller or Buyer in connection with this transaction, other than the commission to Broker set forth above, all such claims shall be handled and paid by the party whose actions or alleged commitments form the basis of such claim. The party against whom the claim for such fees is made shall indemnify and defend and hold the other party harmless from any and all such claims or demands with respect to any brokerage fees or agent's commissions or other compensation asserted by any person, firm, or corporation in connection with this Agreement or the transactions contemplated herein.

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13. INDEMNIFICATION.

a. Seller's Indemnification. Seller agrees to defend, indemnify and hold Buyer harmless from and against all claims, damages, losses, and attorneys' fees that are caused by Seller's failure to perform any landlord's or owner's obligation under any Lease or Service Contract for the Property prior to the Closing Date.

b. Buyer's Indemnification. Buyer agrees to defend, indemnify and holds Seller harmless from and against all claims, damages, losses, and attorneys' fees which are caused by Buyer's failure to perform any landlord's or owner's obligation under any Lease or Service Contract for the Property assumed by Buyer on and after the Closing Date.

c. Survival of Indemnifications. Each of the indemnifications contained in this Section shall survive the closing of this transaction.

14. **BUYER'S INDEPENDENT INVESTIGATION; AS-IS SALE**

a. Buyer's Investigation. Buyer's giving of a notice pursuant to Section 4(d) hereof electing not to allow this Agreement to be terminated, and Buyer's proceeding to Closing and acquisition of the Property, shall each constitute Buyer's acknowledgment, agreement and representation to Seller that Buyer has been given full opportunity to inspect and investigate each and every aspect of the Property deemed pertinent by Buyer to its decision to acquire the Property in accordance with this Agreement, either independently or through agents of Buyer's choosing, including, without limitation:

(1) all matters relating to title, together with all governmental and other legal requirements such as taxes, assessments, zoning, use permit requirements and building codes;

(2) the physical condition of the Property, including, without limitation, the square footage of the Property, the structure, geotechnical and seismic capabilities of the Property, the paving, the utilities, if any, and all other physical and functional aspects of the Property. Such examination of the physical condition of the Property shall include, but not be limited to, the Buyer's examination of the presence or absence of Hazardous Substances as defined in this Agreement;

(3) any easements and/or access rights affecting the Property;

(4) all tenant leases, service contracts and all other documents or agreements of significance affecting the Property; and

(5) all other matters of material significance affecting the Property.

Without limitation on the foregoing, Buyer's completion of Closing and purchase of the Property shall further constitute Buyer's knowing and intentional purchase and assumption, and a transfer to Buyer of, all risks, liabilities, damages, obligations and other consequences, legal or otherwise, associated with or arising from the environmental conditions of the Property and of any adjoining property as disclosed in any of the environmental reports or other materials provided to Buyer, including (but not limited to) the report of GeoEngineers, Inc., of Redmond, Washington, dated March 12, 2013 addressed to the City of Kenmore on the subject of "Environmental Conditions Summary, Kenmore Village" and all reports, documents and information cited or referred to therein. Buyer acknowledges that, if Buyer proceeds to Closing, Buyer shall be deemed to have represented and warranted to Seller that Buyer has reviewed such report and its contents and that Buyer has made a knowing and informed decision to assume any risks, liabilities, obligations and other consequences of ownership of the Property which may arise from any of the foregoing.

b. Buyer's Waiver of Reliance. BUYER SPECIFICALLY ACKNOWLEDGES AND AGREES THAT SELLER IS SELLING AND BUYER IS PURCHASING THE PROPERTY ON AN "AS IS WITH ALL FAULTS" BASIS AND THAT BUYER IS NOT RELYING ON ANY REPRESENTATIONS OR WARRANTIES OF ANY KIND WHATSOEVER, EXPRESS OR IMPLIED, FROM SELLER, ITS AGENTS, OR BROKERS AS TO ANY MATTERS CONCERNING THE PROPERTY EXCEPT TO THE EXTENT AS EXPRESSLY STATED IN THIS AGREEMENT, INCLUDING WITHOUT LIMITATION: (i) the quality, nature, adequacy and physical condition and aspects of the

Property, including, but not limited to, the structural elements, seismic capabilities of the Property, appurtenances, access, sewage, utility systems, if any, the square footage of the Property, (ii) the quality, nature, adequacy, and physical condition of soils, geology and any groundwater, (iii) the existence, quality, nature, adequacy and physical condition of utilities serving the Property, if any, (iv) the development potential of the Property, and the Property's use, habitability, merchantability, or fitness, suitability, value or adequacy of the Property for any particular purpose, (v) the zoning or other legal status of the Property or any other public or private restrictions on use of the Property, (vi) the compliance of the Property or its operation with any applicable codes, laws, regulations, statutes, ordinances, covenants, conditions and restrictions of any governmental or quasi-governmental entity or of any other person or entity, (vii) the presence of Hazardous Substances on, under or about the Property or the adjoining or neighboring property, (viii) the quality of any labor and materials used in any improvements on the Property, (ix) the condition of title to the Property, (x) the contracts or other agreements affecting the Property and (xi) the economics of the operation of the Property. *Provided,* the foregoing does not apply to Seller's representations and warranties as expressly stated in Section 7 hereof, which are not subject to or limited by this Section 14.

c. Buyer's Release of Seller. Buyer, on behalf of itself and its successors and assigns, except as expressly set forth in this Agreement or the documents delivered at Closing and expressly excepting out Seller's liability with respect to its representations and warranties in Section 7, waives its right to recover from, and forever releases and discharges, the City of Kenmore and all of its officers, employees, and officials to the extent of their official capacity acting on behalf of the City of Kenmore (the "Seller Release Parties") from any and all demands, claims, legal or administrative proceedings, losses, liabilities, damages, penalties, fines, liens, judgments, costs or expenses whatsoever (including, without limitation, attorneys' fees and costs), whether direct or indirect, known or unknown, foreseen or unforeseen, that may arise on account of or in any way be related to or connected with (i) the physical condition of the Property including, without limitation, all structural and seismic elements, all mechanical, electrical, plumbing, sewage, heating, ventilating, air conditioning and other systems, the environmental condition of the Property and Hazardous Substances on, under or about the Property, (ii) any matter within the scope of matters referred to in Subsections (a) and (b) in this Section 14, or (iii) any Environmental Law. This release does not apply to (i) any predecessors in interest to Seller, or any parties in privity of contract (other than the Seller Release Parties) with Seller and/or (ii) any third parties against whom a claim may be made regarding any condition of the Property, and/or (iii) any breach by Seller of the representations and warranties in Section 7 of this Agreement, and Seller covenants to cooperate with Buyer, its successors and assigns, as may be necessary from time to time, including but not limited to assignment of claims and related matters (but not as to any such actions that may result in material cost to Seller or Seller Release Parties), to allow Buyer and its successors and assigns to pursue any and all claims against any other parties regarding the condition of the Property.

15. BUYER COVENANT NOT TO RE-SELL. Buyer hereby covenants and agrees that Buyer shall not, and shall not have the lawful authority to, sell, transfer, or otherwise permit any change of ownership of the Property or any part thereof or a transfer, in a single transfer or

multiple transfers, aggregating fifty percent (50%) or more of the ownership or equity interests in Buyer (any and all of the foregoing, a "Change of Ownership") prior to an approved site plan for the property and completion (meaning Certificate of Occupancy, or Temporary Certificate of Occupancy, obtained) of at least 20,000 square feet of new construction at the Property. Notwithstanding the foregoing (and subject to all subdivision and other legal requirements existing independently from this Agreement), Buyer shall have the right to sell one (1) individual building on the Property prior to completion of 20,000 square feet of new construction, so long as no Change of Ownership has occurred with respect to the remainder of the Property. No such sale shall in any way be deemed a waiver of the requirements of this Section. The Declaration of Covenants shall include language incorporating the terms of this Section.

16. GENERAL REQUIREMENTS FOR PROPERTY IMPROVEMENTS. Buyer acknowledges and agrees, as part of any construction, development or other work or improvement Buyer undertakes on the Property after Closing, the following shall apply:

a. Town Green Designation.

(i) As part of the commercial site development plan application and approval process, a portion of the Property shall be set aside for dedication to the public use as a Town Green or Town Square on the Property (the "Town Green"). During the ~~Environmental~~ Review Period, Buyer and Seller shall work together in a good faith effort to reach agreement on the principal elements of the Town Green, including the up to three (3) potential locations and configurations for each location as described below, general design specifications, permitted and prohibited uses, the types of improvements to be placed thereon, determination as to how and by whom the use of the Town Green is to be controlled, and the Specifications as described below. During the ~~Environmental~~ Review Period, Buyer and Seller shall endeavor in good faith to agree upon up to three (3) potential locations for the Town Green along with agreement as to the configuration of the Town Green that would apply for each such potential location. After closing, at Buyer's sole discretion, Buyer may select any one of the agreed-upon locations for the Town Green, in which event the Town Green shall be dedicated at such location and in the configuration agreed upon by Buyer and Seller during the ~~Environmental~~ Review Period for that location. In addition to the above, the Town Green, wherever located or configured, shall conform to the following Specifications, the details of which must be agreed upon during the ~~Environmental~~ Review Period as a condition to satisfaction of the condition stated in Section 4a.(ii): The Town Green shall be: 1) approximately 10,000 square feet in size (subject to adjustment as described below); 2) at or very close to the elevation of the street (or back of sidewalk) level; 3) open at all times for public gatherings and use; 4) immediately adjacent to commercial building(s); 5) the Seller's "front door" for the project, prominent and easily visible from the street and not tucked in the back of the Property; 6) a single contiguous parcel of real property; 7) with a covered or indoor portion, if but only if agreed upon by Seller and Buyer; and 8) served by utilities for water and electricity. During the ~~Environmental~~ Review Period, Buyer and Seller shall further endeavor to reach agreement as to responsibility for the cost of and for the supervision or control of construction, installation, maintenance and repair of those improvements (including landscaping) which Seller and Buyer agree to be placed on the Town Green. Buyer's commercial site plan application will include one of the alternative locations (including configuration) of the Town Green as agreed upon between Buyer and Seller during the ~~Environmental~~ Review Period. The Purchase Price and other consideration Seller has agreed to accept in this Agreement for the Property assumes ten thousand (10,000) contiguous square feet of the Property shall be dedicated to and for perpetual public use thereof as the Town Green at the time of site plan approval. Costs and responsibility for detailed design and construction of the Town Green will be agreed upon by the Seller and Buyer in a future agreement, the terms, conditions and form of which shall be agreed on not later than the end of the ~~Environmental~~ Review Period.

(ii) If as a result of an express mutual agreement reached between Buyer and Seller the Town Green is materially greater or less than ten thousand (10,000) square feet, then Seller shall pay to Buyer (or if materially less than 10,000 square feet, Buyer shall pay to Seller) a price equal to the per square foot price of the Property under this Agreement. As used in the immediately-preceding sentence, "materially" means by five hundred (500) square feet or more. Notwithstanding anything to the contrary set forth herein, the Town Green size shall not exceed 10,000 square feet without express agreement of Buyer nor be materially less than 10,000 square feet without the express agreement of Seller.

(iii) At such time as a final site plan is determined by Buyer, and after final site plan approval and as a condition thereto, Buyer shall dedicate the Town Green, as located and configured in the approved site plan, to and for perpetual public use. Buyer shall bear the cost of and be responsible for the survey work, legal description, and other costs and services necessary to dedicate the Town Green property for such use. This Town Green dedication provision in no way implies that the Seller shall be responsible for any portion of the overall site development application or design costs (except to the extent agreed upon by Seller during the negotiation as to the nature and type of improvements to be placed on the Town Green), nor shall the Seller bear any responsibility or costs for submitting the commercial site development application.

(iv) Buyer acknowledges the intent is that, the Town Green will be an active and engaging, park-like place for the public, conducive to resting, reflection, conversation, quiet gathering and similar uses. It is a public place at the center of things, where people from different backgrounds can strike up a conversation. It is important that this square be integrated with other uses so that it has life day to day. The Town Green shall be, in effect, the "front door" for Seller's intended plan for development of the Property and adjoining properties to cause the area occupied by such properties to become a community gathering place, and Seller agrees that its decisions governing the use of the Town Green and the nature and type of improvements to be installed or constructed thereon shall be consistent with such intention. Seller further agrees the planned uses of the Town Green should be consistent with and not materially impede

Buyer's development of the Property for retail purposes contemplated by this Agreement such that Seller's design and uses of the Town Green should be such as not to result in any material burden upon parking used by Buyer or Buyer's tenants or otherwise materially interfere with the ability of Buyer's tenants to conduct business in the retail spaces to be developed by Buyer on the Property. Seller and Buyer acknowledge that the CC&Rs to be drafted during the ~~Environmental~~ Review Period shall address the use, operation and maintenance of the Town Green, which CC&Rs shall be incorporated into the Declaration of Covenants.

b. Sidewalk, Landscaping and Street-side Improvements. Buyer agrees, and acknowledges as a condition to any permit for construction of improvements on the Property, Seller may require, and Buyer agrees, that such improvements shall include sidewalks and landscaping. The sidewalks and landscaping shall be of such nature consistent with those required under the City's regulations in KMC Chapter 18. Such improvements shall be installed along or adjacent to any portion of the Property that borders or is adjacent to a public street. Buyer agrees that the absence of such improvements for prior development or elsewhere along such public street shall not excuse Buyer's compliance with this Subsection b. as to any development constructed by Buyer on the Property.

c. Utility Lines. Electric power transmission and all other utility lines and conduits associated with any construction or improvements on the Property must be placed underground so that no utility lines are located above ground.

d. Construction of Approximately 20,000 SF of New Construction. Buyer agrees that its site plans, as submitted from time to time, before and after Closing, shall contemplate not less than twenty thousand (20,000) square feet of new construction on the Property (the "New Construction"). If, at some point, Buyer elects to remodel an existing building on the Property, rather than demolish it, such remodel shall not be considered part of the New Construction. Buyer shall in such case submit to Seller a revised site plan showing where the New Construction shall be located if the location thereof is changed or affected by the remodel work.

17. RETAIL SPACE. Buyer acknowledges and agrees that, as a condition to any permit to be issued to Buyer by Seller (in Seller's capacity as a governmental entity with jurisdiction over the Property, and not in its capacity as a property owner or as Seller hereunder) or by any other governmental entity with jurisdiction over the Property, at least five thousand (5,000) square feet of rentable interior space created as part of any new construction undertaken by Buyer on the Property (as referenced in Section 15 above) shall be dedicated and used exclusively as retail space. As used herein, "retail space" means space used by "retail" uses as defined in KMC 18.20.2364 and consistent with permitted or conditionally permitted use allowances in the Downtown Commercial zone in KMC 18.25.020, as it may be amended from time to time, provided that Buyer covenants it will not include the following uses on the Property listed below. This retail requirement shall be incorporated into the Declaration of Covenants described in Section 18 hereof, which shall further provide that none of the following uses shall at any time be permitted on or within the Property:

(i) Any operation primarily used as a storage warehouse operation and any assembling, manufacturing, distilling, refining, smelting, agricultural or mining operation.

(ii) Any mobile home park, trailer court, labor camp, junkyard, or stockyard; provided, however, this provision shall not be applicable to the temporary use of construction trailers during periods of construction, reconstruction, or maintenance.

(iii) Any dumping, disposing, incineration or reduction of garbage; provided, however, this prohibition shall not be applicable to garbage compactors located near the rear of any building.

(iv) Any body shop repair operation.

(v) Any mortuary or funeral home.

(vi) Any primarily gambling facility or operation, including but not limited to: off-track or sports betting parlor; table games such as blackjack or poker; slot machines, video poker/blackjack/keno machines or similar devices; or bingo hall; notwithstanding the foregoing, this prohibition shall not be applicable to government sponsored gambling activities or charitable gambling activities, so long as such governmental and/or charitable activities are incidental to the business operation being conducted by the occupant of the Property.

(vii) No "adult entertainment" stores or purveyors, including, but not limited to stores or purveyors selling, renting or otherwise offering pornographic videos, books, literature, "toys," or similar products.

(viii) No auto supply, auto parts, tire stores or auto repair shops or facilities.

(ix) Except as required by applicable law, no sellers, providers or purveyors of medical or recreational marijuana, cannabis or similar substances or products or products employed primarily in the use or consumption thereof.

18. COVENANTS. At Closing, and as a condition thereto, and prior to recording of any deed of trust, mortgage or security instrument against the Property, Buyer shall execute and deliver to Escrow Agent for recording a Declaration of Covenants in form and content mutually acceptable to Buyer and Seller (the "Declaration of Covenants" or "CC&Rs") incorporating each of the terms and conditions set out in Sections 15 through 17 hereof, in such form so that the covenants stated therein shall run with the land and be binding on Buyer and its successors and assigns with respect to the Property. Buyer and Seller shall work cooperatively and in good faith to reach agreement on the final form thereof prior to the end of the Environmental Review Period.

19. GENERAL PROVISIONS.

a. Assignments. Buyer shall have the right to assign this Agreement to a limited liability company, limited partnership, corporation or other entity owned by or under common ownership with Buyer without Seller's prior written consent, which assignment shall be effective upon Seller's receipt of written notice of such assignment. Buyer shall have the right to assign this Agreement to third parties unaffiliated with Buyer only with Seller's prior written consent, such consent not to be unreasonably withheld. In determining whether to consent to such assignment, Seller shall have the right to assess and determine, in its reasonable judgment, whether such proposed assignee demonstrates to Seller's satisfaction that it is (i) committed to the Position Statement for the Property and the City's Downtown Goals and (ii) capable of and willing to abide by all of the terms and agreements to which Buyer has agreed in this Agreement and related documents and whether, in Seller's judgment, it will be able to reach agreement with such proposed assignee on the matters set forth in Section 16a, and Seller shall not be required to consent to an assignment to any person or entity which, in Seller's reasonable judgment, will not satisfy such criteria.

b. Notices. Notices under this Agreement shall be in writing and if personally delivered, emailed or faxed shall be effective when received. If sent by a commercially recognized overnight courier for next business day delivery, a notice shall be deemed effective on the next business day after it is deposited with the overnight courier. Notices shall be delivered, emailed, couriered or faxed to the following address and telephone numbers:

"SELLER"
City of Kenmore
Atten: Rob Karlinsey, City Manager
18120 68th Ave NE | Kenmore, WA 98028
Fax: 425-481-3236
E-mail: rkarlinsey@kenmorewa.gov

Copy to:
Inslee Best Doezie & Ryder, P.S.
Atten: Andrew L. Symons
777 108th Ave. N.E., Suite 1900
Bellevue, WA 98004
Fax: (425) 635-7720
Email: asymons@insleebest.com

"BUYER"

BCC – RPI Kenmore LLC
Attn: Larry R. Benaroya
Suite 250
3600 136TH Place SE
Bellevue, WA 98006
Fax: (425) 440-6730
Email: larryb@benaroya.com

Copy to:

Benaroya Capital Company, L.L.C.
Attn: Marc G. Nemirow
Suite 250
3600 136TH Place SE
Bellevue, WA 98006
Fax: (425) 440-6730
Email: marcnemirow@benaroya.com

Copy to:

Anne DeVoe Lawler
Jameson Babbitt Stites & Lombard
801 Second Avenue, Suite 1000
~~999 Third Avenue, Suite 1900~~
Seattle, WA 98104
Fax: (206) 292-1995
Email: alawler@jbsl.com

Any party may change its address for notices by at least five (5) days' advance written notice to the other.

e. Legal Relationships. This Agreement creates only the relationship of Seller and Buyer and no joint venture, partnership or other joint undertaking is intended hereby, and neither party hereto shall have any rights to make any representations or incur any obligations on behalf of the other. Neither party has authorized any agent to make any representations, admit any liability or undertake any obligation on its behalf. Neither party is executing this Agreement on behalf of an undisclosed principal and no third party is intended to be benefited by this Agreement. The parties agree that this Agreement involves only the sale and purchase of real, personal and intangible property, that Buyer is not acquiring any business or ongoing liability of Seller, and except to the limited extent assumed by Buyer in writing, Buyer shall have no successor liability under this Agreement to any employee, agent or other person with whom Seller has contracted or is liable.

f. Waiver. Failure of any party at any time to require performance of any provision of this Agreement shall not limit that party's right to enforce the provision. Waiver of any breach of any provision shall not be a waiver of any succeeding breach of the provision or a waiver of the provision itself or any other provision.

g. Attorneys' Fees. In the event suit or action is instituted to interpret or enforce the terms of this Agreement, the prevailing party shall be entitled to recover from the other party such sum as the court may adjudge reasonable as attorneys' fees in the preparation of its case at trial, on any appeal, and on any petition for review, in addition to all other sums provided by law.

h. Entire Agreement. This Agreement, together with its Recitals and Exhibits, all of which are incorporated into and made part of the terms hereof, constitutes the entire contract, agreement and understanding of Buyer and Seller with respect to the subject matter hereof and supersedes and replaces all written and oral agreements previously made or existing between the parties with respect hereto.

i. Applicable Law. This Agreement shall be construed, applied and enforced in accordance with the laws of the State of Washington.

j. Subsequent Modifications. This Agreement and any of its terms may only be changed, waived, discharged or terminated by a written instrument signed by each of the parties hereto. Any modification or amendment claimed to have been entered into orally or by conduct, if not meeting the requirements of this Section, shall be of no force or effect.

k. Indemnified Parties. Any indemnification contained in this Agreement for the benefit of a party shall extend to such party's employees, attorneys and agents and shall survive closing or the termination of this Agreement as the case may be.

l. Invalidity of Provisions. If any provision of this Agreement, or any instrument to be delivered to Buyer at closing pursuant to this Agreement, is declared invalid or is unenforceable for any reason, such provision shall be deleted from such document and shall not invalidate any other provision contained in the document.

m. Saturday, Sunday, and Legal Holidays. If the time for performance of any of the terms, conditions and provisions hereof shall fall on a Saturday, Sunday or legal holiday, then the time of such performance shall be extended to the next business day thereafter.

n. Intentionally deleted.

o. No Third Party Beneficiaries. This Agreement is for the benefit solely of the parties hereto and their respective heirs, assigns and successors, and is not intended for the benefit of and may not be enforced by any person or entity not a party hereto.

p. Headings. The headings or captions to each of the Sections of this Agreement are for convenience of reference only and are not part of the terms of this Agreement.

q. Counterparts; facsimile signatures. This Agreement may be executed in any number of original counterparts, each of which shall be deemed an original, but all of which when taken together shall constitute one and the same instrument. Each party (i) agrees to permit the use, from time to time and where appropriate, of telecopied signatures in order to expedite the transaction contemplated by this Agreement, (ii) intends to be bound by its respective telecopied signature, (iii) is aware that the other party will rely on the telecopied signature, and (iv) acknowledges such reliance and waives any defenses to the enforcement of this Agreement and the documents effecting the transaction contemplated by this Agreement based on the fact that a signature was sent by telecopy. As used herein, the term "telecopied signature" shall include any signature sent via email in portable document format ("pdf").

IN WITNESS WHEREOF, the parties have caused this Agreement to be executed as of the dates set forth below their signatures below.

"BUYER"	"SELLER"
BCC – RPI KENMORE LLC, a Washington limited liability company	CITY OF KENMORE A Municipal Corporation
By: ________________	By: ________________
Name: ________________	Name: ________________
Title: ________________	Title: ________________
Dated: __________	Dated: __________

Contract No. 13-C1169.

EXHIBIT A
LEGAL DESCRIPTION

PARCEL A (Parcel No. 6181700410):

PARCEL B OF CITY OF KENMORE BOUNDARY LINE ADJUSTMENT NO. 2012-048, AS RECORDED ON OCTOBER 3, 2012, RECORDS OF KING COUNTY, WASHINGTON, RECORDING NO. 20121003900001, ALSO DESCRIBED AS:

ALL OF BLOCK 13 OF NORTHLAKE TERRACE, ACCORDING TO THE PLAT RECORDED IN VOLUME 33 OF PLATS, PAGE 20, IN KING COUNTY, WASHINGTON;
AND A 20 FOOT ALLEY LYING WITHIN SAID BLOCK AND ADDITION AND ADJOINING THE NORTHERLY LINE OF LOT 10 THEREOF;
AND THAT PORTION OF VACATED KENMORE AVENUE, NOW 67TH AVENUE NORTHEAST, WHICH LIES EASTERLY OF A LINE DRAWN 390 FEET WEST OF AND DISTANT FROM THE EAST BOUNDARY LINE OF BLOCK 13 OF SAID ADDITION;

EXCEPT THE WESTERLY 150 FEET THEREOF.

AND EXCEPT THE SOUTH 22.00 FEET OF THE WEST 55.00 FEET THEREOF DEDICATED TO THE CITY OF KENMORE FOR RIGHT OF WAY PURPOSES PER ORDER OF CONVEYANCE RECORDING NUMBER 20121003000894;

TOGETHER WITH THE SOUTH 100.00 FEET OF THE FOLLOWING DESCRIBED TRACT:

ALL OF BLOCK 13 OF NORTHLAKE TERRACE, ACCORDING TO THE PLAT RECORDED IN VOLUME 33 OF PLATS, PAGE 20, IN KING COUNTY, WASHINGTON;
AND A 20 FOOT ALLEY LYING WITHIN SAID BLOCK AND ADDITION AND ADJOINING THE NORTHERLY LINE OF LOT 10 THEREOF;
AND THAT PORTION OF VACATED KENMORE AVENUE, NOW 67TH AVENUE NORTHEAST, WHICH LIES EASTERLY OF A LINE DRAWN 390 FEET WEST OF AND DISTANT FROM THE EAST BOUNDARY LINE OF BLOCK 13 OF SAID ADDITION;

EXCEPT THE SOUTH 22.00 FEET DEDICATED TO THE CITY OF KENMORE FOR FIRGHT OF WAY PURPOSES PER ORDERR OF CONVEYANCE, RECORDING NO. 20120309001122.

PARCEL B (Parcel No. 6181700350):

VACATED LOTS 8 AND 9 IN BLOCK 12 OF NORTHLAKE TERRACE, ACCORDING TO PLAT RECORDED IN VOLUME 33 OF PLATS AT PAGE 20, IN KING COUNTY, WASHINGTON,

TOGETHER WITH THE SOUTH HALF OF VACATED NORTHEAST 182ND STREET ADJACENT THERETO,

AND TOGETHER WITH ALL OF THAT PORTION OF VACATED 67TH AVENUE NORTHEAST THAT LIES WEST OF A LINE DRAWN 390 FEET WEST OF THE EAST LINE OF BLOCK 13 OF SAID ADDITION, AND SOUTH OF THE CENTER LINE OF NORTHEAST 182ND STREET, EXTENDED EAST.

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EXHIBIT B

Contracts and Other Information

Seller will provide the following, to the extent existing and in Seller's possession:

1. Monthly operating expenses for the Property, including all property management reports from January 1, 2009 forward.
2. Intentionally deleted.
3. All previous capital budgets and expenses in existence from January 1, 2009, to present and to the extent available budgets for upcoming years.
4. Operating budgets for the previous years from and after January 1, 2009, including any narrative, as well any future budgets and narrative available.
5. A complete and accurate list of all personal property belonging to Seller and presently used in connection with the operation or maintenance of the Property.
6. All documentation in connection with the environmental and geotechnical condition of the Property, including any Phase I and/or Phase II reports concerning Hazardous Substances, all recorded documents affecting the Property, and any existing title reports on the Property (including copies of all exceptions) which are owned by or in the possession of Seller or its agents.
7. All service and maintenance contracts, equipment leases and other contracts currently in effect.
8. All architectural, construction, and any other plans for the Property if available, and copies of all engineering reports, ADA audits, construction, roof, equipment and other warranties, and similar documents in the possession of Seller or its agents dating from January 1, 2009, to present.
9. All surveys, including ALTA surveys for the Property.
10. All engineering studies, including but not limited to soils reports.
11. Evidence of all governmental approvals, including, but not limited to all certificates of occupancy for any present use.
12. All Leases currently in effect.
13. All Service Contracts currently in effect.
14. All permitting information on the Property with respect to present uses.

Contract No. 13-C1169.

EXHIBIT C

BILL OF SALE

___________________, a ______________ ("Seller"), in consideration of ____ and No/100 Dollars ($10.00), receipt of which is hereby acknowledged does hereby sell, assign and transfer to __________________, a ________________ ("Purchaser"), all of Seller's right, title and interest in, to and under the Personal Property (as defined in that certain Purchase and Sale Agreement dated as of ___________ (the "Agreement") by and between Seller and Purchaser) relating to that certain real property commonly known as ___________________.

This sale, assignment and transfer is made without representation, warranty or guaranty by, or recourse against, Seller of any kind whatsoever except that Seller warrants that it is the owner of the Personal Property herein conveyed and such Personal Property is free and clear of liens or security interests created by Seller. Further, any implied warranties of quality, fitness or merchantability are hereby disclaimed.

IN WITNESS WHEREOF, Seller has caused this Bill of Sale to be executed as of the ____ day of __________, 2013.

[SELLER]

By:_________________________
Name:_______________________
Title:_______________________

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Contract No. 13-C1169.

EXHIBIT D

TENANT ESTOPPEL CERTIFICATE

TO: BCC – RPI KENMORE LLC and/or its assigns ("Buyer")
c/o Benaroya Capital Company, L.L.C.
3600 136th Place SE, Suite 250
Bellevue, WA 98006

AND TO: CITY OF KENMORE
18120 68th Ave NE
Kenmore, WA 98028

Ladies and Gentlemen:

The undersigned, ____ ________________________ ("Tenant"), is the tenant under that certain Lease dated ________________________ (said Lease, as amended and supplemented by the instruments, if any, described in paragraph 1 below, is referred to herein as the "Lease"). The City of Kenmore ("Landlord") is the landlord under the Lease and the Lease covers the premises located at ____________________, Suite __________ ("Premises"). Tenant understands Buyer may be acquiring the Landlord's interest in the Premises and the Lease and that the Buyer and Landlord will be relying on the truth and accuracy of the matters described in this estoppel certificate in incurring financial obligations and proceeding to complete the purchase and sale of the property of which the Premises are a part. Based on such understandings, Tenant represents to the Buyer and Landlord and certifies as of the date of execution of this certificate that:

1. The Lease, and all amendments and supplements thereto, are described as follows: ____ ____. Said documents and instruments constitute the entire agreement between Landlord and Tenant with respect to the Premises. There are no other provisions, options or rights with respect to the Premises. The Lease has not been modified, except pursuant to the documents annexed hereto as part of Exhibit A, and the Lease is in full force and effect.

2. The term of the Lease is presently scheduled to expire on ___________________________. There are no rights of extension or renewal remaining under the terms of the Lease except: ____________________________. Tenant has no option to purchase the Premises or any portion thereof. Tenant acknowledges the Lease can be terminated upon twelve (12) [six (6)] months' prior written notice to Tenant. Tenant has not received any oral or written promise or assurance of any kind that Landlord (or any successor owner of the property) has waived such right of early termination.

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3. All insurance required of Tenant by the Lease has been obtained by the Tenant, is in full force and effect with all premiums paid and Tenant shall provide certificates or copies of such policies to Buyer upon its request.

4. There has not been filed by or against Tenant a petition in bankruptcy, voluntary or otherwise, any assignment for the benefit of creditors, any petition seeking reorganization or arrangement under the bankruptcy laws of the United States or any state thereof, or any other action brought under said bankruptcy laws with respect to Tenant.

5. The undersigned, as the holder of the Tenant's interest under the Lease, is in occupancy of all the Premises covered by the Lease and is actively conducting its business therein, which business is the permitted use specified in the Lease. The Lease has not been assigned, mortgaged, pledged or otherwise encumbered by Tenant, nor has all or any portion of the Premises been sublet, except as follows: [if none, then so insert the word "none"]____.

6. Tenant is current in payment of all Base Rent and all estimated Additional Rent has been paid in full for the period ending ____________, 20__. No rent has been paid more than thirty days in advance.

7. Tenant has no claim of offset or defense against either the rent or the Landlord, nor any other claim or counterclaim against the Landlord under the Lease, including, without limitation, claims to concessions, rebates or abatements in rent.

8. The monthly Base Rent is ____________. In addition, Tenant presently pays ___________ on a monthly basis for its share of estimated common area expenses, real estate taxes and landlord's insurance premiums. The common area expenses, real estate taxes and landlord's insurance premiums were last reconciled for calendar year _____. Tenant pays the rent due Landlord under the Lease directly to Landlord and does not have any knowledge of any other person who has any right to such rents by collateral assignment or otherwise.

9. Tenant is not aware of and has not given any notice of any defaults on the part of Landlord under the Lease, and Tenant is not aware of the occurrence of any event which, with the passage of time or the giving of notice (or both), would constitute a default by Landlord thereunder. Except for its security deposit of ______________ and last month's rent of ______________, Tenant has no claim against Landlord for any security, last month's rent or other deposits under the Lease. To the best of Tenant's knowledge, Landlord has not waived any of Landlord's rights under the Lease.

The undersigned has executed this estoppel certificate as of the ___ day of ________, 2013.

Very truly yours,

____
____

By: ________________________
Its: ____________________

[ADD ACKNOWLEDGMENT FOR TENANT]

EXHIBIT E

ASSIGNMENT AND ASSUMPTION OF LEASES

KNOW ALL MEN BY THESE PRESENTS, that THE CITY OF KENMORE, a Washington Municipal Corporation (hereinafter referred to as the "Assignor"), in consideration of the sum of ____ and No/100ths Dollars ($___) and other good and valuable consideration received from or on behalf of BCC – RPI KENMORE LLC, a Washington Limited Liability Company (hereinafter referred to as the "Assignee"), the receipt and sufficiency of which are hereby acknowledged, does hereby grant, bargain, sell, assign, transfer and set over unto Assignee all of Assignor's rights, titles and interests in and to those certain leases described on Exhibit B attached hereto and made a part hereof by reference as if fully set forth herein (the "Leases"), which Leases are for portions of that certain real property located in the City of Kenmore, County of King, State of Washington, which is more particularly described on Exhibit A attached hereto and made a part hereof by reference as if fully set forth herein.

A portion of the consideration for this Assignment is that Assignee hereby assumes and agrees to perform all of the obligations of Assignor under the Leases on and after the date of this Assignment (including, but not limited to, all obligations with respect to security deposits or advance rental paid pursuant to the Leases). Assignee hereby indemnifies and agrees to hold harmless Assignor of and from any and all claims, actions and damages (including court costs and reasonable attorneys' fees) arising by reason of any default or breach by Assignee of the obligations so assumed on and subsequent to the date of this Assignment. Conversely, Assignor hereby indemnifies and agrees to hold harmless Assignee of and from any and all claims, actions and damages (including court costs and reasonable attorneys' fees) arising by reason of any default or breach by Assignor of the obligations imposed upon Assignor under the Leases arising and accruing prior to the date of this Assignment.

This instrument may be executed in any number of counterparts, each of which, when executed and delivered, shall be an original, and such counterparts together constitute one and the same instrument. Signature and acknowledgment pages may be detached from the counterparts and attached to a single copy of this document to physically form one document.

TO HAVE AND TO HOLD the same unto the Assignee, its legal representatives, successors and assigns, forever.

IN WITNESS WHEREOF, the undersigned have executed this Assignment as of the ____ day of ____, ____.

ASSIGNOR:

CITY OF KENMORE
A Washington Municipal Corporation

By________________________________

Name:_____________________________

Title:______________________________

ASSIGNEE:

BCC – RPI KENMORE LLC
A Washington Limited Liability Company

By________________________________

Name:_____________________________

Title:______________________________

Contract No. 13-C1169

EXHIBIT F

WHEN RECORDED RETURN TO:

STATUTORY WARRANTY DEED

THE GRANTOR, __________________, for and in consideration of __________________, in hand paid, conveys and warrants to ____________________, THE GRANTEE, the following described real estate (the "Property"), situated in the County of ______________, State of Washington:

See Exhibit A attached hereto and by this reference incorporated herein.

SUBJECT TO all matters of record and those matters identified on Exhibit B hereto (the "Permitted Exceptions").

Abbreviated Legal Description:

Tax Account No.:

____

By: ____________________________________

Name: ____________________________________

Title: ____________________________________

Accepted and Acknowledged:

______________________ (Grantee)

By: ___________________________

Name: ____________________

Title: ____________________

STATE OF WASHINGTON)
) ss.
COUNTY OF KING)

I certify that I know or have satisfactory evidence that the persons appearing before me and making this acknowledgment are the persons whose true signatures appear on this document.

On this _____ day of ________________, 2013, before me personally appeared ________________________ and ________________________, to me known to be the ________________________ and ________________________, respectively, of ________________________, the __________________ that executed the within and foregoing instrument, and acknowledged the said instrument to be the free and voluntary act and deed of said _________________, for the uses and purposes therein mentioned, and on oath stated that they were authorized to execute said instrument and that the seal affixed, if any, is the corporate seal of said corporation.

WITNESS my hand and official seal hereto affixed the day and year first above written.

____
Notary Public in and for the State of Washington,
residing at ______________________________
My commission expires: ____________________
____
[Type or Print Notary Name]

(Use This Space for Notarial Seal Stamp)

EXHIBIT G

BLANKET TRANSFER, ASSIGNMENT AND ASSUMPTION

THIS BLANKET TRANSFER, ASSIGNMENT AND ASSUMPTION (this "Assignment") is made and entered into this ____ day of ________________, ____, by and between THE CITY OF KENMORE, a Washington Municipal Corporation ("Assignor"), and BCC – RPI KENMORE LLC, a Washington Limited Liability Company ("Assignee").

W I T N E S S E T H:

For and in consideration of the sum of ___ and No/100 Dollars ($____), the conveyance by the Assignor to the Assignee of the improved real property located in the City of Kenmore, County of King, State of Washington, and more particularly described on Exhibit A attached hereto and incorporated herein by reference (the "Property"), and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Assignor hereby transfers, grants, conveys and assigns to the Assignee the following, to-wit:

1. All of the Assignor's right, title and interest in and to the existing service contracts (hereinafter referred to as the "Contracts") relating to the operation of the Property.

2. All of the Assignor's right, title and interest in and to any assignable or otherwise transferable licenses, permits, certificates of occupancy and other governmental approvals relating to the Property.

3. All of the Assignor's right, title and interest in and to all warranties and guaranties assigned to or benefiting the Assignor and relating to the Property regarding the acquisition, construction, design, use, operation, management or maintenance of the Property, to the extent that the same may exist and may be assignable.

4. All of the Assignor's right, title and interest in and to all final plans and specifications relating to the construction of the improvements located on the Property (the "Plans"), to the extent that the same may be assignable.

With respect to the Contracts assigned in paragraph 1 above, the Assignee hereby assumes the Contracts and agrees to perform all of the obligations of the Assignor arising under the Contracts on, from and after the date hereof, and the Assignee hereby agrees to indemnify and hold harmless the Assignor against and from any and all claims, demands, actions, causes of action, losses, damages, liabilities, costs or expenses (including, without limitation, reasonable attorneys' fees) incurred as a consequence of any alleged default, breach, act or occurrence brought against or suffered by the Assignor which occurs or may be alleged to occur with respect to any default or breach under the Contracts by the Assignee of the obligations so assumed subsequent to the date of this Assignment. Conversely, the Assignor hereby indemnifies and agrees to hold harmless the Assignee against and from any and all claims, demands, actions, causes of action, losses, damages, liabilities, costs or expenses (including, without limitation, reasonable attorneys' fees) incurred as a consequence of any alleged default, breach, act or occurrence brought against or suffered by the

Assignee which occurs or may be alleged to occur with respect to any default or breach under the Contracts by the Assignor arising prior to the date of this Assignment.

Further, with respect to the Permits, Assignee hereby agrees to indemnify the Assignor against and to hold the Assignor harmless from any and all claims, demands, actions, cause of actions, losses, damages, liabilities, costs or expenses (including, without limitation, reasonable attorneys' fees) incurred as a consequence of any breach, act or omission of Assignee with respect to the Permits which occurs or may be alleged to occur on and subsequent to the date of this Assignment.

Further, with respect to the Plans, to the extent that Assignor or an affiliate of Assignor is the "architect of record" for the Plans, neither Assignee nor its successors or assigns may use the Plans for any purpose other than the repair, maintenance or restoration of the Improvements without the prior written consent of Assignor, and Assignee hereby agrees to indemnify, defend and hold harmless Assignor and its affiliates from any unauthorized use of such Plans.

This Assignment may be executed in any number of counterparts, each of which, when executed and delivered, shall be an original, and such counterparts together constitute one and the same instrument. Signature and acknowledgment pages may be detached from the counterparts and attached to a single copy of this document to physically form one document.

IN WITNESS WHEREOF, the undersigned have executed this Assignment as of the day and year first above written.

ASSIGNOR:

THE CITY OF KENMORE,
A Washington Municipal Corporation

By______________________________

Name:___________________________

Title:____________________________

ASSIGNEE:

BCC – RPI KENMORE LLC
A Washington Limited Liability Company

By______________________________

Name:___________________________

Title:____________________________

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City Council Business Agenda Item
City of Kenmore, WA

Subject/Topic: Draft Bicycle Strategy

Proposed Council Action/Motion: NA

For Council Meeting Agenda of: September 23, 2013

Department: Engineering & Environmental Services

Prepared by: Kris Overleese, PE
Ryan Miller

	Initial & Date
Approved by Department Head:	9/12/13 KMO
Approved by City Attorney:	NA
Approved by Finance Director:	9/12/13
Approved by City Manager:	RK

Exhibits/Attachments:

Attachment A: Draft Bicycle Strategy

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

INFORMATION/BACKGROUND:

In November of 2012, a group of citizens and City officials met and discussed what the City could do to encourage cycling in Kenmore. The group consists of local bicycle business owners, citizens, and two elected officials (Mayor Baker and Councilman Brent Smith). The ultimate goal for this meeting was the development of a Bicycle Strategy to reflect that discussion and to create a reference point for what the City can do to make Kenmore more bicycle friendly in the eyes of its residents.

In May 2013, following the creation of a draft Bicycle Strategy, the citizen group, including Mayor Baker and Councilman Smith, reconvened to comment on and propose edits on the strategy. The attached Draft Strategy reflects those proposed changes.

The current Bicycle Strategy shows areas of strength for cycling in Kenmore as well as areas of improvement.

Areas of Strength:

- There is established demand for cycling in the City
- There is potential for increased multi-modal transportation
- There are a number of common cycling corridors in the City

Areas of Improvement:

- There is a lack of on-street bicycle facilities
- SR 522 can be an intimidating crossing point for cyclists

The Strategy lays out general policies to increase cycling in the City and lays out suggestions for specific short and longer-term steps the City can undertake to increase cycling in Kenmore. These findings and suggestions are laid out below:

General Policies that can Increase Cycling in Kenmore:

- Safety Improvements for Cyclists
  - On Street Bicycle Facilities (restriping with capital projects and overlay and construction of new facilities)
  - Reducing Vehicle Speeds in Bicycle Corridors
- Publicize cycling in Kenmore
- Place Making

Suggested Short Term Steps:

- Incorporate bicycle facilities and signage when roads are overlaid
- Way-finding and awareness signage
- Create a cycling map/brochure for the City
- Insuring the upcoming Comprehensive Plan and Road Standards updates include bicycle facilities
- Step up the City's marketing efforts and promote/recruit cycling events in Kenmore
- Include Kenmore in WSDOT's annual bicycle counts

Suggested Longer Term Steps:

- Incorporate separated facilities for cyclists in City projects where feasible
- Compact development in the downtown core, including provisions to insure that businesses can "front" bicycle facilities like the Burke Gilman trail
- 68th Ave Bridge reconstruction with bicycle facilities
- Improve Burke-Gilman trail Crossings
- Provide bicycle concessions near major bicycle facilities
- Identify and plan for more parking near major bicycle facilities
- Research liability and other potential costs for a public bicycle share program and/or City employee bike program

Staff recommends that the Bicycle Strategy remain an administrative policy document. The Strategy will guide the City on best practices for bicycle facilities and to help frame the importance of including bicycle facilities in the upcoming update of the Transportation element of the Comprehensive Plan as well as the update of Kenmore's Road Standards. In the future, there may be a time where it is necessary to create a more formal Bicycle Master Plan which would create a comprehensive list of specific projects for the City to undertake to make Kenmore a more bicycle friendly community. However, this is not within the scope of the current Bicycle Strategy. That said, the City is moving forward with projects that take into account the policy suggestions in the Strategy.

Currently Planned Next Steps:

- Incorporate bicycle facilities and signage into the planned restriping of Juanita Drive
- Incorporate Kenmore into WSDOT's annual bicycle count program
- Review bicycle facilities and in the upcoming update to the Transportation Element of the Comprehensive Plan
- Continue to utilize the Bicycle Strategy Working Group to review bicycle plans and provide technical input for projects

<u>FISCAL CONSIDERATION</u>:
None at this time.

<u>COUNCIL GOAL/BUDGET OBJECTIVE BEING ADDRESSED</u>:
Council Goals: Move the City Council's interconnectivity vision forward toward implementation (parks, trails,

open space, institutions, and shuttle bus)

Budget Objective: Support further progress on the downtown redevelopment, economic development and other Council Goals.

VIIIA. Draft Bicycle Strategy Presentation & Discussion - Kris Overleese, Engineering & Environmental Services Director

We want Kenmore to be known as a bicycle friendly City. This document provides a background on current conditions for cyclists in Kenmore including areas of strength and barriers for cyclists. It then gives general policy suggestions to provide a “tool box” for City officials to make cycling more accessible to the public as well as recommendations.

City of Kenmore, WA
18120 68th Ave NE
Kenmore, WA 98028
(425) 398-8900

DRAFT

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Introduction

In November of 2012, a group of citizens and City officials meet and discussed what the City could do to encourage cycling in Kenmore. This report stems from that discussion as well as electronic correspondence afterward and staff research. The information contained herein aims to inform and provide direction for the City with regard to effective bicycle policies.

What we know

There is demand for cycling in Kenmore.

Kenmore is in the fortunate position of already possessing an established cycling population. The Burke-Gilman trail, a multi-use regional trail which runs from Redmond to Seattle, bisects the City from east to west and is one of the most popular bicycle routes in the region. According to a count conducted by the Cascade bicycle club, the trail trough Kenmore serves as many as 559 cyclists from 7-9 AM[1]. That volume is comparable to the vehicular traffic volume on 68th Avenue (north of SR 522) during that same time period.[2]

Cyclists already use bicycles as part of larger commute trips. The Bicycle Alliance of Washington rents lockers at park and rides to people who commute by bicycle at least 3 times per week.[3] Currently, the lockers at Kenmore Park and Ride have a 100% occupancy rate with names on a wait list[4].

Kenmore is also a well known center for mountain biking. St. Edwards State Park and neighboring Big Finn Hill State Park together provide one of the most extensive mountain bike facilities in the Seattle metropolitan area.

There is Potential for Multi-Modal Transportation

According to data from the US Census Bureau, most Kenmore residents do not work in the City.[5] The average commute time for Kenmore residents is nearly 30 minutes and 72% percent of residents commute by car. [6] The high percentage of people driving to work coupled with the high average commute time implies that Kenmore residents generally work relatively far from the City. With that in mind, residents will likely have to use some form of public transit in addition to their bicycle, as cycling alone would likely increase their commute time to impractical levels.

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[1] Ryann Child, Cascade Bicycle Club, Email Correspondence, March 20, 2013
[2] 68th Avenue NE and NE 182nd Street, 03-15-13
[3] King County Metro Transit, "Bike Parking at Transit Facilities" *Metro Online,* http://metro.kingcounty.gov/tops/bike/parking.html, updated November 28, 2012
[4] Bicycle Alliance of Washington Spokesperson, Telephone Correspondence, March 19, 2013
[5] United States Census Bureau, *2007-2011 American Community Survey: Commuting Characteristics by Sex*, Form S0801
[6] Ibid.

VIIIA. Draft Bicycle Strategy Presentation & Discussion - Kris Overleese, Engineering & Environmental Services Director

Currently, Kenmore Park and Ride is listed as being 100% utilized by King County Metro Transit. [7] This means that during a typical weekday, the parking lot is completely full during peak hours. Due to this high demand for park and ride space, King County Metro leases parking lots from local churches to be used as additional commuter parking. All of the leased lots are also listed as "High-Utilization." [8]

If people were to ride their bicycles to the bus instead of driving it would free up spaces for commuters who cannot bicycle. By taking their bike with them on the bus, riders would be able to access areas that would have been impractical to reach by transit alone.

There are barriers for cyclists in the City

Although there is demand for cycling in Kenmore, there are factors that limit residents from being able to get around safely by bike. The first is the lack of bicycle facilities in the City. While the Burke-Gilman trail is certainly an asset for the City, without a network of facilities which connect destinations (e.g. schools, libraries, major employers, stores, etc.) there isn't much incentive for people to leave the trail. With the exception of the Burke-Gilman Trail, most of Kenmore's bicycle network has no dedicated bicycle facilities.

Further, SR 522, which at its widest carries six lanes of traffic moving at 45 miles per hour, has proven to be an intimidating crossing point for all but the most experienced of cyclists. Only one intersection with SR 522 has any sort of bicycle facility: 80th Ave NE has bike lanes at the intersection. However, these lanes only continue for a few hundred yards before disappearing. See facility inventory in appendix A for a special layout of the bicycle facilities in the City.

There are a number of common bicycle corridors in the City

Through discussions with major stakeholders and members of the cycling community in Kenmore, 5 common bicycle routes were identified. These routes themselves, as well as the major community and regional amenities they connect, are listed below:

- **Burke-Gillman Trail.** In addition to being a regional cycling artery and one of the most popular cycling facilities in the state, this trail serves as the "backbone" of Kenmore's existing bicycle network. With the exception of one stop-sign at 61st Avenue NE, it provides an uninterrupted East-West corridor for cyclists riding through the City.
- **68th/Juanita Drive (Southbound from the Burke-Gilman)**. As a part of the "Lake Washington loop," a common bicycle route for recreational and enthusiast cyclists which circumnavigates Lake Washington, this stretch of road sees significant bicycle traffic despite its hilly and curvy nature. Further, this road provides a connection to several major destinations both regionally and in the City. This road connects to Kirkland, Arrowhead Elementary and Bastyr University/St. Edwards State Park.
- **61st Ave NE.** The stakeholder meeting and discussion process listed 61st Avenue NE as a common bicycle route in the City. While 61st Avenue NE does not connect many major destinations in Kenmore itself, it does provide a route to the Interurban Trail (a regional mixed use bike trail

[7] King County Metro Transit, *Park-and-Ride Utilization Report: Fourth Quarter 2012,* January 2013, pp. 5
[8] Ibid.

similar to the Burke-Gilman) to the north. Due to the high volume and speed of traffic combined with the lack of shoulders on the southern portion of the road, it is currently only accessible to experienced cyclists who are used to riding in traffic.

- **68th Ave NE/NE 202nd Street (Northbound from the Burke-Gilman).** The relatively gentle slope of this street, combined with its low traffic volumes (compared to 61st Avenue NE) and ample shoulder make this a common cycling route for people to reach Kenmore Elementary and Kenmore Jr. High. The combination of 68th Avenue NE that turns into NE 202nd Street provides riders a lower traffic route to the north compared to 61st Ave NE.
- **73rd Ave NE.** The location of the Park and Ride on this street makes this a popular connection point for bicycle commuters in the area.
- **Simonds Road NE.** Although this road has a relatively steep slope, this road has relatively wide lanes which can accommodate cyclists fairly well. Additionally, this street serves as a major connection to Inglemoor High School.

Policies to increase cycling and establish Kenmore as Bicycle Friendly

While there is no "silver bullet" answer to increasing cycling in Kenmore, there are a number of policies that when implemented effectively will synergize to make Kenmore a more bicycle friendly place. Below are a few examples, placed into 4 broad categories.

"Place Making"

Place making can be loosely defined as creating a vibrant location which drives people to use the public space available to them, rather than ignoring it or simply passing through it. Part of Kenmore's development strategy is creating a more defined, compact downtown. Development with active public spaces will make Kenmore more amenable to cyclists as compact development reduces the distance between destinations and active public spaces create incentive to make the trip in the first place.

However, no matter how appealing a destination may be, people will not ride their bikes to a location without a safe place to park their bikes when they get there. The provision of bicycle parking facilities can be relatively inexpensive to implement and absolutely necessary for people to feel comfortable leaving their bikes while they shop, dine or enjoy everything Kenmore has to offer. Ensuring Kenmore has adequate parking facilities can be done a few ways. First, the City can place bike parking facilities itself on sidewalks by major destinations. Additionally, the City can encourage private developers to provide parking facilities through incentives such as reduced vehicle parking requirements.

Creation of marked bicycle corridors to downtown and other destinations is an activity to both create a more defined identity for Kenmore and increase bicycling. Not only would signed bike routes guide cyclists to major destinations using roads that are safest for cyclists, but it would also provide drivers with an additional reminder to be "on the look-out" for cyclists.

Safety Improvements

Many people refrain from cycling because they do not feel safe.[9] Surprisingly, it appears that how safe people perceive cycling to be is much more important in increasing the number of people bicycling than actual safety improvements, although increasing both is preferable. Most available research shows that the key to increasing perceived safety for cyclists is in providing dedicated road facilities for bicyclists. Below, the benefits and drawbacks of major bicycle facilities are outlined. For detailed cross-sections or plan views of these facilities see appendix B.

- **Cycle Tracks.** Although they are ubiquitous in some European countries, Cycle Tracks have only recently found a place in the American planning process. Unlike traditional bike lanes, cycle tracks have some form of physical separation from the roadway. This can either be a grade separation or through some form of raised median. Generally, cycle tracks are placed to the right of a line of parking to further separate cyclists from moving traffic. While users of cycle tracks perceive themselves to be the safest on these facilities, there is inconsistent data on if these facilities actually improve safety. [10] However, because of that perceived safety, cycle tracks were shown in a Danish study comparing various bicycle facilities to cause the largest increase in bicycle use at 18-30% over roads without these facilities. Unfortunately, because of the right of way requirements for these facilities, cycle tracks can prove to be expensive due to real estate acquisition and construction costs. Most people are unfamiliar with bicycle tracks, which can increase danger for cyclists unless drivers and cyclists are educated on their use.
- **Bicycle Lanes.** These facilities are striped areas on the road (generally adjacent to general travel lanes) which are reserved for bicycles only. While these facilities have a notable actual safety improvement over no lane, there is not a huge jump in perceived safety.[11] In the Danish study conducted on bicycle facilities, bike lanes were shown to modestly increase cycling by 5-7% compared to roads without designated bicycle facilities. However, it should be noted that the increase quoted for ridership numbers may be artificially low compared to the US, considering it was considering Danish cyclists in Copenhagen (where the cycling mode-share is nearly 50% for commuters).[12] This study is primarily used because it is one of the only studies to compared different types of bicycle facilities. Studies in the US show increases closer to 30%.[13] From a cost perspective, bike lanes are relatively inexpensive when compared to facilities like cycle tracks. In some cases, they can be put in with a simple road restriping, rather than requiring additional ROW and widening the pavement. Actual and perceived safety improvements to bicycle lanes can be achieved with the additions of buffers or striped areas between the vehicle travel lane and the bike lane. See appendix B for examples of both types of facilities.

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[9] Jenson, Søren Underlien, Roskilde, Claus, Jensen, Niels, *Road Safety and Perceived Risk,* City of Copenhagen
[10] Ann Lusk et al., *"Risk of Injury for Bicycling on Cycle Tracks versus in the Street," Injury Prevention,* doi:10.1136/ip.2010.
[11] Jenson, Søren Underlien, Roskilde, Claus, Jensen, Niels, *Road Safety and Perceived Risk,* City of Copenhagen
[12] City of Copenhagen, *Good, Better, Best: City of Copenhagen's Bicycle Strategy 2011-2025,* 2010, Copenhagen Denmark, pp. 3-6
[13] City of San Francisco, 2004. Fell Street Bike Lane (Scott to Baker) and Tow-Away Zone Proposal. City of San Francisco, San Francisco, CA. http://www.sfmta.com/cms/uploadedfiles/dpt/bike/rewrite%20of%20memo%20for%20website%2011_22_04.pdf

- **"Bike Boxes."** A large portion of serious bike crashes occur when a vehicle strikes a cyclist. One of the most common types of vehicle-cyclists collisions is the "right-hook" accident. In this situation, a vehicle that is turning right fails to see and yield to a cyclist that is approaching from behind and continuing straight. One solution to help prevent this type of accident is the use of "bike boxes." These facilities are an intersection safety design which consists of a painted green space ahead of the queue of vehicles and behind the crosswalk. By providing bicycle queuing space ahead of cars, cyclists become more visible to vehicles, which prevents accidents. Bike boxes are increasing in popularity in the Puget Sound Region. A depiction of a bike box is shown in appendix B.
- **"Sharrows."** In certain situations there may not currently be space on the road for an exclusive bicycle facility. When these constraints are present, putting shared lane markings (or "sharrows") on the road may offer some form of bicycle facility. Sharrows are intended to guide cyclists on where the best place to ride on the road may be to avoid car doors and to remind drivers to share the road. While these facilities may serve as visual reminders to cyclists and drivers, there is little data to suggest they make a positive impact in the number or safety of cyclists on a given corridor. See appendix B for a depiction of sharrows.

Reducing Speed Limits on Local Streets and Collector Arterials

Another way to increase both the perceived and actual safety of cycling in Kenmore is to lower the speed differential between motor vehicles and bicycles. According to a 2011 study by AAA, a pedestrian's or cyclist's risk of death is more than halved when impact speed is reduced from 32 mph to 23 mph.[14]

Given that the speed of an individual cyclist is limited by the rider, the only feasible way to reduce this differential is to lower the speed of vehicle traffic along major bike routes where feasible, especially on local streets and areas with large numbers of pedestrians. With the State's recent passage of SB 5066 (which waives the requirements for engineering studies when reducing speed limits from 25 to 20), implementing this change has been made much easier. Implementation of lowering speed limits is inexpensive and requires new signage.

Publicize!

Increasing the ease of cycling and safety in Kenmore is listed as a priority for the City in the Comprehensive Plan. There are projects currently underway that can make Kenmore a better place for cyclists. Educating the public how projects fit into the context of making Kenmore a friendlier place for cycling should be a priority for the City. The Kenmore Village redevelopment is a prime example of a non-cycling specific project with tangible positive effects on cycling in Kenmore. The denser, multi-use development will reduce distance between residents' homes and amenities (including transit), making cycling more appealing.

[14] Brian Tefft, *Impact Speed and a Pedestrian's Risk of Severe Injury or Death*, September 2011, https://www.aaafoundation.org/sites/default/files/2011PedestrianRiskVsSpeed.pdf

Specific Next Steps

We have reviewed current conditions for cyclists in Kenmore and examined general policies that can increase cycling. The remainder of this report discusses how we can put general policies to work. These next steps reflect both the suggestions of the citizen group as well as staff recommendations derived from research.

Short Term

- **Promote safety through awareness signage.** One inexpensive means of improving bicycle safety through the busier corridors of the City is through the installation of awareness signage on streets frequented by bicycles. Awareness signage encourages drivers to both "share the road" generally, and also gives them warning to be extra alert for cyclists on designated or known bike routes.
- **Place making improvements through way-finding projects and signed bike routes.** Kenmore already is taking steps to build a sense of "place" in downtown area through way-finding projects. However, these efforts are predominately tailored to vehicle users. By creating signed bicycle routes, cyclists will be able to more successfully navigate the City and find destinations, using routes that are better suited to bicycle users (e.g. on roads with less traffic, or lower road grades). Signage indicating Kenmore as a bicycle-friendly city can also be added to "gateway" signage for people entering the City. Additionally, the City should make sure that Kenmore's bicycle facilities are accurately represented in regional cycling maps and literature.
- **Step up the City's marketing efforts.** Promote Kenmore as a bicycle friendly community. Marketing materials, authored articles in cycling publications, and blog entries are a few ways to promote the City and its current facilities.
- **Create a cycling map/brochure for the City**. The City could follow the example of cities like Redmond and Seattle in creating a bicycling map for residents. A map of bike routes, facilities, and "caution areas" (roads with higher traffic or steep slopes) can be made which allows residents a tool to navigate the City on their own. Further, making a facilities map would help establish Kenmore as a bicycle friendly community.
- **Promote and recruit cycling events in Kenmore.** Activities that can promote cycling in the City include rides, races, and education programs. Races and education programs can expose cycling to groups that might not otherwise be interested. Additionally, events in a closed loop can help highlight sections of the City like the downtown zone. Some stakeholder groups the City can partner with are Cascade Bicycle Club (education programs and rides) and the Washington State Bicycle Association (bike races). The City may also consider partnering with neighboring cities to organize cycling events (such as rides, races, or even cycling art exhibitions) that highlight both city's people and places.
- **Restripe Juanita with bike lanes on one or both side of the street (as feasible).** There are current plans to overlay Juanita Drive (Kenmore's portion) in 2013. Once an overlay is complete, restriping the road surface is necessary. The City is evaluating the corridor to determine if addition of bicycle lanes if feasible. As the overlay will not be adding additional road surface, it may not be possible to add bicycle facilities to both sides of the road. If only one facility can be

added it should be placed on the southbound stretch of road as it is uphill as the speed differential between cyclists and vehicles is much larger than on the downhill section. Cyclists also ride uphill at slower speeds and are more likely to have a laterally erratic travel path as they struggle to maintain forward momentum. Additionally, two intersections (68^{th} Aveune NE & NE 170^{th} Street and Juanita Drive NE & NE 153^{rd} Place) would be reviewed for the addition of bike boxes.

- **Comprehensive Plan and Street/Road Standards update.** In the next two years, the City will be updating the Transportation Element of the Comprehensive Plan. In addition, the City's Road/Street standards will be updated. At this time, staff utilizes the King County Roads Standards from the 1990s. Update of both of these documents is an opportunity to review bicycle facilities within the City.
- **Ensure mountain bike trails are well maintained and remain open to cyclists.** Kenmore possesses excellent mountain bike facilities that are a regional draw. Making sure that these facilities are well maintained and open to cyclists is essential to keeping Kenmore a regional center for mountain biking. Organizations such as the Evergreen Mountain Bike Alliance and neighborhood groups have previously partnered with parks groups for trail maintenance and improvements and would likely make excellent partners in the future.
- **Work to install more bike lockers in the vicinity of SR 522.** The bike lockers at the Kenmore Park and Ride are utilized and there is a wait list. To encourage bicycle use as component of a commute, the City should make more lockers available to the public. The City could work with King County Metro Transit and the Bicycle Alliance of Washington to increase the number of lockers available at the Park and Ride. Should the City acquire the property on the northwest corner of SR 522 and 67^{th} Avenue NE, it may be possible to install bicycle lockers and other bicycle facilities at this location as well.

Longer Term

- **Street improvements that include separated facilities for cyclists**. As the City grows and improves its road network, it is important to work towards meeting the needs of cyclists. Any time a street is overlaid or widened, special attention should be given to adding bicycle facilities where possible. As the City does not have an unlimited budget for bicycle improvements, care must be given to prioritizing what type of facilities are best for increasing cycling in the particular project. Below is a list of facilities arranged from most beneficial to cycling to least beneficial. The City should use this as a guide and pick the highest benefit facility which is financially feasible for a given project.
    1. **Cycle Track (On existing high utilization bicycle corridors only)**. Given the high expense involved in the construction of these facilities, they should only be considered on areas with high bicycle utilization. Further, as this type facility isn't currently covered in Kenmore's road standards, they will need to be evaluated during the planned update.
    2. **Buffered Bike Lanes (both sides).** Like cycle tracks, these standards for these facilities should be added into the planned update of Kenmore's road standards.
    3. **Buffered Bike Lane (one side, preferably uphill), Bike lane downhill**
    4. **Bike Lane (both sides)**

5. **Bike Lane (one side, preferably uphill), "Sharrow" downhill**
6. **Wide Shared Use Shoulders**
7. **Sharrows (both Sides)**

Additionally, special care to put the highest benefit bike facility possible should be given to streets that are on established bike routes.

- **Improve SR 522 crossings for cyclists.** Currently, crossing SR 522 can be a challenge for cyclists. As the streets that intersect SR 522 get improved to include bicycle facilities, it is important to make sure that the crossing is as safe as possible for cyclists. "Bike boxes" would be well suited to the high volume nature of these roads as it gives cyclists as much visibility to cars as possible. However, more study on their traffic effects may be needed considering they will either require additional road infrastructure (a pedestrian island) to separate right-turning traffic in dedicated right turn lanes or the removal of right-turn-on-red abilities for vehicle traffic to be effective. Further, making sure cyclists crossing SR 522 have easy access to the Burke-Gilman trail should be a priority.
- **Compact development in the downtown core.** As outlined in the "policies" section, a compact, defined downtown creates a destination for cyclists as well as general traffic. Further, denser development lowers the distance between destinations for cyclists.
- **68th Ave bridge reconstruction with bicycle facilities.** In the long run, the 68th Avenue Bridge should be retrofitted and/or replaced to include bicycle and pedestrian facilities. The bridges are a "choke point" for cyclists riding the Lake Washington loop (as the bridge has no shoulders or any bicycle facility).
- **Plan for and identify locations for more automobile parking at bicycle trail access points (along NE 175th Street, for example).**
- **Research Liability and other potential costs for a public bike share program or City Employee Bicycle program**
- **Provide cycling concessions near major bicycle facilities.** Providing facilities for cyclists both on and off the road is important. The City could coordinate with private partners looking to set up concession facilities in Kenmore's city-owned parks that would benefit cyclists. Making sure that the City is amicable to their requests benefits the City in two ways. First, the City will be providing services that will either support existing cyclists (such as with a bicycle parts vending machine), or will encourage new cyclists (with facilities like bicycle rentals). Considering the health effects of cycling, encouraging or supporting these activities constitutes a clear public benefit. Second, by allowing these private ventures on public lands, the City is able to provide services without shouldering the financial burden.
- **Improve the Burke-Gilman crossing at 61st Ave NE.** One of the reasons the Burke-Gilman trail is so popular for cyclists is that it provides a route through Kenmore for cyclists that has almost no conflict points with motor vehicle traffic. One of the two remaining conflict points between motor vehicles and cyclists are at 61st Ave NE. The steep slope of 61st, combined with the tight s-curve between SR-522 and 175th street make it difficult for vehicles to see trail users at that crossing point. Making the trail crossing for this road either above or below grade from cars will

completely remove that risk for cyclists on the Burke-Gillman. However, those solutions may be prohibitively expensive given the low traffic volume on that street. A more cost-sensitive solution to making that intersection safer for cyclists would be to put in some form of traffic calming on 61st Avenue NE (example: investigate opportunity for a roundabout incorporating the trail and 61st/175th Street intersection) or by requiring vehicular traffic to yield to trail traffic (which many motorists already do), or stop before crossing the trail. Any of these solutions will require coordination with King County as the Burke Gillman trail is a County facility.

Conclusions

Kenmore possesses the basic building blocks to be a well known and functioning bicycle community. We possess the Burke Gilman Trail which is largely conflict free, mountain bike trails, METRO/Soundtransit service to many regional destinations, and citizens who cycle. However, there are currently barriers for cyclists in the City. The concepts and steps outlined in this Strategy will go a long way towards addressing these barriers will require a short and long-term commitment from the City and community.

Once this Strategy is set in motion, the City will convene a citizen bicycle advisory group periodically to monitor progress.

City Council Business Agenda Item
City of Kenmore, WA

Subject/Topic: Speed Limit Ordinance

For Council Meeting Agenda of: September 23, 2013

Department: Engineering & Environmental Services

Prepared by: Kris Overleese, PE

	Initial & Date
Approved by Department Head:	KMO 9/12/13
Approved by City Attorney:	see email
Approved by Finance Director:	9/12/13
Approved by City Manager:	RDK

Proposed Council Action/Motion: Adopt Ordinance No. 13-0364 Amending the Kenmore Municipal Code to Reduce Speed Limits on Bothell Way NE (SR 522) and 80th Avenue Ne (north of SR 522)

Exhibits/Attachments:
Attachment A: Ordinance No. 13-0364

Expenditure Required	Amount Budgeted	Appropriation Required
$500	$90,000	NA

INFORMATION/BACKGROUND:
The purpose of this Council Report is to recommend the adoption of Ordinance 13-0364 (Attachment A) that would modify the speed limit on two City streets:

- 80th Avenue NE (north of SR 522): lower the speed limit from 40 mph to 35 mph
- SR 522 in Kenmore: lower the speed limit from 45 mph to 40 mph

80th Avenue NE (SR 522 to northern City limit at NE 205th Street): Several residents have contacted the City to relay their concern about the speed limit on 80th Avenue NE which is currently 40 miles per hour (mph). The citizens that have contacted the City are concerned due to the increase in development on 80th Avenue NE, increased number of children riding the bus and walking to bus stops, and inconsistency with this speed limit compared to other streets in the City.

Staff researched the corridor and performed a study to evaluate speed, volumes, accidents, and roadway conditions. When the City incorporated fifteen years ago, the City adopted the current King County speed limit of 40 mph. The current 85th percentile speed (the speed at which 85% of the vehicles are traveling at or below) for the corridor is between 40 mph and 44 mph (depending where you are on the corridor) which is lower than anticipated. The current street volume along the corridor varies between roughly 3,700 – 7,600 vehicles a day. This is the only corridor in the City that has a 40 mph speed limit (except for the 45 mph limit on SR 522) and it is a minor arterial. A review of accidents over the past three years shows that there have been 10 collisions on the corridor (no fatalities): half were intersection turning movements, 2 were rear ends, and three were fixed object collisions. These statistics do not include the intersection of SR 522 and 80th Avenue NE.

Engineering staff believes that reducing the speed to 35 mph is appropriate for the following reasons: urbanization, increased number of pedestrians along the corridor including children walking to the bus, lack of sidewalks, inconsistency with other City arterials, and poor street lighting. Also, the speed limit north of the City in Bothell is 30 mph.

Attachment A outlines the City's legal authority and steps required to modify a speed limit which is part of the Kenmore Municipal Code. City staff would change the speed limit signs along 80th Avenue NE.

SR 522 in Kenmore (mileposts 6.21 to 8.23): The City of Kenmore has been requesting that the Washington State Department of Transportation (WSDOT) consider lowering the speed limit on SR 522 within Kenmore. The current speed limit is 45 mph. WSDOT contacted the Cities of Kenmore and Lake Forest Park earlier this year indicating they had performed a traffic study and that a 40 mph posting would now be appropriate. Engineering staff has reviewed the WSDOT traffic study and found it to be acceptable.

The current 85th percentile speed range in Kenmore along SR 522 is 42 mph to 48 mph. Volumes along the corridor have increased approximately 10% since tolling began. Not surprising, speeds are higher on the west side of the City and slower east of 65th Avenue NE. WSDOT believes that lowering the speed limit to 40 mph will lower the 85th percentile speed to within 5 mph of the new posted speed (40 mph).

If Council adopts the attached Ordinance, staff will forward the information to WSDOT for their approval and appropriate postings. WSDOT would replace the speed limit signs along SR 522 when their process is complete.

FISCAL CONSIDERATION:
The installation of new speed limit signs on 80th Avenue NE could be accomplished within Operations existing sign budget.

COUNCIL GOAL/BUDGET OBJECTIVE BEING ADDRESSED:
-Community safety

ORDINANCE NO. 13-0364

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF KENMORE AMENDING SECTION 10.15.040 OF THE KENMORE MUNICIPAL CODE TO REDUCE THE SPEED LIMIT ON BOTHELL WAY N.E. (AKA STATE ROUTE 522) WITHIN THE CITY OF KENMORE FROM 45 M.P.H TO 40 M.P.H; REDUCING THE SPEED LIMIT ON 8OTH AVENUE N.E. FROM 40 M.P.H. TO 35 M.P.H.; AND ESTABLISHING AN EFFECTIVE DATE

WHEREAS, a portion of Bothell Way N.E., also known as State Route 522 , is located within the City of Kenmore; and

WHEREAS, RCW 46.04.280 and 46.61.415 authorize the Kenmore City Council to establish the proper maximum speed limits for all arterials within the corporate boundaries of Kenmore, as determined by an engineering and traffic investigation; and

WHEREAS, in 2012 and 2013, the Washington State Department of Transportation conducted an engineering and traffic evaluation of Bothell Way N.E., including that portion of Bothell Way N.E. between Milepost 6.21 to Milepost 8.23 located within the City of Kenmore; and

WHEREAS, based upon the engineering and traffic investigation, the City has determined that 40 miles per hour is a reasonable and safe maximum limit on Bothell Way N.E. between Milepost 6.21 and 8.23, and that the current speed limit of 45 miles per hour should be decreased to 40 miles per hour; and

WHEREAS, based upon the City of Kenmore's engineering and traffic investigation, the City has determined that 35 miles per hour is a reasonable and safe maximum limit on 80th Avenue N.E. between N.E. 205th Street and Bothell Way N.E., and that the current speed limit of 40 miles per hour should be decreased to 35 miles per hour;

WHEREAS, pursuant to RCW 46.61.414, the City Council determines and declares that the reasonable and safe maximum speed limits for that portion of Bothell Way N.E. and 80th Avenue N.E. shall be reduced as established herein;

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

Section 1. **Amendment**. Section 10.15.040 of the Kenmore Municipal Code is hereby amended to read as follows:

10.15.040 Former speed limits retained.

VIIIB. Adopt Ordinance No. 13-0364 Amending the Kenmore Municipal Code (KMC) to Reduce Speed Limits on Bothell Way NE

A. Except as set forth in subsection B, the maximum speed limits for certain streets established by King County pursuant to KCC 46.04.040 and 46.04.050* and as otherwise established by King County ordinance and for which speed limit signs have been duly posted by King County are hereby adopted as the speed limits on those said streets in the city of Kenmore, unless the city manager, or designee, or the City Council shall establish otherwise pursuant to this chapter or other law.

B. It is determined on the basis of engineering and traffic investigations that the maximum speed limits originally established under King County (see KMC 10.15.040.A) are more than is deemed necessary for the safe operation of vehicles on certain streets. The City Council determines and declares that the reasonable and safe maximum speed limits of the streets identified below shall be as follows:

1. Bothell Way N.E. (also known as State Route 522) between Milepost 6.21 and Milepost 8.23 shall have the maximum speed limit of 40 miles per hour.

2. 80th Avenue N.E. between N.E. 205th Street and Bothell Way N.E. (also known as State Route 522) shall have the maximum speed limit of 35 miles per hour.

C. Violators of speed restrictions shall be subject to the fines, penalties and forfeitures as established by the City's Model Traffic Ordinance (see Chapter 10.05 KMC) and the Uniform Bail Schedule adopted by the state of Washington and in effect as of the date of the violation.

<u>Section 2. Coordination With WSDOT</u>. A copy of this Ordinance shall be provided to the Secretary of the Washington State Department of Transportation along with a request that, pursuant to RCW 47.24.020(11), RCW 46.61.415(6) and RCW 47.24.020(13), the Secretary approve the reduction in maximum speed adopted in Section 1 above, and the Washington State Department of Transportation shall provide for the posting of appropriate per hour maximum speed limit signs along Bothell Way N.E. The City shall provide for the posting of appropriate per hour maximum speed limit signals along 80th Avenue N.E.

<u>Section 3</u>. <u>Publication and Effective Date</u>. This ordinance or a summary thereof consisting of the title shall be published in the official newspaper of the City. The maximum speed limit of 40 miles per hour for Bothell Way N.E. shall take effect and be in full force after passage and publication of this ordinance, approval by the Washington Department of Transportation and the posting of appropriate signage. The maximum speed limit of 35 miles per hour for 80th Avenue N.E. shall take effect and be in full force five (5) days after passage and publication of this ordinance and posting of appropriate signage.

APPROVED by the City Council this _____ day of __________, 2013.

____
David Baker, Mayor

ATTEST/AUTHENTICATED:

____
Patty Safrin, City Clerk

APPROVED AS TO FORM:
OFFICE OF THE CITY ATTORNEY:

BY _________________________________
Rod Kaseguma, City Attorney

FILED WITH THE CITY CLERK:
PASSED BY THE CITY COUNCIL:
PUBLISHED:
EFFECTIVE DATE:
ORDINANCE NO. ____________________

ATTEST/AUTHENTICATED:

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