

City of Kenmore



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

City of Kenmore
REVISED Council Special Meeting Agenda
7:00 p.m., Monday, November 5, 2012
Kenmore City Hall
18120 68th Ave. NE, Kenmore, WA 98028

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

I. CALL TO ORDER

II. CONSENT AGENDA

- A. Approval of Claim Nos. 26694 - 26782 in the Amount of \$636,174.95 and Electronically Transferred Payroll Funds Totaling \$60,877.26 and Funds Transferred in the Amount of \$999,468.08 for an Investment Purchase.

III. BUSINESS AGENDA

- A. Amendment to Anchor QEA Contract No. 12-C1030 for Sediment Sampling - Nancy Ousley, Assistant City Manager
- B. Business Incubator Lease Contract - Contract No. 12-C1083 - Nancy Ousley, Assistant City Manager
- C. Business Incubator Consultant Contract with Barry Weisband - Contract No. 12-C1062 - Nancy Ousley, Assistant City Manager
- D. Proposed Phase One Improvements at Northshore Summit Park - Discussion & Direction - Debbie Bent, Community Development Director
- E. 2013-2014 Budget Proposal for Human Services Grants - Nancy Ousley, Assistant City Manager

IV. COUNCILMEMBER COMMENTS/REPORTS

V. ADJOURNMENT

Upcoming Meetings:

Monday, November 12, 2012 Regular Council Meeting Canceled Due to the Veterans' Day Holiday
Tuesday, November 13, 2012 Regular Council Meeting 7:00 p.m.
Tuesday, November 19, 2012 Regular Council Meeting 7:00 p.m.

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 26694-26782 which total \$636,174.95, electronically transferred payroll funds which total \$60,877.26 and funds transferred in the amount of \$999,468.08 for an Investment Purchase 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.


10/26/12

 City Manager Date


10/25/12

 Finance Director Date

Check #	Vendor Name	Description	Check Amount
26694	DEPARTMENT OF LABOR AND INDUSTRIES	3rd Qtr L&I Volunteer Hrs	\$ 5.27
26695	KING COUNTY RECORDER'S OFFICE	Tax Lien - D&L Property LLC	73.00
26696	CITY OF KENMORE	PERS Reimbursement to City	50.00
26697	NATIONWIDE FINANCIAL 401a	Social Security Replacement Plan	10,263.78
26698	NATIONWIDE RETIREMENT SOLUTIONS 457	Deferred Comp Payroll Deduction	100.00
26699	ICMA RETIREMENT TRUST 457 - 304745	Deferred Comp Payroll Deduction	2,548.06
26700	DRS 457	Deferred Comp Payroll Deduction	1,737.50
26701	AFLAC	Private Medical/ Disability Plans	487.65
26702	CITY OF KENMORE FS	Flexible Spending Medical Plans	153.26
26703	BANK OF AMERICA 941	Payroll Taxes	12,432.36
26704	WA GUARANTEED EDUCATION TUITION	WA Pre-Tax Education Plan	415.00
26705	DEPARTMENT OF RETIREMENT SYSTEMS	WA State Retirement	10,049.64
26706	DEPARTMENT OF LABOR AND INDUSTRIES	Worker's Compensation	3,395.87
26707	UNITED WAY OF KING COUNTY	Employee Charitable Contributions	72.00
26708	NATIONAL LIFE OF VERMONT	Life Insurance	234.89
26709	AMERICAN GENERAL	Life Insurance	530.79
26710	STATE OF FLORIDA DISBURSEMENT UNIT	Payroll Deduction	275.00
26711	FRUHLING SAND & TOPSOIL	Asphalt & Brush Dumping	112.50
26712	AWC EMPLOYEE BENEFITS	Employee Health Insurance	35,932.97
26713	UNITED STATES POSTMASTER	Kenmore Newsletter Postage	1,417.72
26714	ACTION ENTERTAINMENT	10/26 Kenmore Junior High DJ	395.00
26715	CASCADE PEST CONTROL	Rhododendron Park Rodent Control	142.35
26716	CENTER FOR HUMAN SERVICES	Qtr 3 2012 Human Services Funding	7,602.25
26717	CITY OF SHORELINE	3rd Qtr Jail Van Usage	448.70
26718	COASTWIDE LABORATORIES	City Hall Maintenance Supplies	132.08
26719	CONSEJO COUNSELING & REF	Qtr 3 2012 Human Services Funding	842.00

IIA. Approval of Claim Nos. 26694 - 26782 in the Amount of \$636,174.95 and Electronically Transferred Payroll Funds Totaling

26720	CONSOLIDATED PRESS	Bus. Open House Post Card/ Mailing	744.46
26721	EMERGENCY FEEDING PROGRAM	Qtr 3 2012 Human Services Funding	601.50
26722	FRUHLING SAND & TOPSOIL	Disposal 175th/65th Volunteer Event	75.00
26723	FULL MAINTENANCE GARDENING	6700 Bldg. Landscape Maint.	373.40
26724	HOPELINK	Qtr 3 2012 Human Services Funding	13,722.25
26725	INSLEE, BEST, DOEZIE & RYDER, P.S.	Sept. Legal Services	24,547.62
26726	JET CITY PRINTING	Council Mtg & Open House Post Cards	624.15
26727	KENMORE HERITAGE SOCIETY	Q2 & Q3 Kenmore History Book Sales	175.00
26728	KING COUNTY ANIMAL SVCS	Pet Licensing Tags 317149-317156	295.00
26729	KING COUNTY FINANCE	Sep. Road/ Traffic/Ped/ Sign Svcs	118,975.60
26730	KING COUNTY FINANCE	Sept. 2012 Community Work Program	5,719.00
26731	KING COUNTY FINANCE	Solid Waste - Sofa Disposal 9/5/12	21.07
26732	KING COUNTY SHERIFF	Sept. 2012 Police Services	249,084.17
26733	NAMI EASTSIDE	Qtr 3 2012 Human Services Funding	385.00
26734	NORTHSHORE SENIOR CENTER	Qtr 3 2012 Human Services Funding	5,292.75
26735	NORTHSHORE YMCA	Qtr 3 2012 Human Services Funding	1,707.00
26736	OFFICE MAX	Office Supplies	424.37
26737	OLYMPIC ENVIRONMENTAL RESOURCES INC	2012 Fall Recycling Event	18,297.64
26738	PUGET SOUND ENERGY	Street Lights 8/30-9/28/12	8,130.72
26739	CEMEX	Drainage Materials	95.82
26740	STEWART BEALL MACNICHOLS & HARMELL	Sept. Public Defender Services	3,000.00
26741	TOTAL LANDSCAPE CORP	Oct. Parks/ City Hall Landscaping	5,002.61
26742	WASHINGTON STATE OFFICE CASH MGMT	Qtr 3, 2012 Building Permit Fee	346.50
26743	WETLANDS & WOODLANDS INC	Trees for SR522 Landscaping	791.14
26744	MINZGHOR, NICHOLAS	Refund Training Registration Fee	350.00
26745	MAIL FINANCE	Postage Machine Lease 11/14-12/13	250.76
26746	KONICA MINOLTA BUSINESS SOLUTIONS	Qtrly Billing 7/1-9/30/12 - Copier	1,916.98
26747	BANNER BANK LD	Lodging, Supplies, Printing Expenses	678.22
26748	BANNER BANK CS	Supplies	47.80
26749	NATIONAL IMPRINT CORPORATION	Police Dept/ D.A.R.E. Supplies	573.85
26750	HDR	Apr-Jun SR522 Ph 1 Const. Eng. Svcs.	25,551.75
26751	BANNER BANK DB	Planning Director Meeting Supplies	49.28
26752	KENMORE SENIOR CENTER	Qtr 3 2012 Human Services Funding	481.25
26753	BANNER BANK NO	Dues, Registration, Mtg Exp/Parking	764.52
26754	BANNER BANK JG	Computer Video Card/ Supplies	91.61
26755	BANNER BANK KENMORE	Lodging, Computer Hardware, Supplies	1,946.13
26756	BANNER BANK KENMORE	Supplies, Meals, Registration	1,193.27
26757	BANNER BANK JGORDON	Volunteer & Office Supplies	32.13
26758	ZUMAR	Construction Zone Crosswalk Flags	188.27
26759	HERO HOUSE	Qtr 3 2012 Human Services Funding	373.00
26760	COMCAST	10/14-11/13 City Hall Internet	116.90
26761	TOWNE CENTRE HARDWARE	Tools & Supplies	566.34
26762	INTEGRA TELECOM	City Hall Phone Svc 10/8-11/7/12	773.05
26763	FRONTIER	10/10-11/9 Kenmore Vill Fire Alarm	82.12
26764	AM TEST, INC	TMDL Sampling - Swamp Creek	200.00
26765	ASBESTO-TEST, INC	Asbesto Testing	1,800.00
26766	EARTHCORPS	Herbicide Appl. Squires Landing	842.03

IIA. Approval of Claim Nos. 26694 - 26782 in the Amount of
\$636,174.95 and Electronically Transferred Payroll Funds Totaling

26767	PAWS	Sept. Animal Sheltering Services	960.00
26768	WASHINGTON STATE DEPT OF REVENUE	Q3 2012 Leasehold Excise Tax	2,375.17
26769	BLUE WAVE CONSTRUCTION, INC	Kenmore Village Repairs	204.33
26770	MCALLISTER, TERESA	Mileage Reimbursement	58.83
26771	TRANE U.S. INC.	Quarterly HVAC Billing 10/1-12/31/12	2,037.49
26772	PERTEET INC,	8/17-9/30 Kenmore Vill & 74th Culvert	16,888.91
26773	HIGHLAND EST COFFEE TRADERS/CANTEEN	Coffee Supplies	207.00
26774	SPINNAKER STRATEGIES	8/9-10/8 Kenmore Village Disposition	12,687.00
26775	FRAUSE	Economic Development Brochure	150.00
26776	BANNER BANK VAN NESS	Registration, hotel, travel expenses	1,076.85
26777	BANNER BANK BAKER	Meals, Transportation, Parking	473.16
26778	JOYCE ZIKER PARKINSON	Sept. Environmental Legal Services	10,347.50
26779	BANNER BANK PS	Publications	10.49
26780	TERREBONNE LIMITED	Volunteer Supplies - Parks Clean Up	321.27
26781	PETERSON, JANET	Ergonomic Consulting	550.00
26782	RICHARDSON, ZACK	Mileage & Lodging Reimbursement	676.28
10/19/2012	PAYROLL	Direct Deposit	60,877.26
			<u>\$ 697,052.21</u>

IIA. Approval of Claim Nos. 26694 - 26782 in the Amount of
\$636,174.95 and Electronically Transferred Payroll Funds Totaling

2012	PRIOR VENDOR ACTIVITY	Previous YTD
	3CMA	800.00
	A+ CONFERENCING	181.28
	AA PARTY RENTALS	1,453.06
	AAA FLAG & BANNER MFG. CO., INC.	8,977.33
	AABCO BARRICADE COMPANY INC.	6,994.97
	ACTION ENTERTAINMENT	1,395.00
	ACTIVE SHOOTER TRAINING LLC	575.00
	ADAMSON POLICE PRODUCTS	947.00
	ADT SECURITY SERVICES	845.00
	ADVANCE TESTING & SERVICE INC	540.00
	AFLAC	4,438.85
	ALCALDE & FAY	45,595.12
	ALCO PRO, INC.	559.00
	ALLIANCE FOR INNOVATION	499.00
	ALLIANCE OF PEOPLE W/ DISABILITIES	1,443.50
	ALLIED WASTE SERVICES #172	8,800.53
	ALPHA COURIER SERVICES	38.01
	ALTA MAXINE MELVIN	8,126.00
	AM TEST, INC	1,770.00
	AMERICAN GENERAL	4,547.37
	AMERICAN PLANNING ASSOCIATION	842.00
	AMERICAN PUBLIC WORKS ASSOCIATION	850.00
	AMERICAN SOCIETY OF COMPOSERS	311.52
	ANCHOR QEA, LLC	9,748.75
	ARTS OF KENMORE	500.00
	ASP, ANGELA	52.50
	ASSOCIATION OF WA CITIES	14,058.00
	AT WORK	1,804.50
	AURORA RENTS	307.69
	AUTOMATED CONTROLS	516.84
	AWC EMPLOYEE BENEFITS	327,274.85
	BAKER, DAVID	1,576.78
	BANG, ROBERT	595.00
	BANK OF AMERICA 941	253,185.57
	BANNER BANK BAKER	2,676.42
	BANNER BANK BH	2,606.83
	BANNER BANK CS	5,306.55
	BANNER BANK DB	634.17
	BANNER BANK JG	3,417.38
	BANNER BANK JGORDON	5,403.28
	BANNER BANK KENMORE	22,363.83
	BANNER BANK LB	864.62
	BANNER BANK LD	2,373.59
	BANNER BANK NO	6,361.12
	BANNER BANK PS	129.00
	BANNER BANK ROGERS	440.48
	BANNER BANK VAN NESS	1,872.43

IIA. Approval of Claim Nos. 26694 - 26782 in the Amount of
\$636,174.95 and Electronically Transferred Payroll Funds Totaling

BARCLAY DEAN	711.75
BARKER MARTIN IOLTA TRUST	3,000.00
BARTON, ANDREW	1,641.29
BASTYR UNIVERSITY	50,000.00
BEEGEE TOLPA	700.00
BENT, DEBORAH A	576.00
BIS	3,065.00
BLACKBAUD	4,956.23
BLUE FLAME LLC	28.14
BLUE WAVE CONSTRUCTION, INC	2,068.89
BONOMI, ANGELO	380.93
BRABEC, MARY	3,500.00
BRAVO ENVIRONMENTAL SERVICE	79,070.75
BUCHER, WILLIS & RATLIFF	14,000.00
BUILDERS EXCHANGE OF WASHINGTON INC	222.25
BULGER SAFE & LOCK, INC.	745.34
CALPORTLAND COMPANY	1,143.00
CARLSON, THOMAS G.	653.44
CASCADE PEST CONTROL	1,281.15
CATHOLIC COMMUNITY SERVICES	2,887.00
CB RICHARD ELLIS, INC	7,750.00
CEDARBROOK	287.55
CEMEX	2,426.85
CENTER FOR HUMAN SERVICES	15,204.50
CHAMPION COURIER	21.72
CHANDLER, RONALD	937.47
CHIEF LAW ENFORCEMENT SUPPLY	160.41
CHILDERS, MARK	185.00
CITY OF BELLEVUE	95,958.90
CITY OF KENMORE	850.00
CITY OF KENMORE FS	3,117.80
CITY OF LAKE FOREST PARK	558,014.06
CITY OF SHORELINE	1,940.37
CITY OF VANCOUVER	250.00
CLARITY SIGNS	4,046.93
CLEARWIRE LEGACY, LLC	1,214.00
CLYDE/WEST	1,254.02
COASTAL WEAR PRODUCTS INC	1,356.71
COASTWIDE LABORATORIES	5,210.73
CODE 4 PUBLIC SAFETY EDUCATION	99.00
CODE PUBLISHING COMPANY	11,282.92
COLT DEFENSE, LLC	450.00
COLUMBIA RIDGE LANDFILL	10,126.85
COMCAST	1,052.10
COMMERCIAL SOUND, INC.	205.32
COMPASS POINTE CONDOMINIUM HOA	23,500.00
CONSEJO COUNSELING & REF	1,684.00
CONSOLIDATED PRESS	4,465.19
COX PRINTING & SIGNS	235.43

IIA. Approval of Claim Nos. 26694 - 26782 in the Amount of
\$636,174.95 and Electronically Transferred Payroll Funds Totaling

CPSWQ	100.00
CROWN PRODUCTS LLC	1,441.60
CSAT, LLC	800.00
CUSTER SPORTSMEN'S CLUB, INC	340.00
DAILY JOURNAL OF COMMERCE	1,740.85
DANSOUND INC	6,843.77
DAY & NITE PLUMBING & HEATING	3,259.82
DAY WIRELESS SYSTEMS	207.62
DEPARTMENT OF ECOLOGY	10,831.60
DEPARTMENT OF LABOR AND INDUSTRIES	28,413.48
DEPARTMENT OF LICENSING	18,339.20
DEPARTMENT OF RETIREMENT SYSTEMS	194,170.81
DIGITAL REPROGRAPHICS SERVICES INC.	410.01
DIVISION 9 INC.	1,782.36
DRS 457	33,012.50
DUNN LUMBER COMPANY	458.97
DURRANT, JEFF	168.00
EFFICIENCY INC	967.98
ELWAY RESEARCH, INC.	8,300.00
EMERGENCY FEEDING PROGRAM	1,203.00
EMERGENCY SERVICE COORDINATING AGCY	47,288.00
EMPLOYMENT SECURITY DEPT	1,972.46
ENTERPRISE SEATTLE	5,000.00
ENTERTAINMENT FIREWORKS INC	12,050.00
ENVIRONMENTAL SYSTEMS RESEARCH INST	2,956.50
ESA ADOLFSON	5,851.93
ESPRESSO WORKS	75.00
EVERGREEN PRINT SOLUTIONS	910.67
EVERGREEN SAFETY COUNCIL	175.00
EVER-MARK, LLC	1,491.61
EXTREME PROMOTIONS	767.98
FAST WATER HEATER	24.21
FAZZARI MARKETING	123.63
FEDEROV, LYUBIM	5,063.50
FEDEX OFFICE	62.33
FERGUSON ENTERPRISES INC	6,489.02
FINANCIAL CONSULTANTS INT'L INC	76.02
FIRE CHIEF EQUIPMENT CO., INC.	6,369.22
FIRE PROTECTION, INC	4,245.05
FIRST AMERICAN TITLE	594.60
FIRST ROMANIAN CHURCH	3,706.00
FLEX ONE/AFLAC BENEFIT SERVICES	550.00
FOMOCO, LLC	396.00
FPOD LLC	15,000.00
FRAUSE	3,308.50
FRONTIER	8,908.18
FRUHLING SAND & TOPSOIL	1,706.52
FULL MAINTENANCE GARDENING	2,987.20
GALLS, LLC	26.25

IIA. Approval of Claim Nos. 26694 - 26782 in the Amount of
\$636,174.95 and Electronically Transferred Payroll Funds Totaling

GEOENGINEERS INC	3,561.50
GEOLINE, INC	257.30
GORDON DERR	5,411.50
GORDON THOMAS HONEYWELL	32,794.55
GOVERNMENT FINANCE RESEARCH GROUP	2,185.00
GOVERNMENTAL ACCT STANDARDS BOARD	215.00
GRAINGER	371.38
GRAY & OSBORNE, INC	48,077.34
GREATER BOTHELL CHAMBER OF COMMERCE	575.00
GREENWOOD HEATING & AC	39.45
GREGORY, JOANNE	695.15
H.W. LOCHNER, INC.	147,587.54
HAMPSON, BRYAN	2,500.00
HARRIS COMPUTER SYSTEMS	6,569.74
HARRIS, LESLIE	3,519.21
HAWAII MUSIC LIVE	2,000.00
HAWTHORNE LANE LLC	22,162.50
HDR	14,355.41
HERO HOUSE	746.00
HIGHLAND EST COFFEE TRADERS/CANTEEN	1,197.46
HOME DEPOT CREDIT SERVICES	837.68
HONEY BUCKET	\$ 840.98
HOPELINK	27,444.50
HORIZON DISTRIBUTORS INC	268.93
HWA GEOSCIENCES INC.	3,944.15
ICMA RETIREMENT TRUST 457 - 304745	46,471.39
ICOMPASS TECHNOLOGIES, INC.	8,000.00
INDEPENDENT STATIONERS	2,642.66
INGALLINAS BOX LUNCH	159.76
INGLEMOOR VIKING BASKETBALL BOOSTER	50.00
INGLEWOOD GOLF COURSE	1,047.92
INSLEE, BEST, DOEZIE & RYDER, P.S.	233,986.50
INSTITUTE FOR FAMILY DEVELOPMENT	8,661.00
INTEGRA TELECOM	6,898.47
INTERNATIONAL CITY/CNTY MGMT ASSOC	2,204.57
INTERNATIONAL INST OF MUNI CLERKS	175.00
iWORQ SYSTEMS	1,000.00
J TAYLOR CONSULTING, LLC	10,219.35
JACOBSON, BETTS & COMPANY	5,830.40
JAU JOU, STANLEY	222.80
JEFF DURRANT	739.90
JET CITY PRINTING	1,953.25
JOY KILLS SORROW	1,500.00
JOYCE ZIKER PARKINSON	17,243.50
JURASSIC PARLIAMENT	235.34
KAMINS CONSTRUCTION	259,174.52
KAUBOY PRODUCTIONS LLC	400.00
KBA INC.	34,402.65
KEEP POSTED INC	220.00

IIA. Approval of Claim Nos. 26694 - 26782 in the Amount of
\$636,174.95 and Electronically Transferred Payroll Funds Totaling

KELLY PRINTING & GRAPHICS	1,878.51
KENMORE AIR	275.00
KENMORE CAMERA	1,729.68
KENMORE ELEMENTARY PTA	3,849.34
KENMORE HERITAGE SOCIETY	50.00
KESSELRING'S	343.47
KING COUNTY	200.00
KING COUNTY W.L.R.D.	130,930.12
KING COUNTY ANIMAL SVCS	2,915.00
KING COUNTY D.D.E.S.	13.24
KING COUNTY DISTRICT COURT	39,266.00
KING COUNTY FINANCE	275,764.80
KING COUNTY FINANCE/ GIS	2,313.21
KING COUNTY LIBRARY SYS	220,842.00
KING COUNTY MUNICIPAL CLERKS ASSOC	25.00
KING COUNTY OFFICE OF FINANCE	8,787.63
KING COUNTY RADIO COMM SERVICES	739.74
KING COUNTY RECORDER'S OFFICE	700.00
KING COUNTY SHERIFF	2,033,086.81
KING COUNTY SUPERIOR COURT	5,400.00
KING COUNTY TREASURY	42,970.40
KOMPAN, INC	471.40
KONICA MINOLTA BUSINESS SOLUTIONS	3,544.82
KREIDLER FAMILY TRUST	24,701.00
LAKE CITY PICTURE FRAMING	59.13
LANTER ELECTRIC	13,600.00
LAWRENCE, HENRY	752.54
LEONARD, JAMES & MICHELE	207.22
LIGHTHOUSE CONSULTING INC	22,413.07
LIGHTING GROUP NORTHWEST	16,880.52
MAIL FINANCE	2,256.84
MAILSAFE LLC	1,461.83
McKEE & SCHALKA	4,000.00
MILLER STEPHENS, MARY	10,000.00
MILNE ELECTRIC, INC	210.00
MINZGHOR, NICHOLAS	2,286.98
MOBILE ELECTRICAL DISTRIBUTORS INC	136.94
MR. T'S TROPHIES	1,072.88
MUNICIPAL RESEARCH & SERVICES CNTER	40.00
NAMI EASTSIDE	770.00
NATIONAL ASSOC OF PARLIAMENTARIANS	85.00
NATIONAL BARRICADE CO	1,160.04
NATIONAL IMPRINT CORPORATION	427.87
NATIONAL LEAGUE OF CITIES	2,674.00
NATIONAL LIFE OF VERMONT	2,674.71
NATIONWIDE FINANCIAL 401a	218,701.16
NATIONWIDE RETIREMENT SOLUTIONS 457	16,110.00
NEXTEL COMMUNICATIONS	7,363.27
NEXXPOST	58.21

IIA. Approval of Claim Nos. 26694 - 26782 in the Amount of
\$636,174.95 and Electronically Transferred Payroll Funds Totaling

NORTH COAST ELECTRIC	1,147.57
NORTHSHORE FIRE DEPT	6,649.00
NORTHSHORE PARK & REC SERVICE AREA	1,360.00
NORTHSHORE SCHOOL DISTRICT	333.53
NORTHSHORE SENIOR CENTER	11,548.00
NORTHSHORE UTILITY DIST	67,157.56
NORTHSHORE YMCA	3,414.00
NORTHSHORE YOUTH & FAMILY SERVICES	21,651.75
NRC ENVIRONMENTAL SERVICES, INC.	2,059.86
OAC SERVICES, INC	2,356.25
OAKSTONE WELLNESS	128.07
O'CONNOR CONSULTING GROUP	1,950.00
OFFICE CLEANING CREW	8,640.00
OFFICE MAX	6,310.69
OFFICE TEAM	1,273.70
OFFICE TEAM	30.96
OLYMPIC ENVIRONMENTAL RESOURCES INC	23,110.13
OM WORKSPACE	858.47
ORB ARCHITECTS	94,287.84
OTAK	56,776.57
OUSLEY, NANCY	821.33
PACIFIC TOPSOILS	8,662.52
PANEFULLY CLEAN LLC	2,285.00
PASSPORT TRAVEL AND TOURS	12,713.12
PAWS	4,640.00
PENDLETON, MICHAEL	7,476.13
PEOPLES STORAGE	1,858.50
PERKINS COIE	109.00
PERTEET INC.	20,175.90
PETTY CASH CUSTODIAN	1,263.60
PHOTOTAINTMENT	963.60
PHSI PURE WATER FINANCE	905.67
PLYWOOD SUPPLY INC	511.97
PORTER, GREG H.	125.00
PRIDE ELECTRIC INC	2,207.72
PRIMA PLUMBING	955.50
PRIME PACIFIC BANK	60.00
PROTECTION TECHNOLOGIES, INC	6,955.27
PROTHMAN COMPANY	14,247.96
PRUDENTIAL	373.13
PSR MECHANICAL	2,256.81
PUGET SOUND BUSINESS JOURNAL	95.00
PUGET SOUND CLEAN AIR AGENCY	11,308.00
PUGET SOUND ENERGY	473,872.35
PUGET SOUND FINANCE OFFICERS ASSOC	50.00
PUGET SOUND REGIONAL COUNCIL	7,373.00
PURDY, MICHAEL E.	3,600.00
QUALITY BUSINESS SYSTEMS	6,396.89
RAINIER INDUSTRIES, LTD.	27,922.50

IIA. Approval of Claim Nos. 26694 - 26782 in the Amount of
\$636,174.95 and Electronically Transferred Payroll Funds Totaling

RANDALL, BRIAN	300.97
RAZZ CONSTRUCTION	85,453.68
RCS VALUATION CORP	750.00
ROGERS, GLENN	2,507.79
ROLLABELS	37.15
RONGERUDE, JOHN	150.00
SARAH ROBERTS	80,800.00
SCHADEMAN HOMES LLC	7,500.00
SCHINDLER ELEVATOR CORPORATION	897.13
SCHNEE, CARLA	30.52
SEATTLE TIMES	6,514.42
SEES TREES AND EXCAVATION INC	12,811.67
SEITZ, DON	92.01
SESAC	15.00
SEWER KNOWLEDGE SERVICES	900.00
SHRED-IT	495.00
SIGNS NOW	93.63
SIMPSON, ARTHUR	150.00
SITELINES	3,461.30
SMITH, BRENT	219.23
SNOHOMISH COUNTY SHERIFF'S OFFICE	228,947.34
SOUND LAW CENTER	2,233.00
SOUND PUBLISHING, INC.	4,910.74
SOUND SAFETY PRODUCTS, INC.	233.43
SPINNAKER STRATEGIES	23,772.70
STAPLES ADVANTAGE	278.15
STARLIGHT CHILDRENS FOUNDATION	190.00
STATE OF FLORIDA DISBURSEMENT UNIT	5,500.00
STATE OF WA DEPARTMENT OF LICENSING	30.00
STEPHENS, MARY	2,500.00
STEWART BEALL MACNICHOLS	21,800.00
STOUDER, FRED	154.00
STRIPE RITE, INC.	3,969.38
SUBURBAN CITIES ASSOC	11,722.64
SUNBELT	259.13
SUSSMAN/PREJZA & CO, INC	2,982.90
TALAKAI CONSTRUCTION, LLC	16,720.00
TELESYSTEMS WEST	492.75
THE BILLIONS CORPORATION	2,000.00
THE BROTHERS COMATOSE	1,500.00
THE FRAUSE GROUP, INC.	787.00
THE KIPLINGER TAX LETTER	99.00
THE SWEETBACK SISTERS	1,750.00
THE WATERSHED COMPANY	1,842.50
TIMEMARK INCORPORATED	136.92
TOTAL LANDSCAPE CORP	49,206.39
TOWN & COUNTRY FENCE, INC	366.83
TOWNE CENTRE HARDWARE	1,664.35
TRANE U.S. INC.	5,773.07

IIA. Approval of Claim Nos. 26694 - 26782 in the Amount of
\$636,174.95 and Electronically Transferred Payroll Funds Totaling

TYCO INTEGRATED SECURITY	579.28
TYMCO, INC.	186,275.00
UNITED RENTALS NW, INC	178.49
UNITED STATES POSTMASTER	1,515.69
UNITED WAY OF KING COUNTY	914.00
UNITY ELECTRIC	870.53
UNIVERSAL FIELD SERVICES	12,802.14
URBAN LAND INSTITUTE	225.00
US POSTAL SERVICE (HASLER)	3,971.41
VAN NESS FELDMAN, P.C.	14,239.17
VAN NESS, ALLAN	2,918.09
VERGARA, FELIPE & RUBY	4,500.00
VERIZON SELECT SERVICES INC.	724.86
VERIZON WIRELESS	2,052.79
W.S.S.O. Advanced Training	500.00
WA ASSOC OF CODE ENFORCEMENT	275.00
WA CITIES INSURANCE AUTHORITY	148,699.00
WA FINANCE OFFICERS ASSOCIATION	550.00
WA GUARANTEED EDUCATION TUITION	3,735.00
WA RECREATION & PARK ASSOCIATION	104.00
WA STATE DEPT OF ENTERPRISE SVCS	11,011.17
WA STATE DEPT OF LABOR & INDUSTRIES	120.20
WA STATE DEPT OF TRANSPORTATION	35,633.75
WASHINGTON ENERGY SERVICES	56.28
WASHINGTON MUNICIPAL CLERKS ASSOC	75.00
WASHINGTON STATE DEPT OF INFO SERV	5,078.32
WASHINGTON STATE DEPT OF REVENUE	5,606.21
WASHINGTON STATE OFFICE CASH MGMT	184.50
WASHINGTON STATE PATROL	50.00
WASHINGTON STATE TREASURER	30.00
WELLS FARGO FINANCIAL	8,232.74
WELWEST CONSTRUCTION INC.	66,170.35
WESTERN METAL ART & SIGN	557.14
WESTHOFF, DOUG	2,500.00
WESTOWER COMMUNICATIONS	3,741.99
WETLANDS & WOODLANDS INC	1,238.72
WILDCLIFFE SHORES ASSOCIATION	1,677.00
WONDERLAND DEVELOPMENT	5,533.00
ZONAR SYSTEMS	525.33
ZORNES, GARY	547.40
	<u>\$ 8,297,710.98</u>

IIA. Approval of Claim Nos. 26694 - 26782 in the Amount of
\$636,174.95 and Electronically Transferred Payroll Funds Totaling



City Council Business Agenda Item
City of Kenmore, WA

Subject/Topic:

Amendment #2 to Contract No. 12-CI030 with Anchor QEA for sediment sampling and analysis in the amount of \$5700 for a total contract amount not to exceed \$145,014

Proposed Council Action/Motion:

Approve Amendment #2 to Contract No. 12-CI030 with Anchor QEA for sediment sampling and analysis in the amount of \$5700 for a total contract amount not to exceed \$145,014

For Council Meeting Agenda of: 5 November 2012

Department: Executive

Prepared by: Nancy Ousley

Initial & Date

Approved by Department Head: NKO 5 Nov 2012

Approved by City Attorney: _____

Approved by Finance Director: _____

Approved by City Manager: ROK

Exhibits/Attachments:

1. Proposed Amendment #2 to Contract No.12-CI030
2. Agenda Bill from Oct 8 2012 for Amendment #1

Expenditure Required \$0 (Lake Forest Park is responsible for the amendment amount)

Amount Budgeted Previous
authorizations total \$139,314

Appropriation Required \$0

INFORMATION/BACKGROUND:

The City Council approved a contract with Anchor QEA in May 2012 to perform sediment sampling and analysis in the Kenmore Navigation Channel, Log Boom Park and Sammamish River area with an authorization of \$67,228. In October 2012, the Council approved Amendment #1 in the amount of \$72,086 to the contract to include additional sampling and analysis identified by the City and the Washington Department of Ecology (DOE). DOE will provide \$35,000 to support part of this work.

The proposed Amendment #2 adds \$5700 to the contract authorization to include two sediment samples requested by the City of Lake Forest Park in Lake Washington at Lyon Creek Park. The samples will be submitted for the same analysis as samples being collected at Log Boom Park in Kenmore. The City of Lake Forest Park will be responsible for the costs associated with the sampling and analysis of the requested samples at Lyon Creek Park. As with the Department of Ecology, the City of Kenmore will enter into a Memorandum of Agreement with the City of Lake Forest Park outlining the cost reimbursement and other features of the project.

The City and DOE are entering into a Memorandum of Agreement regarding the collaboration on this project, and the Department will reimburse the City in the amount of \$35,000. The owner of an adjacent marina will also reimburse the City for sampling and analysis on their property in the amount of approximately \$8000. The projected total cost to the City for this effort following reimbursements is \$96,064.

FISCAL CONSIDERATION: The amendment does not assign additional cost to the City.

COUNCIL GOAL/BUDGET OBJECTIVE BEING ADDRESSED:

2011-2012 Goals: Continue to Seek Opportunities for Successful Lakepointe Development; Address Watershed Issues Affecting the City

**Contract No. 12-C1030
Amendment No. 2**

The following sections of the contract for consultant services dated May 21, 2012, between the City of Kenmore and Anchor QEA, LLC is amended to read in its entirety as set forth (i.e. below or in attachment). All other terms and conditions of the underlying contract shall remain in full force and effect.

Section 1. Scope of Services to be Performed by Consultant. In addition to the services outlined in the original contract and Amendment #1, the Consultant will perform the following services:

At the request of the City of Lake Forest Park, two sediment samples will be collected along the northwestern shoreline of Lake Washington. These samples are located at Lyon Creek Park and will be collected using a hand trowel from shallow submerged or exposed sediment areas. They will be tested for the same parameters as those sediment samples being tested at Log Boom Park. The City of Lake Forest Park will be responsible for the costs (estimated at \$5700) related to the requested samples.

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

The City shall pay Consultant:

☒ According to the rates set forth in Exhibit "A".

☒ A sum not to exceed \$145,014

☐ Other (describe)

The Consultant shall complete and return to the City Exhibit "D," Tax Identification Number, prior to or along with the first billing invoice. The City shall pay the Consultant for services rendered within ten (10) days after City Council voucher approval.

Section 3. Duration of Agreement. This Agreement shall be in full force and effect for a period commencing on May 1, 2012 and ending April 30, 2013 unless sooner terminated under the provisions of this Agreement. Time is of the essence of this Agreement in each all of its provisions in which performance is required.

DATED this ____ day of _____, 20__.

CITY OF KENMORE:

CONSULTANT:

BY: _____
Rob Karlinsey

Title: City Manager

By: _____

Title: _____

Address: _____

Attest/Authenticated:

Patty Safrin, City Clerk

Approved as to Form:

Rod Kaseguma, City Attorney



Rob Karlinsey

From: Nancy Ousley
Sent: Monday, November 05, 2012 2:17 PM
To: Rob Karlinsey
Subject: FW: LFP Comment Letter

Here is information re Lake Forest Park payment for the requested samples.

NANCY K. OUSLEY
ASSISTANT CITY MANAGER
CITY OF KENMORE
425.398.8900
206.604.6217 cell

-----Original Message-----

From: BOB STERBANK [mailto:BOB@kenyondisend.com]
Sent: Wednesday, October 31, 2012 3:17 PM
To: Aaron Halverson; Pete Rose; William Joyce
Cc: Nancy Ousley
Subject: Re: LFP Comment Letter

Hi Bill:

Any word on the status of the draft MOA?

FYI, LFP has touched base with DOE, who recommends that we arrange for two sediment samples on the City's property, rather than a combined water/sediment sample. Aaron Halverson has been in touch with Dan Berlin at Anchor, and we understand the additional sample will result in additional cost (a total of \$5,700), which LFP is willing to pay. ←

I will be in a SEPA appeal / preliminary plat hearing starting tomorrow and extending through Saturday, and possibly next week, but will do my best to review the MOA quickly when you get it to me.

Thanks,

Bob

Bob C. Sterbank
Kenyon Disend, PLLC
The Municipal Law Firm
11 Front Street South
Issaquah, WA 98027-3820

Direct Tel: (425) 988-2208
Main Tel: (425) 392-7090
Fax: (425) 392-7071
bob@kenyondisend.com
www.kenyondisend.com



City Council Business Agenda Item City of Kenmore, WA

Subject/Topic:

Amendment #1 to Contract No. 12-C1030 with Anchor QEA for sediment sampling and analysis in the amount of \$72,086 for a total contract amount not to exceed \$139,314

Proposed Council Action/Motion:

Approve Amendment #1 to Contract No. 12-C1030 with Anchor QEA for sediment sampling and analysis in the amount of \$72,086 for a total contract amount not to exceed \$139,314

For Council Meeting Agenda of: 8 October 2012

Department: Executive

Prepared by: Nancy Ousley

Initial & Date

Approved by Department Head:

Approved by City Attorney:

Approved by Finance Director:

Approved by City Manager:

AKO 8 OCT 2012
RJK
mg 10-4-12

Exhibits/Attachments:

1. Proposed Amendment #1 to Contract No. 12-C1030, including project budget summary
2. Contract No. 12-C1030

Expenditure Required \$72,086

Amount Budgeted \$50,000

Appropriation Required \$46,064

INFORMATION/BACKGROUND:

The City Council approved a contract with Anchor QEA in May 2012 to perform sediment sampling and analysis in the Kenmore Navigation Channel, Log Boom Park and Sammamish River area. Since that time, the Washington Department of Ecology (DOE) and the City have identified additional areas to sample, and DOE has secured funding to support part of this work. The Washington Department of Health and the US Army Corps of Engineers Dredged Material Management Program are reviewing the sampling plan, and the Department of Health will prepare Health Assessment reports for the Kenmore Industrial Park at Lakepointe and Log Boom Park following the analysis of test results.

The additional sampling and analysis is expected to cost \$72,086 beyond the original contract authorization of \$67,228. The City and DOE are entering into a Memorandum of Agreement regarding the collaboration on this project, and the Department will reimburse the City in the amount of \$35,000. The owner of an adjacent marina will also reimburse the City for sampling and analysis on their property in the amount of approximately \$8000. The projected total cost to the City for this effort following reimbursements is \$96,064.

FISCAL CONSIDERATION:

An appropriation of \$46,064 from fund balance is required to cover the City's costs after reimbursement.

COUNCIL GOAL/BUDGET OBJECTIVE BEING ADDRESSED:

2011-2012 Goals: Continue to Seek Opportunities for Successful Lakepointe Development; Address Watershed Issues Affecting the City

Contract No. 12-C1030

Anchor QEA

October 1, 2012

May 2012 Contract

• City Samples (12)	\$ 50,647
• Private Properties Sampling*	\$ 16,581
• Total Contract Authorization	\$ 67,228

Amended Scope: City and Dept of Ecology **\$ 72,086**

Total Amended Contract Amount **\$139,314**

Dept of Ecology Reimbursement **(\$ 35,000)**

Private Property reimbursement** **(\$ 8,250)**

Total Cost to City **\$ 96,064**

**Difference between City's costs in original contract
and amendment**

\$ 45,417

***Northlake Marina and Kenmore Air sampling were included in the original scope. Kenmore Air elected not to participate in the project.**

****Northlake Marina estimated reimbursement**

**Contract No. 12-C1030
Amendment No. 1**

The following sections of the contract for consultant services dated May 21, 2012, between the City of Kenmore and Anchor QEA, LLC is amended to read in its entirety as set forth (i.e. below or in attachment). All other terms and conditions of the underlying contract shall remain in full force and effect.

Section 1. Scope of Services to be Performed by Consultant. (scope amendment as attached)

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

The City shall pay Consultant:

 X According to the rates set forth in Exhibit "A".

 X A sum not to exceed \$139,314

 Other (describe)

The Consultant shall complete and return to the City Exhibit "D," Tax Identification Number, prior to or along with the first billing invoice. The City shall pay the Consultant for services rendered within ten (10) days after City Council voucher approval.

Section 3. Duration of Agreement. This Agreement shall be in full force and effect for a period commencing on May 1, 2012 and ending April 30, 2013 unless sooner terminated under the provisions of this Agreement. Time is of the essence of this Agreement in each all of its provisions in which performance is required.

DATED this ____ day of _____, 20__.

CITY OF KENMORE:

CONSULTANT:

BY: _____
 Rob Karlinsey
Title: City Manager

By: _____
Title: _____

Address: _____



1423 Third Avenue, Suite 300
Seattle, Washington 98101
Phone 206.287.9130
Fax 206.287.9131

September 26, 2012

Nancy Ousley
Assistant City Manager
18120 68th Ave NE
Kenmore, Washington 98028

Re: Scope of Work Amendment to Conduct Additional Sediment and Water Sampling and Analysis, Kenmore Navigation Channel and Adjacent Areas

Dear Nancy:

This scope of work defines the activities to be performed by Anchor QEA LLC (Anchor QEA) to conduct additional sediment and water sampling and testing on behalf of the City of Kenmore (City). The work identified in this scope of work reflects activities not included in the original scope of work for a screening level chemical characterization of sediment in the Kenmore Navigation Channel and other nearby areas. The screening level characterization is still being conducted as originally described; however additional sediment and water samples have been added, based on discussion between the Washington State Department of Ecology (Ecology) and the City. This scope includes additional planning and coordination, sampling, and testing activities not included in the original scope of work.

SCOPE OF WORK

As described in the original scope of work, the City is working with the U.S. Army Corps of Engineers (USACE) in an effort to acquire funding for maintenance dredging of the Kenmore Navigation Channel. A screening level sediment characterization in the channel was described in the original scope of work to understand options for disposal of dredged

sediment. Some additional sampling and testing outside of the Kenmore Navigation Channel was included in the original scope of work to better understand sediment concentrations in the area. However, based on discussions with Ecology and the Washington Department of Health (DOH), additional sediment and water samples will provide more information on the presence of potential chemicals of concern. A portion of the additional samples included in this amendment will be funded by Ecology through a grant to the City, which is intended to support further evaluations to be conducted by Ecology. The additional sampling is also intended to support a health consultation to be developed by DOH for sediment near Log Boom Park and adjacent to Kenmore Industrial Park.

Tasks 1, 2, and 3 below describe additional activities not included in the original scope of work for project planning, coordination, and updates to the SAP Memo field sampling, and results reporting due to the additional sampling and testing.

Task 1 – Project Planning, Agency Coordination, and Updates to SAP Memo

This task includes providing additional support to the City to assist with project planning and agency coordination to define sampling/testing objectives and establish the appropriate location and number of samples to support City, Ecology, and DOH goals. It also includes revising the SAP Memo to include additional sampling and testing requirements beyond the sampling and testing requirements included in the original SAP Memo.

The revised SAP Memo will be updated to describe the sampling objectives, locations and methodology for field sampling and sample handling, analytical testing requirements, and reporting requirements for the additional 12 sediment samples and the 4 water samples (including field duplicates) not included in the original scope of work. Between the originally scoped 16 samples and the 12 new samples, a total of 28 sediment samples will be collected analyzed for the project, which are intended to satisfy the objectives of the City, Ecology, and DOH. It is assumed that there will be minimal comments from the City or Agencies on the draft SAP Memo. The Agency approved updated SAP Memo will be used during field sediment sampling.

The estimated cost for additional coordination and planning activities, and updating the SAP Memo is \$15,624.

Task 2 – Additional Field Sampling & Lab Coordination

Field sampling will take an additional 2 days to collect 12 sediment samples and 4 surface water samples (including duplicates). Additional samples are anticipated to be collected from adjacent to Log Boom Park, within and adjacent to Harbor Village marina, within the Sammamish River, and near Kenmore Industrial Park. Sampling will be conducted in accordance with the approved SAP Memo. Samples from the Kenmore navigation channel will be box core or power grab samples to the maximum penetration possible (20-30 cm below mudline). All other sediment samples will also be collected from the top 10 cm. Samples located along the shoreline will be collected by hand. Sediment samples will be forwarded to the appropriate laboratories for analysis. Adequate sediment volume will be collected for testing of the DMMP and SMS analyte list (metals, semi-volatile organic compounds (SVOCs), pesticides, polychlorinated biphenyls (PCBs), tributyl tin (porewater), dioxin/furan, total organic carbon, grain size, and moisture content). This task includes time to coordinate with the analytical lab regarding analytical testing and reporting. This task also includes costs for data validation.

The key assumptions associated with the additional sediment and water samples include:

- Six sediment grab samples collected outside the Kenmore Navigation Channel collected from the top 10 cm below mudline.
- Four sediment samples collected by hand from shoreline or tributary 0056 locations from the top 10 cm.
- Three water samples collected with a grab sampler (e.g., Van Dorn sampler) from the upper 3 ft of the water column.
- Two sediment and one water field duplicate samples for field QA/QC.
- Chemical testing of the DMMP and SMS analyte list for all 10 additional sediment samples.

- Chemical testing for SVOCs, total and dissolved priority pollutant metals, and suspended solids for water.
- In-situ collection of water quality parameters (e.g., temperature, dissolved oxygen, etc.) at water sample locations.
- This task includes costs for data validation of the chemical testing data.
- Anchor QEA will provide 2 field staff each to collect sediment and water samples, and prepare samples for dispatch to the laboratory.
- Additional field sampling will require two days for additional sediment and water sample collection, sample processing, and delivery of samples to the analytical lab.
- No weather or vessel delays occur during the sampling activity. Delay due to weather conditions or presence of vessels limiting access to sampling locations may result in additional costs not scoped for this contract.
- Anchor QEA will not acquire permits or access agreements for sampling. If required, these will be acquired by the City or Ecology.

The estimated cost for additional sampling and analytical testing is \$52,225.

Task 3 – Additional Sampling Results Reporting

This task includes additional time to incorporate sampling and testing results into the draft and final Data Report. The Data Report will summarize the field sampling activities, discuss the quality assurance/quality control aspects of the data, and present and discuss the results of all sample analyses. Additional time included in this task includes incorporating the additional data into summary data tables and maps, and a description of methods for additional sample collection, processing, handling, and transport, including a description of any deviations from the SAP Memo. Time is also included for exporting additional results into Ecology's Environmental Information Management (EIM) System.

Ecology and DOH may prepare separate reports with additional evaluations and interpretation based on the information included in the Data Report. A nominal amount of support is included in this scope of work to modify sampling figures for use in Ecology's

evaluation and interpretation report. However, no additional time is included in this scope of work to support other development or preparation of either Ecology or DOH reports.

The estimated cost for evaluating and reporting the additional data in the report is \$4,237.

Schedule

The estimated schedule for each of the above tasks is summarized in Table 1. Finalization of the SAP Memo and Results Memo is anticipated for mid October, with sampling planned for end of October.

**Table 1
Schedule**

Task	Description	Schedule	Activity
1	Sampling and Analysis Plan Memo	Mid October	Submittal of Draft SAP Memo to City and Ecology
2	Field Sampling and Lab Coordination	1 week; initiated within 2-3 weeks of SAP Memo approval by Ecology and other agencies	Field Sampling & Lab Coordination
	Lab Testing	4 weeks for chemistry testing	Chemistry Testing
	Data Validation	4 weeks for data validation and QA/QC	Data Validation
3	Sampling Results Reporting	4 weeks after receipt of validated results and completion of QA/QC	Draft Results Memo; Data submitted to EIM

Estimated Cost

Table 2 presents the anticipated cost for this amendment for each task.

**Table 2
Estimated Costs**

Task	Description	Cost
Task 1	Project Planning, Agency Coordination, and Updates to SAP Memo	\$15,624
Task 2	Additional Field Sampling and Lab Coordination	\$52,225
Task 3	Additional Sampling Results Reporting	\$4,237
	Total	\$72,086

Services will be performed on a time-and-materials basis not to exceed the identified budget without prior written authorization. If you need any additional information, please feel free to contact me at (206) 903-3314 or by email (twang@anchorqea.com). I look forward to working with you on this project.

Sincerely,



Tom Wang
Anchor QEA, LLC

cc: Dan Berlin, Anchor QEA

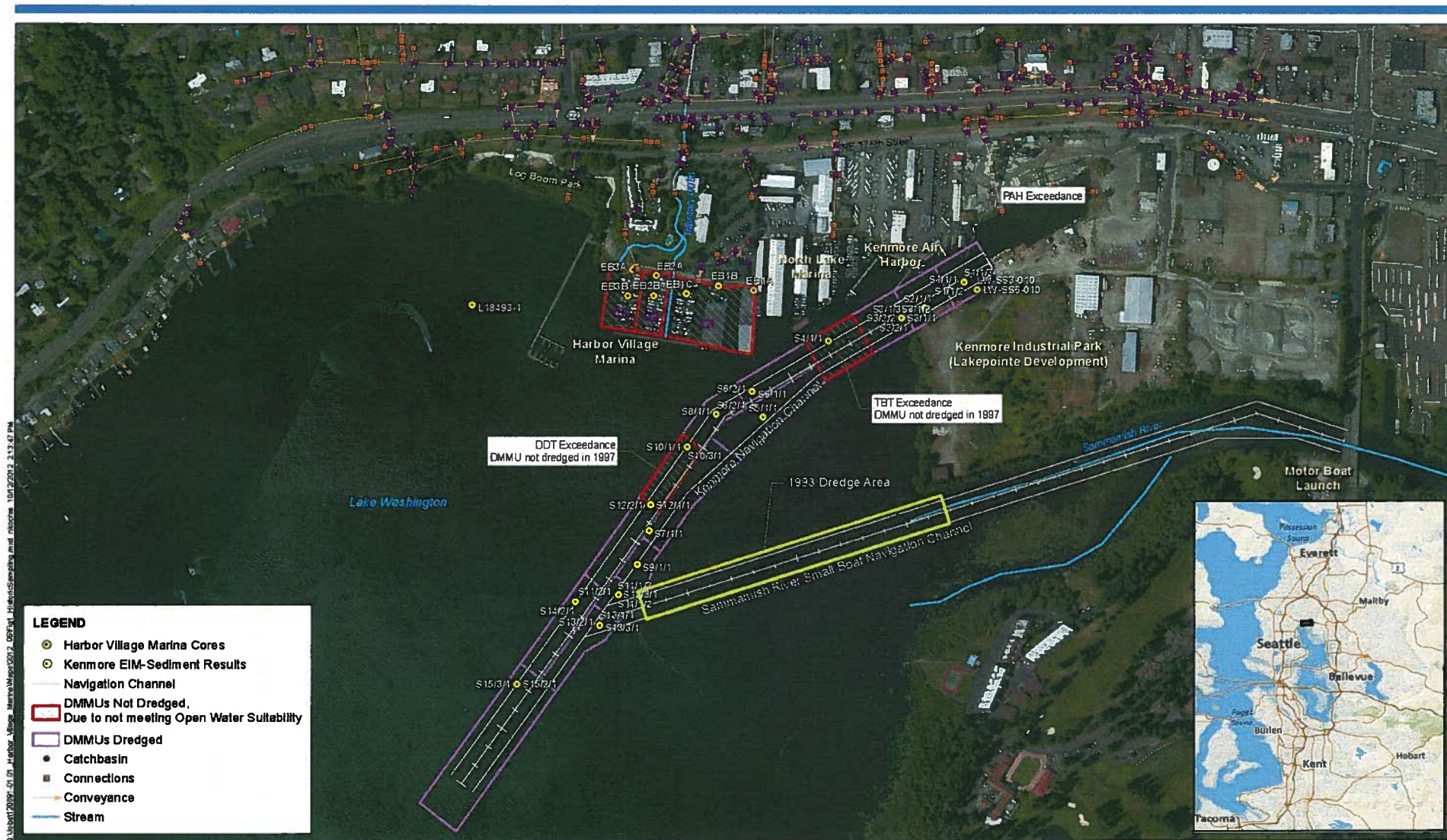


Figure 1
Existing Information
Sampling and Analysis Plan
Kenmore Sediment Characterization

Kenmore Sediment Characterization Amendment

Task	Description	Hours by Labor Categories (hourly rates shown in parentheses)							Total Labor Hours	Total Labor Cost	Subcontractor Direct Costs	Subcontractor Markup	Total Subcontractor Costs	Reimbursable Direct Costs	Total Reimbursable Costs	Equipment Direct Costs	Equipment Markup	Total Equipment Costs	Total Direct Costs	Total Cost
		Principal CM / Engineer / LA / Planner / Scientist (\$215)	Managing Analyst / CM / Engineer / LA / Planner / Scientist (\$175)	Senior Analyst / CM / Engineer / LA / Planner / Scientist (\$155)	Staff 3 Analyst / CM / Engineer / LA / Planner / Scientist (\$140)	Staff 2 Analyst / CM / Engineer / LA / Planner / Scientist (\$125)	Staff 1 Analyst / CM / Engineer / LA / Planner / Scientist (\$105)	Project Coordinator (Admin.) (\$89)												
Task1	Project Planning and Coordination with the City/Ecology, and Revisions to SAP Memo																			
	Project Management, Planning and																			
1.1	Coordination with the City and Ecology	20.00	24.00	12.00	-	-	-	-	56.00	\$ 10,360	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 10,360
1.2	Revise Draft SAP Memo	2.00	4.00	10.00	-	4.00	2.00	4.00	26.00	\$ 3,746	\$ -	\$ -	\$ -	\$ 70	\$ 70	\$ -	\$ -	\$ -	\$ 70	\$ 3,816
1.3	Final SAP Memo	-	2.00	4.00	-	2.00	-	2.00	10.00	\$ 1,398	\$ -	\$ -	\$ -	\$ 50	\$ 50	\$ -	\$ -	\$ -	\$ 50	\$ 1,448
Task2	Field Sampling and Analysis																			
2.1	Field Prep and Lab Coordination	-	-	1.00	2.00	-	6.00	-	9.00	\$ 1,065	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,065
2.2	Sediment Field Sampling and Analysis	-	-	20.00	20.00	-	-	-	40.00	\$ 5,900	\$ 29,245	\$ 2,924	\$ 32,169	\$ -	\$ -	\$ 65	\$ 7	\$ 72	\$ 32,241	\$ 38,141
2.3	Water Field Sampling and Analysis	-	-	6.00	6.00	-	-	-	12.00	\$ 1,770	\$ 10,092	\$ 1,009	\$ 11,101	\$ -	\$ -	\$ 135	\$ 14	\$ 149	\$ 11,249	\$ 13,019
Task3	Results Reporting																			
3.1	Draft Results Report	2.00	2.00	10.00	-	2.00	2.00	2.00	20.00	\$ 2,968	\$ -	\$ -	\$ -	\$ 30	\$ 30	\$ -	\$ -	\$ -	\$ 30	\$ 2,998
3.2	Final Results Report	-	-	4.00	-	4.00	-	1.00	9.00	\$ 1,209	\$ -	\$ -	\$ -	\$ 30	\$ 30	\$ -	\$ -	\$ -	\$ 30	\$ 1,239
	Total Hours	24.00	32.00	67.00	28.00	12.00	10.00	9.00	182											
	Total Cost	\$5,160	\$5,600	\$10,385	\$3,920	\$1,500	\$1,050	\$801		\$28,416	\$39,336	\$3,934	\$43,270	\$180	\$180	\$200	\$20	\$220	\$43,670	\$72,086

CONTRACT FOR CONSULTANT SERVICES
Anchor QEA, LLC
Kenmore Navigation Channel Sediment Sampling and Analysis
Contract No. 12-C1030

This Agreement is entered into by and between the City of Kenmore, Washington, a municipal corporation ("City") and Anchor QEA, LLC, whose principal office is located at 720 Olive Way, Suite 1900, Seattle, WA 98101 ("Consultant").

WHEREAS, the City desires to have certain services performed for its citizens;
and

WHEREAS, the City has selected the Consultant to perform such services pursuant to certain terms and conditions;

NOW, THEREFORE, in consideration of the mutual benefits and conditions set forth below, the parties agree as follows:

1. Scope of Services to be Performed by Consultant. The Consultant shall perform the services described in Exhibit "A" of this Agreement. In performing the services, the Consultant shall comply with all federal, state and local laws and regulations applicable to the services. The Consultant shall perform the services diligently and completely and in accordance with professional standards of conduct and performance.

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

The City shall pay Consultant:

[Check applicable method of payment]

X According to the rates set forth in Exhibit "A".

X A sum not to exceed \$67,228.00

____ Other (describe): _____

The Consultant shall complete and return to the City Exhibit "D," Tax Identification Number," prior to or along with the first billing invoice. The City shall pay the Consultant for services rendered within ten (10) days after City Council voucher approval.

3. Duration of Agreement. This Agreement shall be in full force and effect for a period commencing on May 1, 2012 and ending December 31, 2012 unless sooner

terminated under the provisions of this Agreement. Time is of the essence of this Agreement in each and all of its provisions in which performance is required.

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

5. Independent Contractor. The Consultant and the City agree that the Consultant is an independent contractor with respect to the services provided pursuant to this Agreement. The Consultant will be solely responsible for its acts and for the acts of its agents, employees, subconsultants or representatives during the performance of this Agreement. Nothing in this Agreement shall be considered to create the relationship of employer and employee between the parties.

6. Indemnification. Consultant shall defend, indemnify and hold the City, its officers, officials, employees and volunteers harmless from any and all claims, injuries, damages, losses or suits including reasonable attorney fees, arising out of or resulting from the negligent acts, willful misconduct, errors or omissions of the Consultant in performance of this Agreement, except for injuries and damages caused by the sole negligence of the City.

Should a court of competent jurisdiction determine that this Agreement is subject to RCW 4.24.115, then, in the event of liability for damages arising out of bodily injury to persons or damages to property caused by or resulting from the concurrent negligence of the Consultant and the City, its officers, officials, employees, and volunteers, the Consultant's liability hereunder shall be only to the extent of the Consultant's negligence. It is further specifically and expressly understood that the indemnification provided herein constitutes the Consultant's waiver of immunity under Industrial Insurance, Title 51 RCW, solely for the purposes of this indemnification. This waiver has been mutually negotiated by the parties. The provisions of this section shall survive the expiration or termination of this Agreement.

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

No Limitation

Consultant's maintenance of insurance as required by the agreement shall not be construed to limit the liability of the Consultant to the coverage provided by such insurance, or otherwise limit the City's recourse to any remedy available at law or in equity.

A. Minimum Scope of Insurance

Consultant shall obtain insurance of the types described below:

1. Automobile Liability insurance covering all owned, non-owned, hired and leased vehicles. Coverage shall be written on Insurance Services Office (ISO) form CA 00 01 or a substitute form providing equivalent liability coverage. If necessary, the policy shall be endorsed to provide contractual liability coverage.
2. Commercial General Liability insurance shall be written on ISO occurrence form CG 00 01 and shall cover liability arising from premises, operations, independent contractors and personal injury and advertising injury. The City shall be named as an insured under the Consultant's Commercial General Liability insurance policy with respect to the work performed for the City.
3. Workers' Compensation coverage as required by the Industrial Insurance laws of the State of Washington.
4. Professional Liability insurance appropriate to the Consultant's profession.

B. Minimum Amounts of Insurance

Consultant shall maintain the following insurance limits:

1. Automobile Liability insurance with a minimum combined single limit for bodily injury and property damage of \$1,000,000 per accident.
2. Commercial General Liability insurance shall be written with limits no less than \$1,000,000 each occurrence, \$2,000,000 general aggregate.
3. Professional Liability insurance shall be written with limits no less than \$1,000,000 per claim and \$1,000,000 policy aggregate limit.

C. Other Insurance Provision

The Consultant's Automobile Liability and Commercial General Liability insurance policies are to contain, or be endorsed to contain that they shall be primary insurance as respect the City. Any Insurance, self-insurance, or insurance pool coverage maintained by the City shall be excess of the Contractor's insurance and shall not contribute with it.

D. Acceptability of Insurers

Insurance is to be placed with insurers with a current A.M. Best rating of not less than A:VII

E. Verification of Coverage

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

F. Notice of Cancellation

The Consultant shall provide the City with written notice of any policy cancellation, within two business days of their receipt of such notice.

G. Failure to Maintain Insurance

Failure on the part of the Consultant to maintain the insurance as required shall constitute a material breach of contract, upon which the City may, after giving five business days notice to the Consultant to correct the breach, immediately terminate the contract or, at its discretion, procure or renew such insurance and pay any and all premiums in connection therewith, with any sums so expended to be repaid to the City on demand, or at the sole discretion of the City, offset against funds due the Consultant from the City.

8. Record Keeping and Reporting.

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

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

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

10. Termination.

A. The City reserves the right to terminate or suspend this Agreement at any time, with or without cause, upon seven (7) days prior written notice. In the event of termination or suspension, all finished or unfinished documents, data, studies, worksheets, models, reports or other materials prepared by the Consultant pursuant to this Agreement shall promptly be submitted to the City.

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

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

D. The Consultant reserves the right to terminate this Agreement with not less than fourteen (14) days written notice, or in the event that outstanding invoices are not paid within sixty (60) days.

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

11. Discrimination Prohibited. The Consultant shall not discriminate against any employee, applicant for employment, or any person seeking the services of the Consultant under this Agreement, on the basis of race, color, religion, creed, sex, sexual orientation, age, national origin, marital status, or presence of any sensory, mental or physical disability.

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

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

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

15. Non-appropriation of Funds. If sufficient funds are not appropriated or allocated for payment under this Agreement for any future fiscal period, the City will so notify the Consultant and shall not be obligated to make payments for services or amounts incurred after the end of the current fiscal period. This Agreement will terminate upon the completion of all remaining services for which funds are allocated. No penalty or expense shall accrue to the City in the event that the terms of the provision are effectuated.

16. Entire Agreement. This Agreement contains the entire agreement between the parties, and no other agreements, oral or otherwise, regarding the subject matter of this Agreement shall be deemed to exist or bind either of the parties. Either party may request changes to the Agreement. Changes which are mutually agreed upon shall be incorporated by written amendments to this Agreement.

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

City Clerk
City of Kenmore
P.O. Box 82607
Kenmore, Washington 98028-0607

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

Anchor QEA, LLC
Attn: Tom Wang
720 Olive Way, Suite 1900
Seattle, WA 98101

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

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

CITY OF KENMORE, WASHINGTON

By: Rob Karlinsey
Rob Karlinsey
Title: City Manager

Date: 5/21/12

CONSULTANT

By: Thomas Wang
Title: Partner

Date: 5/29/12

ATTEST AS TO FORM:

Rod Kaseguma
Rod Kaseguma, City Attorney



1423 Third Avenue, Suite 300
Seattle, Washington 98101
Phone 206.287.9130
Fax 206.287.9131

May 18, 2012

Nancy Ousley
Assistant City Manager
18120 68th Ave NE
Kenmore, Washington 98028

Re: Scope of Work to Conduct Screening Level Sediment Sampling and Analysis,
Kenmore Navigation Channel and Adjacent Areas

Dear Nancy:

This scope of work defines the activities to be performed by Anchor QEA LLC (Anchor QEA) to conduct a screening level sediment sampling and analysis for the City of Kenmore (City). The work identified in this scope of work reflects a reduced scope of work from the City's original requested scope in the Request for Qualifications. This scope of work includes a screening level chemical characterization of sediment in the Kenmore Navigation Channel and other nearby areas, which is a lower level of effort than required per the Dredged Material Management Program (DMMP) protocols for suitability for Puget Sound unconfined open-water disposal.

SCOPE OF WORK

The City is working with the U.S. Army Corps of Engineers (USACE) in an effort to acquire funding for maintenance dredging of the Kenmore Navigation Channel. Sediment characterization is necessary to understand options for disposal of dredged sediment. A full sediment characterization according to DMMP protocols would provide information to determine if sediment is suitable for unconfined open-water disposal, however, these results are only valid for 2 years in areas ranked "High" by DMMP (including the Kenmore Navigation Channel). Because acquisition of funding and completion of maintenance dredging will not likely occur within the next 2 years, staff from the Dredged Material Management Office

(DMMO) at USACE agreed that a screening level assessment would provide information necessary to support pursuing funding for maintenance dredging, and that a full DMMP sediment characterization would be conducted closer to dredging activities. The DMMO also indicated that a Sampling and Analysis Plan Memorandum (SAP Memo) would be adequate for this work, rather than a detailed Sampling and Analysis Plan (SAP) developed in accordance with a full DMMP sediment characterization.

Based on a survey conducted by USACE in February 2010, shallow areas are present within the Kenmore Navigation Channel. USACE estimated that maintenance dredging would require removal of 31,679 cubic yards (cy) of sediment within the channel. This screening level assessment includes assessment of sediment concentrations within the area requiring dredging. Tasks 1a, b, and c describe preparation of a SAP Memo, field sampling, and results reporting for sediment within the navigation channel, offshore of Log Boom Park, and in other areas identified by the City. Tasks 2a, b, and c describe additional sediment characterization work that would be conducted at Kenmore Air Harbor and North Lake Marina to support understanding of sediment concentrations.

Task 1 – Kenmore Navigation Channel Screening Level Characterization

Task 1a – Sampling and Analysis Plan Memorandum

This task includes development of the Sampling and Analysis Plan Memorandum (SAP Memo), which will be more focused than a full SAP developed in accordance with a full DMMP sediment characterization. This SAP Memo will be prepared to describe the sampling objectives, locations and methodology for field sampling and sample handling, analytical testing requirements, and reporting requirements. The SAP Memo will also describe a brief history of previous dredge characterizations conducted in the area, but no research on potential historical or ongoing sources of contamination will be included. This task also includes preparation for and briefing the Kenmore City Council on the sampling program during a preparatory session to allow question and answer as well as during a public briefing. The SAP Memo will assume collection of six sediment grab samples from the navigation channel, a minimum of two sediment grab samples from near Log Boom Park, and four additional samples from the Sammamish River, near LakePointe, and/or Log Boom Park.

Testing of the full DMMP analyte list will be conducted on each sample. No bioassay or bioaccumulation testing will be conducted on these samples. It is assumed that there will be minimal comments from the City or DMMP agencies on the draft SAP Memo. This scope of work includes one meeting with the DMMP to discuss the SAP Memo. The approved SAP Memo will be used during field sediment sampling.

The estimated cost for the Task 1a SAP Memo effort is \$8,936.

Task 1b – Navigation Channel and Log Boom Park Field Sampling & Lab Coordination

Field sampling will consist of collecting sediment from the navigation channel and offshore of Log Boom Park, at a minimum. Additional sampling may occur from the Sammamish River, near LakePointe, and/or near Log Boom Park, depending on input and final decisions from the City. Sampling will be conducted in accordance with the approved SAP Memo, which will consist of sediment samples from six locations within the navigation channel, two locations near Log Boom Park (at a minimum), and four additional locations (to be determined). Samples from the navigation channel are anticipated to consist of grab samples using a VanVeen sampler or a box core sampler to the maximum penetration possible (10 to 20 cm below mudline). Samples from Log Boom Park and other areas identified for sampling by the City will be collected from the top 10 cm. Sediment samples will be forwarded to the appropriate laboratories for analysis. Adequate sediment volume will be collected for testing of the full DMMP analyte list (metals, semi-volatile organic compounds (SVOCs), pesticides, polychlorinated biphenyls (PCBs), tributyl tin (porewater), dioxin/furan, ammonia, sulfide, total organic carbon, grain size, and moisture content). This task includes time to coordinate with the analytical lab regarding analytical testing and reporting. This task also includes costs for data validation.

The field sampling key assumptions include:

- Six sediment samples collected from the navigation channel.
- Two sediment samples collected from offshore of Log Boom Park.

- Four additional samples from the Sammamish River, near LakePointe, and/or near Log Boom Park (exact locations to be determined based on final input from the City).
- Chemical testing of the full DMMP analyte list for samples from the navigation channel, Log Boom Park, and other areas identified by the City.
- This task includes costs for data validation of the chemical testing data.
- Anchor QEA will conduct sediment sampling using our own sampling vessel.
- Anchor QEA will provide field staff to man the sampling vessel, collect sediment samples, and prepare samples for dispatch to the laboratory. It is assumed that the field program for the navigation channel sampling will require one day for sample collection, sample processing, and delivery of samples to the analytical lab.
- No weather or vessel delays occur during the sampling activity. Delay due to weather conditions or presence of vessels limiting access to sampling locations may result in additional costs not scoped for this contract.
- Permits are not anticipated to be required for sampling and costs to obtain permits are therefore not included in this scope of work.

The estimated cost for Task 1b navigation channel sampling and analytical testing is \$33,843.

Task 1c – Navigation Channel and Log Boom Park Sampling Results Reporting

Anchor QEA assumes preparation of the Data Report will include one draft and one final that addresses comments on the draft. The Data Report will summarize the field sampling activities, discuss the quality assurance/quality control aspects of the data, and present and discuss the results of all sample analyses. One conference call with the DMMP to discuss the results is included in this scope of work. Specific information included in the report will be the data validation report, summary data tables, tables and maps of sampling locations and coordinates, description of methods for sample collection, processing, handling, and transport, copies of chain-of-custody forms, and description of any deviations from the SAP Memo.

The estimated cost for evaluating the data and preparing the sampling results report is \$7,846.

Task 2 – Characterization of Other Areas

Task 2a – Other Areas: Additional SAP Memo Details

This task includes incorporation of additional details into the SAP Memo for several other areas in the vicinity of the Kenmore Navigation Channel, including at the North Lake Marina and Kenmore Air Harbor. Two additional sediment samples will be collected from each of these areas. This task includes additional time to coordinate with the City on appropriate sampling locations and incorporation of the locations into the SAP Memo, including locations on a figure and incorporation into the coordinate table.

The estimated cost for the Task 2a SAP Memo effort is \$722.

Task 2b – Other Areas: Field Sampling & Lab Coordination

Additional field sampling for areas outside the navigation channel is assumed to require 1 day. Two samples will be collected from North Lake Marina and Kenmore Air Harbor (four locations total). Sampling will be conducted in accordance with the approved SAP Memo. Samples from North Lake Marina and Kenmore Air Harbor are anticipated to consist of grab samples using a VanVeen sampler or a box core sampler to the maximum penetration possible (10 to 20 cm below mudline). Adequate sediment volume will be collected for testing of the full DMMP analyte list for North Lake Marina and Kenmore Air Harbor.

This task includes time to coordinate with the analytical lab regarding analytical testing and reporting. This task also includes costs for data validation.

The field sampling key assumptions include:

- Four sediment samples collected from North Lake Marina and Kenmore Air Harbor (2 locations in each area).
- Chemical testing of the full DMMP analyte list for each sample from North Lake Marina and Kenmore Air Harbor.
- This task includes costs for data validation of the chemical testing data.
- Anchor QEA will conduct sediment sampling using our own sampling vessel.

- Anchor QEA will provide field staff to man the sampling vessel, collect sediment samples, and prepare samples for dispatch to the laboratory. It is assumed that the field program for areas outside the navigation channel will require one day for sample collection, sample processing, and delivery of samples to the analytical lab.
- No weather or vessel delays occur during the sampling activity. Delay due to weather conditions or presence of vessels limiting access to sampling locations may result in additional costs not scoped for this contract.
- Permits are not anticipated to be required for sampling and costs to obtain permits are therefore not included in this scope of work.

The estimated cost for Task 2b sampling and analytical testing from other areas is \$13,077.

Task 2c – Other Areas: Sampling Results Reporting

This task includes time associated with sampling and testing for each of the other areas outside the navigation channel in the Data Report, including a draft version and final version that addresses comments on the draft. This task includes time to summarize the field sampling activities/sediment observations, discuss the quality assurance/quality control aspects of the data, and present and discuss the results of sample analyses from North Lake Marina and Kenmore Air Harbor.

Specific information included in the report will be the data validation report, summary data tables, tables and maps of sampling locations and coordinates, description of methods for sample collection, processing, handling, and transport, copies of chain-of-custody forms, and description of any deviations from the SAP Memo.

The estimated cost for evaluating the data and preparing the sampling results report is \$2,782.

Schedule

The estimated schedule for each of the above tasks is summarized in Table 1. Work on the project will begin upon receipt of the signed contract from the City. Finalization of the SAP Memo and Results Memo depends on review timeframes by the City and DMMP.

**Table 1
Schedule**

Task	Description	Schedule	Activity
1a and 2a	Sampling and Analysis Plan Memo	3 - 4 weeks	Submittal of Draft SAP Memo to City
1b and 2b	Field Sampling and Lab Coordination	1 week, initiated within 3 weeks of SAP Memo approval by DMMP	Field Sampling & Lab Coordination
	Lab Testing	4 - 5 weeks for chemistry testing	Chemistry Testing
1c and 2c	Sampling Results Reporting	4 - 5 weeks after receipt of analytical results	Draft Results Memo

Estimated Cost

Table 2 presents an anticipated cost for each task. The total budget for Task 1a, b, and c is anticipated to be \$50,625. The total budget for Tasks 2a, b, and c is anticipated to be \$16,581. Total budget for Tasks 1 and 2 is \$57,228.

**Table 2
Estimated Costs**

Task	Description	Cost
Task 1a	Sampling and Analysis Plan	\$8,936
Task 1b	Field Sampling and Lab Coordination	\$33,843
Task 1c	Sampling Results Reporting	\$7,846
	Task 1a, b, c Total	\$50,625
Task 2a	Sampling and Analysis Plan	\$722
Task 2b	Field Sampling and Lab Coordination	\$13,077
Task 2c	Sampling Results Reporting	\$2,782
	Task 2a, b, c Total	\$16,581
	Tasks 1 and 2 Total	\$67,206

Services will be performed on a time-and-materials basis not to exceed the identified budget without prior written authorization. If you need any additional information, please feel free to contact me at (206) 903-3314 or by email (twang@anchorqea.com). I look forward to working with you on this project.

Sincerely,

Thomas Wang

Tom Wang

Anchor QEA, LLC

cc: Dan Berlin, Anchor QEA

Task	Task Description	Hours by Labor Category							Total Hours	Total Labor Cost	Total Subcontractor Expenses	Total Reimbursable Expenses	Total Equipment Expenses	Total Direct Expenses	Total Cost
		Principal CM / Engineer / LA / Planner / Submittal	Managing Analyst / CM / Engineer / LA / Planner / Submittal	Staff II Analyst / CM / Engineer / LA / Planner / Submittal	Staff I Analyst / CM / Engineer / LA / Planner / Submittal	Staff I Analyst / CM / Engineer / LA / Planner / Submittal	Staff I Analyst / CM / Engineer / LA / Planner / Submittal	Staff I Analyst / CM / Engineer / LA / Planner / Submittal							
	Hourly Rate:	\$ 218.00	\$ 175.00	\$ 140.00	\$ 125.00	\$ 105.00	\$ 112.00	\$ 88.00							
1a	Sampling and Analysis Plan Memo	10.00	12.00	-	24.00	4.00	6.00	6.00	62.00	\$ 8,876.00	\$ -	\$ 60.00	\$ -	\$ 60.00	\$ 8,936.00
1b	Navigation Channel Field Sampling and Lab Coordination	-	2.00	18.00	18.00	-	-	-	38.00	\$ 5,120.00	\$ 28,943.04	\$ -	\$ 378.50	\$ 29,722.54	\$34,043.54
1c	Navigation Channel/Log Boon Park: Sampling Results Reporting	4.00	6.00	4.00	24.00	10.00	2.00	8.00	60.00	\$ 7,806.00	\$ -	\$ 40.00	\$ -	\$ 40.00	\$ 7,846.00
	Other Areas: Additional SAP Memo	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2a	Details	-	2.00	-	2.00	-	1.00	-	3.00	\$ 712.00	\$ -	\$ 10.00	\$ -	\$ 10.00	\$ 722.00
2b	Additional Field Sampling and Lab Coordination	-	2.00	10.00	12.00	-	-	-	24.00	\$ 3,280.00	\$ 8,447.68	\$ -	\$ 878.50	\$ 9,537.38	\$13,077.38
2c	Other Areas: Results Reporting	1.00	3.00	-	12.00	4.00	1.00	-	21.00	\$ 2,772.00	\$ -	\$ 10.00	\$ -	\$ 10.00	\$ 2,792.00
	TOTAL HOURS	15.00	29.00	32.00	52.00	18.00	10.00	14.00	210.00						
	TOTAL COST	\$ 3,225.00	\$ 5,075.00	\$ 4,480.00	\$ 11,500.00	\$ 1,880.00	\$ 1,120.00	\$ 1,244.00		\$ 28,536.00	\$ 37,790.72	\$ 120.00	\$ 790.00	\$ 88,686.72	\$ 67,296.72

Task1c: Navigation Channel/Log Boom Park: Sampling Results Reporting

TASK TOTAL:	\$	7,846.00			
LABOR SUBTASK TOTAL:	\$	5,998.00	\$	780.00	\$ 1,028.00
LABOR TOTAL HOURS:		48.00		4.00	8.00
SUBCONTRACTOR SUBTASK TOTAL:	\$	-	\$	-	-
REMBURSABLES SUBTASK TOTAL:	\$	40.00	\$	-	-
EQUIPMENT SUBTASK TOTAL:	\$	-	\$	-	-

Sub-Task Descriptions:

		Sub-Task Descriptions:				
				Draft Report	Conference Call with DMMP	Final Report
ANCHOR QEA STAFF	BILLING CATEGORY	BILLING RATE	TOTAL HOURS	Subtask 1c.1	Subtask 1c.2	Subtask 1c.3
Generic Principal	Principal CM / Engineer / IA / Planner / Scientist	215	4.00	2	2	
Generic Senior Project Manager	Senior Managing Analyst / CM / Engineer / IA / Planner / Scientist	195				
Generic Project Manager	Managing Analyst / CM / Engineer / IA / Planner / Scientist	175	8.00	4	2	2
Generic Senior Sci/Plan/Eng	Senior Analyst / CM / Engineer / IA / Planner / Scientist	155				
Generic Staff 3	Staff 3 Analyst / CM / Engineer / IA / Planner / Scientist	140	4.00	4		
Generic Staff 2	Staff 2 Analyst / CM / Engineer / IA / Planner / Scientist	125	24.00	20		4
Generic Staff 1	Staff 1 Analyst / CM / Engineer / IA / Planner / Scientist	105	10.00	10		
Generic Field Technician (Interns)	Technician	89	-			
Generic Senior CAD Designer	Senior CAD Designer	112	2.00	2		
Generic CAD Designer	CAD Designer	95				
Generic Project Coordinator (Admin.)	Project Coordinator (Admin.)	89				
Generic Project Coordinator (PA's)	Project Coordinator (PA's)	89	8.00	6		2

SUB-CONTRACTORS		DESCRIPTION	TOTAL COST	1c.1	1c.2	1c.3

REIMBURSABLES	DESCRIPTION	COST PER UNIT	TOTAL COST	1c.1	1c.2	1c.3
In-House Expenses						
Computer Modeling (\$/hr)	# of hours	10	40.00	4		

Task2a: Other Areas: Additional SAP Memo Details

TASK TOTAL: \$ 722.00
LABOR SUBTASK TOTAL: \$ 712.00
LABOR TOTAL HOURS: 5.00
SUBCONTRACTOR SUBTASK TOTAL: \$ -
REIMBURSABLES SUBTASK TOTAL: \$ 10.00
EQUIPMENT SUBTASK TOTAL: \$ -

Sub-Task Descriptions:

ANCHOR QEA STAFF	BILLING CATEGORY	BILLING RATE	TOTAL HOURS	Additional SAP Memo Details
				Subtask 2a.1
Generic Principal	Principal CM / Engineer / LA / Planner / Scientist	215	-	
Generic Senior Project Manager	Senior Managing Analyst / CM / Engineer / LA / Planner / Scientist	195	-	
Generic Project Manager	Managing Analyst / CM / Engineer / LA / Planner / Scientist	175	2.00	2
Generic Senior Sci/Plan/Eng	Senior Analyst / CM / Engineer / LA / Planner / Scientist	155	-	
Generic Staff 3	Staff 3 Analyst / CM / Engineer / LA / Planner / Scientist	140	-	
Generic Staff 2	Staff 2 Analyst / CM / Engineer / LA / Planner / Scientist	125	2.00	2
Generic Staff 1	Staff 1 Analyst / CM / Engineer / LA / Planner / Scientist	105	-	
Generic Field Technician (Interns)	Technician	89	-	
Generic Senior CAD Designer	Senior CAD Designer	112	1.00	1
Generic CAD Designer	CAD Designer	95	-	
Generic Project Coordinator (Admin.)	Project Coordinator (Admin.)	89	-	
Generic Project Coordinator (PA's)	Project Coordinator (PA's)	89	-	
			-	
			-	
			-	
			-	
			-	
			-	

SUB-CONTRACTORS	DESCRIPTION	TOTAL COST	2a.1
		-	
		-	
		-	
		-	
		-	
		-	
		-	
		-	

REIMBURSABLES	DESCRIPTION	COST PER UNIT	TOTAL COST	2a.1
In-House Expenses				
Computer Modeling (\$/hr)	# of hours	10	10.00	1
			-	
			-	

Task2b: Additional Field Sampling and Lab Coordination

TASK TOTAL:	\$	13,077.18		
LABOR SUBTASK TOTAL:	\$	600.00	\$	2,650.00
LABOR TOTAL HOURS:		4.00		20.00
SUBCONTRACTOR SUBTASK TOTAL:	\$	-	\$	9,447.68
REIMBURSABLES SUBTASK TOTAL:	\$	-	\$	-
EQUIPMENT SUBTASK TOTAL:	\$	-	\$	379.50

Sub-Task Descriptions:

ANCHOR QEA STAFF	BILLING CATEGORY	BILLING RATE	TOTAL HOURS	Sample Locations and Lab Coordination	Field Sampling
				Subtask 2b.1	Subtask 2b.2
Generic Principal	Principal CM / Engineer / LA / Planner / Scientist	215	-		
Generic Senior Project Manager	Senior Managing Analyst / CM / Engineer / LA / Planner / Scientist	195	-		
Generic Project Manager	Managing Analyst / CM / Engineer / LA / Planner / Scientist	175	2.00	2	
Generic Senior Sci/Plan/Eng	Senior Analyst / CM / Engineer / LA / Planner / Scientist	155	-		
Generic Staff 3	Staff 3 Analyst / CM / Engineer / LA / Planner / Scientist	140	10.00		10
Generic Staff 2	Staff 2 Analyst / CM / Engineer / LA / Planner / Scientist	125	12.00	2	10
Generic Staff 1	Staff 1 Analyst / CM / Engineer / LA / Planner / Scientist	105	-		
Generic Field Technician (Interns)	Technician	89	-		
Generic Senior CAD Designer	Senior CAD Designer	112	-		
Generic CAD Designer	CAD Designer	95	-		
Generic Project Coordinator (Admin.)	Project Coordinator (Admin.)	89	-		
Generic Project Coordinator (PA's)	Project Coordinator (PA's)	89	-		
			-		
			-		
			-		
			-		
			-		
			-		

SUB-CONTRACTORS	DESCRIPTION	TOTAL COST	2b.1	2b.2
Analytical Lab	ARI	9,447.7		\$ 8,588.80
		-		
		-		
		-		

EQUIPMENT	RATE UNIT	RATE	TOTAL UNITS	2b.1	2b.2
Field Sampling Gear (sediment)	day	20	1.00		1
Health & Safety Equipment (PPE) - "D" - gloves	day	20	1.00		1
Digital Camera	day	5	1.00		1
Boat Rental	day	300	1.00		1
			-		
			-		
			-		
			-		

Task2c: Other Areas: Results Reporting

TASK TOTAL: \$ 2,782.00
 LABOR SUBTASK TOTAL: \$ 2,097.00 \$ 675.00
 LABOR TOTAL HOURS: 16.00 5.00
 SUBCONTRACTOR SUBTASK TOTAL: \$ - \$ -
 REIMBURSABLES SUBTASK TOTAL: \$ 10.00 \$ -
 EQUIPMENT SUBTASK TOTAL: \$ - \$ -

Sub-Task Descriptions:

ANCHOR QEA STAFF	BILLING CATEGORY	BILLING RATE	TOTAL HOURS	Draft Report	Final Report
				Subtask 2c.1	Subtask 2c.2
Generic Principal	Principal CM / Engineer / LA / Planner / Scientist	215	1.00	1	
Generic Senior Project Manager	Senior Managing Analyst / CM / Engineer / LA / Planner / Scientist	195	-		
Generic Project Manager	Managing Analyst / CM / Engineer / LA / Planner / Scientist	175	3.00	2	1
Generic Senior Sci/Plan/Eng	Senior Analyst / CM / Engineer / LA / Planner / Scientist	155	-		
Generic Staff 3	Staff 3 Analyst / CM / Engineer / LA / Planner / Scientist	140	-		
Generic Staff 2	Staff 2 Analyst / CM / Engineer / LA / Planner / Scientist	125	12.00	8	4
Generic Staff 1	Staff 1 Analyst / CM / Engineer / LA / Planner / Scientist	105	4.00	4	
Generic Field Technician (Interns)	Technician	89	-		
Generic Senior CAD Designer	Senior CAD Designer	112	1.00	1	
Generic CAD Designer	CAD Designer	95	-		
Generic Project Coordinator (Admin.)	Project Coordinator (Admin.)	89	-		
Generic Project Coordinator (PA's)	Project Coordinator (PA's)	89	-		
			-		
			-		
			-		
			-		
			-		
			-		

SUB-CONTRACTORS	DESCRIPTION	TOTAL COST	2c.1	2c.2
		-		
		-		
		-		
		-		
		-		
		-		

REIMBURSABLES	DESCRIPTION	COST PER UNIT	TOTAL COST	2c.1	2c.2
In-House Expenses					
Computer Modeling (\$/hr)	# of hours	10	10.00	1	
			-		
			-		

EXHIBIT C

City of Kenmore Billing Invoice

To: City of Kenmore
PO Box 82607
Kenmore, Washington 98028
Phone: (425) 398-8900
Fax: (425) 481-3236

Invoice Number: _____ Date of Invoice: _____

Consultant: _____

Mailing Address: _____

Telephone: () _____

Contract Period: _____ Reporting Period: _____

Amount requested this invoice: \$ _____

Attach itemized description of services provided.

Specific Program: _____

Authorized signature

For Department Use Only

BUDGET SUMMARY

Total contract amount	\$ _____
Previous payments	\$ _____
Current request	\$ _____
Balance remaining	\$ _____

Approved for Payment by: _____ Date: _____

EXHIBIT D

CITY OF KENMORE

P.O. Box 82607

Kenmore, WA 98028

Phone: (425) 398-8900

Fax: (425) 481-3236

TAX IDENTIFICATION NUMBER

In order for you to receive payment from the City of Kenmore, the must have either a Tax Identification Number or a Social Security Number. The Internal Revenue Service Code requires a Form 1099 for payments to every person or organization other than a corporation for services performed in the course of trade or business. Further, the law requires the City to withhold 20% on reportable amounts paid to unincorporated persons who have not supplied us with their correct Tax Identification Number or Social Security Number.

Please complete the following information request form and return it to the City of Kenmore prior to or along with the submittal of the first billing invoice.

Please check the appropriate category:

☐ Corporation

☐ Partnership

☐ Government Consultant

☐ Individual/Proprietor

☐ Other (explain)

TIN No.: _____

Social Security No.: _____

Print Name: _____

Title: _____

Business Name: _____

Business Address: _____

Business Phone: _____

Date

Authorized Signature (Required)



City Council Business Agenda Item
City of Kenmore, WA

Subject/Topic: Authorize the City Manager to Execute Contract No. 12-CI083 with Kenmore Commercial LLC for office space lease for the Pilot Business Incubator	For Council Meeting Agenda of: 5 November 2012 Department: Executive Prepared by: Nancy Ousley Initial & Date Approved by Department Head: <u>NKO 30 OCT 2012</u> Approved by City Attorney: <u>EMAIL: BROSSARD/KASEGUMA</u> Approved by Finance Director: <u>[Signature] 29 OCT 2012</u> Approved by City Manager: <u>[Signature]</u>
Proposed Council Action/Motion: Authorize the City Manager to Execute Contract No. 12-CI083 with Kenmore Commercial LLC for office space lease for the Pilot Business Incubator	Exhibits/Attachments: Proposed Contract No. 12-CI083
Expenditure Required \$113,016 for the full three year term of the lease (includes rent, triple net and share of tenant improvements) Amount Budgeted \$0 for 2012 Appropriation Required \$5406	
<u>INFORMATION/BACKGROUND:</u> The Council directed staff to establish a two year Pilot Business Incubator Program at its September 10, 2012 meeting. The pilot program will provide low cost office space and business operation assistance to start up companies, primarily in the technology field. During the pilot program period, the City will actively pursue and assess the opportunity for a longer term program with Bastyr University, the University of Washington Bothell and other partners, ideally in office space that has been developed in Kenmore Village. The proposed contract is a lease agreement with Kenmore Commercial LLC for 3000 sf of office space in downtown Kenmore for the pilot program. The location, space and price are appropriate for the intended purpose. The lease includes a share of tenant improvements that will be completed by the Landlord, and the lease period begins December 1, 2012. It is a three year lease, with the ability to terminate after two years with 90 days notice. The City Attorney's Office worked with staff to prepare the lease document. The Landlord will complete and supply the Exhibits to the Lease prior to its execution.	
<u>FISCAL CONSIDERATION:</u> The Pilot Business Incubator Program was not anticipated in the 2011-2012 Budget, and an appropriation is required for the initial 1 month's lease, associated payments and deposit. The lease payments and other program costs are proposed to be funded in the 2013-2014 Budget from the Strategic Opportunity Fund.	
<u>COUNCIL GOAL/BUDGET OBJECTIVE BEING ADDRESSED:</u> Implement the Economic Development Strategy	

I:\ACM\ACM NK0\Agenda Bill Drafts\AB 5 Nov 2012 Incubator Lease.doc

LEASE AGREEMENT

THIS LEASE AGREEMENT ("Lease"), effective November __, 2012 (the "Effective Date"), is by and between **Kenmore Commercial LLC**, a Washington limited liability company, as "Landlord," and **City of Kenmore**, a municipal corporation, as "Tenant."

WITNESSETH:

A. Landlord is the owner of the real property and improvements located at **7204 NE 175th Street, Kenmore, King County, Washington**, which property is legally described on Exhibit A hereto, and depicted on the Site Plan attached as Exhibit B hereto (the "Property").

B. Landlord desires to lease to Tenant, and Tenant desires to lease from Landlord, that approximately 3,000 square foot space comprising the entire second floor of building A located on the Property (the "Building"), which space is commonly referred to as Building A, Suite B, 7204 NE 175th Street, Kenmore, Washington (the "Premises"). The Premises are shown in cross-hatching on Exhibit B hereto.

NOW, THEREFORE, in consideration of the mutual covenants and provisions hereof, the parties agree as follows:

1: PREMISES: Landlord, in consideration of the rents, covenants and agreements hereinafter set forth to be paid and performed by the Tenant does hereby lease the Premises to the Tenant, and Tenant, in consideration of the lease of the Premises to Tenant and the performance of Landlord's covenants and agreements hereinafter set forth, does hereby lease the Premises from Landlord, subject to and in accordance with the provisions of this Lease.

2: TERM; EARLY TERMINATION: The term of this Lease shall be approximately thirty-six (36) months, commencing on the date that is five (5) days after Tenant's receipt of written notice from Landlord confirming that Landlord has completed "Landlord's Preparation Work" described in Paragraph 36, below (the "Commencement Date") and terminating on the last day of the thirty-sixth (36th) full month following the Commencement Date (the "Termination Date"). The anticipated Commencement Date is December 1, 2012.

Notwithstanding the foregoing, in the event that Tenant's City Council elects to terminate or relocate Tenant's pilot, business incubator project, described in Paragraph 32 below, Tenant may, upon at least ninety (90) days' prior written notice ("Tenant's Termination Notice"), given to Landlord at any time after the first twenty-four (24) months of the Lease term, elect to terminate this Lease, in which event this Lease shall terminate on the termination date set forth in Tenant's Termination Notice, as if such date were originally set forth as the Termination Date in this Lease.

3: RENT: Tenant covenants and agrees to pay Landlord, c/o **Mobeen A Butte, managing partner, 8002 N.E. Bothell Way Kenmore, WA 98028**, or to such other party or at such other place as Landlord may hereafter designate, monthly Base Rent in the following amounts:

Months 1* – 12 Two thousand one hundred twenty-five dollars (\$2,125.00)
***including any partial month at the beginning of the term**

Months 13 – 36 Two thousand five hundred fifty dollars (\$2,550.00)

Monthly Base Rent shall be payable in advance, on the first (1st) day of each month of the Lease term. Tenant agrees to pay as additional rent 1/12 (one-twelfth) of its prorated share of annual estimated operating expenses as outlined in Paragraph #7 in advance on the first (1st) day of each month of the Lease term. Rent for any partial month during the term shall be prorated.

4: LATE FEE AND INTEREST: Any rental payments received five (5) or more days after the beginning date of each month will be subject to late fee of five percent (5%). In addition, all sums past due from Tenant shall bear interest at one percent (1%) per month or any fraction thereof.

5: FIRST MONTH'S BASE RENT AND SECURITY DEPOSIT: Concurrently with Tenant's execution of this Lease, Tenant paid to Landlord the sum of \$2,125.00, the amount of the first month's Base Rent. In addition, Tenant has deposited with Landlord the sum of \$2,550.00 (the "security deposit") to be held by Landlord as security for the faithful performance by Tenant of all the terms, covenants, and conditions of this Lease to be kept and performed by Tenant during the term hereof. If Tenant defaults with respect to any provision of this Lease, including but not limited to the provisions relating to the payment of rent, Landlord may (but shall not be required to) use, apply or retain all or any part of this security deposit for the payment of any rent or any other sum in default, or for the payment of any amount which Landlord may spend or become obligated to spend by reason of Tenant's default, or to compensate Landlord for any other loss or damage which Landlord may suffer by reason of Tenant's default. If any portion of said deposit is so used or applied, Tenant shall, within five (5) days after written demand therefor, deposit cash with Landlord in the amount sufficient to restore the security deposit to its original amount and Tenant's failure to do so shall be a default under the Lease. Landlord shall not be required to keep this security deposit separate from its general funds, and Tenant shall not be entitled to interest on such deposit. If Tenant shall fully and faithfully perform every provision of this Lease to be performed by it, the security deposit or any balance thereof shall be returned to Tenant within ten (10) days following expiration of the Lease term. In the event of termination of Landlord's interest in the Lease, Landlord shall transfer said deposit to Landlord's successor-in-interest.

Tenant will at all times maintain with the Landlord on deposit a sum equal to one (1) month's current rent as the security deposit for the purposes of this paragraph. Landlord hereby acknowledges receipt of Two Thousand One Hundred Twenty-Five Dollars (\$2,125.00) applicable to the first month's Base Rent, and the sum of Two Thousand Five Hundred Fifty Dollars (\$2,550.00) for the security deposit, for a total deposit of Four Thousand Six Hundred Seventy-Five Dollars (\$4,675.00).

6: UTILITIES AND FEES: Tenant agrees to pay all charges for electricity, gas, water, sewer, garbage, drainage, metro and all other utilities and services serving the Premises during the full term of this Lease. Tenant acknowledges that utility charges for gas, water and sewer are billed to the entire building in which the Premises are located, and that Tenant's pro rata share of such charges is 38%. Tenant agrees to pay Landlord for Tenant's pro rata share of such costs within fifteen (15) days following receipt from Landlord of a copy of the utility

provider's billing therefor. Tenant shall pay, directly to the utility provider, the costs of electrical service separately metered to the Premises. Tenant shall also establish its own account for garbage collection and pay the utility provider directly for such service.

7: OPERATING EXPENSES:

- a. **DEFINITION.** As used herein, "Operating Costs" shall mean all reasonable costs of operating, maintaining and repairing the Premises, the Building, and the Property, determined in accordance with generally accepted accounting principles, and including without limitation the following: all taxes and assessments (including, but not limited to: real and personal property taxes and assessments, local improvement district assessments and other special purpose assessments, and taxes on rent or gross receipts); insurance premiums paid by Landlord and (to the extent used) deductibles; water, sewer and all other utility charges (other than utilities serving only and paid directly by Tenant or other tenants); janitorial and all other cleaning services for any common areas of the Building or the Project; refuse and trash removal; refurbishing and repainting; routine air conditioning, heating, ventilation service costs; pest control; lighting systems, fire detection and security services; landscape maintenance; management (fees and/or personnel costs, not to exceed 10% of Operating Costs, excluding insurance and taxes); parking lot, road, sidewalk and driveway patching, resurfacing and maintenance; snow and ice removal; amortization (in accordance with generally accepted accounting principles) of capital improvements as Landlord may in the future install to comply with governmental regulations and rules or undertaken in good faith with a reasonable expectation of reducing Operating Costs, to the extent such improvements actually reduce Operating Costs (the useful life of which improvements shall be a reasonable period of time as determined by Landlord); and reasonable costs of legal service (except any costs related to any specific tenant or Landlord's violation of any Laws); accounting services, labor, supplies, materials and tools. Landlord and Tenant agree that if the Building is not ninety percent (90%) occupied during any calendar year, on a monthly average, then the Operating Costs shall be increased to reflect the Operating Costs of the Building as though it were ninety percent (90%) occupied and Tenant's Pro Rata Share of Operating Costs shall be based upon Operating Costs as so adjusted; provided, however, that this adjustment shall apply only to Operating Costs that are variable and therefore increase as the occupancy of the Project increases. Operating Costs shall not include: Landlord's income tax or general corporate overhead, depreciation on the Building or equipment therein; loan payments; real estate broker's commissions; capital improvements to or major repairs of the Building shell (i.e., the Building structure, exterior walls and roof) or other improvements not described in this paragraph; or any costs regarding the operation, maintenance and repair of the Premises, the Building, or the Property paid directly by Tenant or other tenants in the Building.
- b. **PAYMENT: TRIPLE NET.** As additional Rent, Tenant shall pay to Landlord on the first of each month with payment of Tenant's base rent, one-twelfth of Tenant's Pro Rata Share of estimated Operating Costs, as scheduled in Paragraph #3, "Rent", above. Tenant's share of said expenses is 22% (twenty two percent). Landlord's good faith estimate and calculation of Operating Costs for the first twelve (12) full calendar months (the "First Lease Year"), is attached as Exhibit C hereto. Tenant's Pro Rata Share of such estimated Operating Costs would be \$531.00 per month for

the first twelve months. In no event will the amount of Tenant's Pro Rata Share of Operating Costs (excluding taxes, insurance premiums and common area utility costs) increase by more than three percent (3%) (the "cap") during each of months 13 – 24 (the "Second Lease Year") and months 25 – 36 of the Lease term (the "Third Lease Year"). Landlord shall also provide to Tenant, as soon as possible following the beginning of each of the Second and Third Lease Years a good faith estimate of Tenant's annual Pro Rata share of Operating Costs for such Lease Year. In the event the estimated amount of Tenant's Pro Rata Share of Operating Costs has not yet been determined for any Lease Year, Tenant shall pay the monthly installment in the estimated amount determined for the preceding Lease Year until the estimate for the current Lease Year has been provided to Tenant. At such time as the estimate for the current Lease Year is received, Tenant shall then pay any shortfall, subject to the cap, or receive a credit for any surplus for the preceding months of the current Lease Year and shall, thereafter, make the monthly installment payment in accordance with the current estimate, subject to the cap.

As soon as reasonably possible following the end of Lease Year (and in no event later than sixty (60) days thereafter), Landlord shall determine and provide to Tenant a statement (the "Operating Costs Statement") setting forth the amount of Operating Costs actually incurred and the amount of Tenant's Pro Rata Share of Operating Costs actually payable by Tenant with respect to such Lease Year. In the event the amount of Tenant's Pro Rata Share of Operating Costs exceeds the sum of the monthly installments actually paid by Tenant for such Lease Year, Tenant shall pay to Landlord the difference (subject to the cap) within thirty (30) days following receipt of the Operating Costs Statement. In the event the sum of such installments exceeds the amount of Tenant's Pro Rata Share of Operating Costs actually due and owing, the difference shall be applied as a credit to Tenant's future Pro Rata Share of Operating Costs payable by Tenant pursuant to this Section, or refunded to Tenant within thirty (30) days following the expiration or sooner termination of this Lease, as applicable.

8: COMMON AREAS: If the Premises are part of a building occupied by other tenants, Tenant agrees to conform to Landlord's reasonable rules and regulations pertaining to the parts of the building that are in common use by tenants; provided, however, that in the event of any conflict or inconsistency between such rules and regulations and the provisions of this Lease, the provisions of this Lease shall control.

9: REPAIRS AND MAINTENANCE:

A. Tenant's Obligations. The Premises have been inspected and are accepted by Tenant in their present condition, subject to completion of Landlord's Preparation Work, described in Paragraph 36, below, and subject to Landlord's maintenance and repair obligations set forth in Paragraph 9B, below. Tenant shall, at its own expense and at all times, keep the Premises neat, clean, in a sanitary condition, clear of hazards and keep and use the Premises in accordance with applicable laws, ordinances, rules, regulations and requirements of governmental authorities (collectively "Laws") (provided that, as to any required modifications to the Premises, such Laws apply to Tenant's specific use of the Premises and not to tenanted real estate in general). Tenant shall permit no waste, damage or injury to the Premises. Tenant shall keep all drains within the Premises free and open; protect water, heating, gas and other pipes within the Premises to prevent freezing or clogging; and

shall replace all glass in windows and doors within the Premises which may become cracked or broken. Tenant shall not make any color changes to the building exterior without Landlord's prior written consent.

B. Landlord's Obligations. Except for those portions of the Premises which are the obligation of the Tenant to maintain and repair, Landlord shall at all times keep the Premises, the Building and the Property in good, commercially reasonable condition, and in compliance with all Laws. Landlord's obligations shall include maintenance and repair of the Building's roof and roof membrane; walls; foundation and all structural elements; heating, ventilation, and air conditioning system; all pipes and plumbing; stairwells; and exterior windows, doors and entries. Landlord further agrees to maintain in a good, safe and operable condition all exterior portions of the Project, including exterior lighting and other utilities. Landlord's obligations shall include any necessary patching or resurfacing of the parking areas, driveways, and sidewalks adjoining the Premises, and removal from such areas of ice, snow and obstructions and debris. Landlord further agrees to keep and maintain in good condition and repair all kitchen appliances, fixtures and equipment, and all lighting in the Premises (including replacing bulbs, when necessary).

Tenant acknowledges that the eastern portion of the Premises is served by both the Building's gas heating system and an air conditioning system, and that the western portion of the Premises is served by the gas heating system and a gas fireplace, but no air conditioning system. Landlord shall ensure that, when required, the air conditioning system shall at all times maintain a comfortably cool temperature in the eastern portion of the Premises for Tenant's occupants, and that, when required, the Building's gas heating system shall likewise maintain a comfortably warm temperature in the entire Premises for Tenant's occupants. In the event Tenant determines that, despite natural ventilation and the use of portable fans, the eastern portion of the Premises is uncomfortably warm for Tenant's occupants, Tenant may install window unit or comparable air conditioners in the eastern portion of the Premises, and Landlord and Tenant shall share equally in the costs associated therewith. Tenant shall have the right to control separately the thermostats for the Premises' heat and air conditioning systems.

10: SIGNS: All signs or symbols placed by Tenant in windows and doors of the Premises, or upon any exterior part of the building or on the property, shall be subject to Landlord's prior written approval. Landlord may demand the removal of signs which are not so approved, and Tenant's failure to comply with said request within three (3) business days following Tenant's receipt of Landlord's written demand will constitute a breach of this paragraph allowing Landlord to cause the sign to be removed and the Building repaired at the sole expense of the Tenant. Any freestanding sign installed, as new or a replacement, on the property by the Tenant will become the property of the Landlord. At the termination of this Lease, at Landlord's sole option and request, Tenant will remove any sign placed by it upon the Premises and will repair any damage caused by such removal at Tenant's expense. All signs must comply with sign ordinances and be placed in accordance with required permits.

11: ALTERATIONS: After prior written consent of Landlord, which consent shall not be unreasonably withheld or delayed, Tenant may make alterations, additions and improvements in said Premises, at Tenant's sole cost and expense. In the performance of such work, Tenant agrees to comply with all Laws applicable to Tenant's work, and to hold Landlord harmless from damage, loss or expense caused by any negligence or willful misconduct of Tenant in connection therewith. At the time of Landlord's approval of any alterations, additions or improvements proposed by Tenant, Landlord shall identify in writing to Tenant which, if any,

of any such alterations, additions or improvements Tenant shall be required to remove upon the expiration of the Lease term. No later than the Lease Termination Date, Tenant shall remove, at Tenant's sole cost and expense, any such alterations, additions or improvements previously so identified by Landlord for removal. Tenant shall have no obligation to remove any other alterations, additions or improvements. Tenant shall at all times have the right, however, to remove from the Premises Tenant's moveable trade fixtures, fixtures and equipment.

12: CONDEMNATION: In the event a substantial part of the Premises is taken or damaged by the right of eminent domain, or purchased by the condemnor, in lieu thereof, so as to render the remaining Premises economically untenable, then this Lease shall be cancelled as of the time of taking at the option of either party. In the event of a partial taking, which does not render the Premises economically untenable, the Base Rent and Operating Costs shall be reduced in direct proportion to the leased property taken. Tenant shall have no claim to any portion of the compensation for the taking or damaging of the land or building. Nothing herein contained shall prevent the Tenant from its entitlement to negotiate, with a third party, for his own moving costs and leasehold improvements.

13: PARKING: Tenant understands that parking is apportioned in conformity with controlling zoning ordinances and that Landlord shall have the right to make such regulations as Landlord deems desirable for the control of parking automobiles on the real property described in Exhibit A or property under Landlord's control, including the right to designate certain areas for parking by Tenant, employees of Tenant, Tenant's invitees, and other tenants of the Project. Notwithstanding the foregoing, Landlord shall at all times make available and designate for exclusive use by Tenant and its invitees at least three (3) parking stalls within the area identified as "Tenant's Parking Area" on Exhibit B attached hereto. Tenant may make its own arrangements with the adjacent Kenmore Community Club located at 7304 NE 75th Street, Kenmore, Washington for any additional parking needs.

14: HAZARDOUS MATERIALS:

(a) Landlord and the person executing this Lease on Landlord's behalf represents and warrants to the Tenant that to the best of the knowledge of Landlord's members, partners and managers: (i) the Property is in full compliance with all applicable Environmental Laws; (ii) there are no Hazardous Materials stored, located or present on the Property; and (iii) the Property is not the subject of any Environmental Action.

(b) Tenant has conducted, at Tenant's expense, such environmental site assessments ("ESA") of the Property, if any, as Tenant desired to conduct to evaluate the environmental conditions of the Property. Tenant shall promptly deliver to Landlord a copy of each ESA made by Tenant. Nothing in this subsection (b), including but not limited to Tenant's failure to conduct an ESA or raise any issue pertaining to environmental matters contained in an ESA obtained by Tenant, shall in any way constitute a waiver of, diminish or limit the provisions of Landlord's indemnities in subsection (e), below.

(c) Tenant shall not cause or permit any Hazardous Material to be generated, produced, brought upon, used, stored, treated or disposed of in or about the Property by Tenant, its agents, employees, contractors, sublessees or invitees without the prior written consent of Landlord. Landlord hereby consents to Tenant's use, storage and disposal on the Property of petroleum and cleaning products that qualify as hazardous materials in quantities consumed during the normal course of its business, provided that such use, storage and

disposal shall be in full compliance with applicable law, including but not limited to Environmental Laws. Landlord shall be entitled to take into account such other factors or facts as Landlord may reasonably determine to be relevant in determining whether to grant or withhold consent to Tenant's proposed activity with respect to Hazardous Material. In no event, however, shall Landlord be required to consent to the installation or use of any underground storage tanks on the Property.

(d) Tenant shall defend, indemnify and hold harmless Landlord from and against any Environmental Liabilities and Costs arising out of (i) any release or threatened release of Hazardous Materials at or from the Property caused by Tenant's operations and (ii) any violations of Environmental Laws that are caused by Tenant's operations. "Tenant's operations" include but are not limited to the act or omission of any of Tenant's employees, invitees, licensees, agents and contractors. Tenant shall defend Landlord at Tenant's expense with counsel reasonably acceptable to Landlord. The obligations under this subsection shall survive expiration or earlier termination of this Lease.

(e) Landlord shall defend, indemnify and hold harmless Tenant from and against any Environmental Liabilities and Costs arising out of: (i) any release of Hazardous Materials that occurred at or from the Property prior to Landlord's delivery of the Premises to Tenant pursuant to this Lease; (ii) any violations of Environmental Laws or Environmental Actions at or from the Property that are attributable to the acts or omissions of Landlord or its employees, invitees, licensees, agents and contractors; (iii) any breach of any representation or covenant of Landlord in this Lease regarding environmental matters; and (iv) any releases or threatened releases of Hazardous Materials at or from the Property not caused by Tenant, its employees, agents, invitees, licensees, agents and contractors. Landlord shall defend Tenant at Landlord's expense with counsel reasonably acceptable to Tenant. The obligations under this subsection shall survive expiration or earlier termination of this Lease.

(f) As used in this Lease:

(i) The term "Environmental Actions" refers to any complaint, summons, citation, notice, directive, order, claim, litigation, investigation, judicial or administrative proceeding, or judgment by or in favor of any third party, including any governmental authority, involving a violation or alleged violation of any Environmental Law.

(ii) The term "Environmental Law" means the Comprehensive Environmental Response Compensation and Liability Act ("CERCLA"), 42 U.S.C., 9601 et seq., as amended; the Resource Conservation and Recovery Act ("RCRA"), 42 U.S.C. 6901 et seq., as amended; the Clean Air Act ("CAA"), 42 U.S.C. 7401 et seq., as amended; the Clean Water Act ("CWA"), 33 U.S.C. 1251, et seq., as amended; the Occupational Safety and Health Act ("OSHA"), 29 U.S.C. 655 et seq., as amended; the Washington Model Toxics Control Act, RCW Chapter 70.105D, as amended; the Washington Industrial Safety and Health Act ("WISHA"), RCW Chapter 49.17, as amended; the rules and regulations adopted under any of the preceding; and any other applicable federal, state, local or municipal laws, statutes, regulations, rules or ordinances regulating the use, handling, disposal, transportation, storage and other activities concerning substances determined to be hazardous, dangerous or toxic to the environment and/or public health.

(iii) The term "Environmental Liabilities and Costs" means any monetary obligations, losses, liabilities (including strict liability), damages, punitive damages, consequential damages, treble damages, reasonable costs and expenses (including reasonable fees,

disbursements and expenses of attorneys, expert and consulting fees, and reasonable costs of environmental site assessments, remedial investigation and feasibility studies), fines, penalties, sanctions and interest incurred as a result of any Environmental Action.

(iv) The term "Hazardous Materials" means any flammable items, explosives, radioactive materials, hazardous or toxic substances, material or waste or related materials, including any substances defined as or included in the definition of "hazardous substances", "hazardous wastes", "hazardous materials" or "toxic substances" now or subsequently regulated under any Environmental Law, including without limitation petroleum-based products, paints, solvents, lead, cyanide, DDT, printing inks, acids, pesticides, ammonia compounds and other chemical products, asbestos, PCBs and similar compounds, and including any different products and materials which are subsequently found to have adverse effects on the environment or the health and safety of persons.

15: LIENS AND INSOLVENCY: Tenant shall keep the Premises freed from any liens arising out of any work performed for, materials furnished to, or obligations incurred by Tenant and shall hold Landlord harmless against the same. In the event Tenant becomes insolvent, bankrupt, or if a receiver, assignee or other liquidating officer is appointed for the business of Tenant, Landlord may cancel this Lease at its option.

16: SUBLETTING OR ASSIGNMENT: Tenant shall not assign this Lease or sublet the whole or any part of the Premises, without the prior written consent of Landlord, which consent will not be unreasonably withheld, conditioned or delayed. This Lease shall not be assignable by operation of law.

17: ACCESS: Tenant shall have access to the Premises 24 hours per day, 7 days per week. Landlord shall have the right to enter the Premises at all reasonable times, upon not less than 24 hours' prior written notice, for the purpose of inspection or of making repairs, additions or alterations, and to show the Premises to prospective tenants and/or to put "For Lease" signs on the Premises for ninety (90) days prior to the expiration of the Lease term. Landlord shall use best efforts to minimize interference with Tenant's business operations in connection with any entry into the Premises, and shall coordinate with Tenant the scheduling of any non-emergency alterations or repairs. Landlord shall have at all times emergency access to the Premises.

18: POSSESSION: If for any reason Landlord is unable to deliver possession of the Premises to Tenant on or before December 1, 2012, Tenant may give Landlord written notice of its intention to cancel this Lease if possession not delivered within thirty (30) days after receipt of such notice by Landlord. Landlord shall not be liable for any damage caused by delay, and Tenant shall not be liable for any rent until such times as Landlord delivers possession. If Landlord offers possession of the Premises prior to the Commencement Date of this Lease, and if Tenant accepts such early possession, then both parties shall be bound by all of the covenants and terms contained herein including the rent during such period of early possession.

19: SECURITY MEASURES: Tenant hereby acknowledges that the rental payable to Landlord hereunder does not include the cost of security measures and that Landlord shall have no obligation whatsoever to provide same. Subject to Landlord's performance of its obligations set forth herein, including maintenance and repair of the Premises and the Project and Landlord's compliance with applicable Laws, Tenant assumes all responsibility for the

protection of Tenant, its employees, customers, agents, invitees and its property from acts of third parties.

20: DAMAGE OR DESTRUCTION: In the event the Premises are rendered untenantable in whole or in part by fire, the elements, or other casualty, Landlord may elect, at its option, not to restore or rebuild the Premises and shall notify Tenant, in which event Tenant shall vacate the Premises and this Lease shall be terminated; or, in the alternative Landlord shall notify Tenant, within thirty (30) days after the notice of such casualty, that Landlord will undertake to rebuild or restore the Premises, and that such work can be completed within one hundred eighty (180) days from date of such notice of intent, and Tenant may elect, at its option to terminate this Lease. If Landlord is unable to restore or rebuild the Premises within the said one hundred eighty (180) days, and Tenant did not earlier elect to terminate, then the Lease may be terminated at Tenant's option by written 10-day notice to Landlord. During the period of untenability, the rent (including Base Rent and Operating Costs) shall abate in the same ratio as the portion of the Premises rendered untenantable bears to the whole of the Premises.

21: ACCIDENTS AND LIABILITY; INSURANCE.

A. Tenant's Indemnity. Landlord or its agent shall not be liable for, and Tenant agrees to indemnify, defend and hold Landlord and its agents harmless from any claim, action and/or judgment for damages to property or injury to persons suffered or alleged to be suffered on the Premises by any person, firm, or corporation, except to the extent caused by the negligence or willful misconduct of Landlord, its members, agents, employees, contractors, or invitees, or by the breach of Landlord's obligations under this Lease.

B. Landlord's Indemnity. Tenant shall not be liable for, and Landlord agrees to indemnify, defend and hold Tenant harmless from any claim, loss, liability, action, costs and expenses, including reasonable attorney's fees and expenses of litigation, for damages to property or injury to persons suffered or alleged to be suffered on or about the Property by any person, firm, or corporation, except to the extent caused by the negligence or willful misconduct of Tenant, its agents, employees, contractors or invitees, or by the breach of Tenant's obligations under this Lease.

C. Tenant's Insurance. Tenant agrees to maintain a policy of commercial general liability insurance for bodily injury and property damage with limits of not less than One Million Dollars (\$1,000,000.00) per occurrence, and Two Million Dollars (\$2,000,000.00) in the aggregate, which insurance shall assure the performance by Tenant of the indemnity agreement as to liability for injury to or death of persons and injury or damage to property as provided for herein. All of such insurance shall be primary and noncontributing with any insurance, which may be carried by Landlord. Tenant shall furnish Landlord a certificate indicating that the insurance policy is in full force and effect.

D. Landlord's Insurance. Landlord shall obtain and keep in force and effect during the term of this Lease, a policy of all risk property insurance in an amount equal to 100% of the replacement cost of all buildings and improvements located on the Property, and a policy of commercial general liability insurance, insuring for bodily injury and property damage with limits comparable to those carried by responsible landlords of properties similar to the Property, but in no event less than One Million Dollars (\$1,000,000.00) per occurrence, and Two Million Dollars (\$2,000,000.00) in the aggregate. Landlord's commercial general liability insurance shall assure the performance by Landlord of the indemnity agreement as to

liability for injury or death of persons and injury or damage to property, as provided herein, and further shall insure against any and all liability of the insured arising from Landlord's ownership, use, maintenance and operation of the buildings and the Property. All insurance shall be in responsible companies authorized to do business in the State of Washington.

22: SUBROGATION WAIVER: Any insurance carried by either party with respect to the Premises, building, and the property contained therein shall include a clause or endorsement denying the insurer rights of subrogation against the other party to the extent rights have been waived by the insured prior to the occurrence of the injury or loss. Each party, notwithstanding any provisions of this Lease to the contrary, hereby releases and relieves the other, and waives its entire right of recovery against the other, for loss or damages arising out of or incident to the perils covered by insurance containing such clause or endorsement.

23: DEFAULT AND RE-ENTRY:

- a. If Tenant shall fail to pay the rent when due and such failure continues for three (3) business days after written notice from Landlord, or
- b. If Tenant shall fail to keep and perform any of the covenants and agreements herein contained, and such failure continues for thirty (30) days after written notice from Landlord, unless appropriate action has been taken by Tenant in good faith to cure such failure, then, Landlord may terminate this Lease and re-enter the Premises, or Landlord may, without terminating this Lease, re-enter said Premises, and sublet the whole or any part thereof for the account of the Tenant upon as favorable terms and conditions as the market will allow, for the balance of the term of this Lease and Tenant covenants and agrees to pay to Landlord any deficiency arising from a re-letting of the Premises at a lesser amount than herein agreed to. Tenant shall pay such deficiency each month as the amount thereof is ascertained by Landlord. However, the ability of Landlord to re-enter and sublet shall not impose upon Landlord the obligation to do so. Landlord agrees in any event to use reasonable efforts to mitigate its damages in the event of any default by Tenant hereunder.

24: REMOVAL OF PROPERTY: In the event Landlord lawfully re-enters the Premises as provided herein, Landlord shall have the right, but not the obligation, to remove all the personal property located therein and to place such property in storage at the expense and risk of Tenant.

25: LANDLORD'S DEFAULT: Landlord shall be in default hereunder if Landlord fails to perform obligations required of Landlord within a reasonable time, but in any event within thirty (30) days after written notice by Tenant to Landlord specifying the nature of Landlord's default; provided, however, that if the nature of Landlord's obligation is such that more than thirty (30) days are required for performance, then Landlord shall not be in default if Landlord commences performance within such thirty (30) day period and thereafter diligently prosecutes the same to completion. In the event of Landlord's default hereunder, Tenant may pursue any remedy provided for elsewhere herein or as may now or hereafter be available to Tenant under the laws or judicial decisions of the State of Washington.

26: COST AND ATTORNEY'S FEES: In the event that either party hires an attorney to enforce any provisions of this Lease, then in that event the other, defaulting party, agrees to pay the enforcing party's reasonable attorney's fee and costs. In any legal proceeding to enforce the terms of this Lease, the prevailing party shall be entitled to an award of

reasonable attorney's fee and costs. The venue of any legal proceeding shall be brought in the Superior Court for the State of Washington in King County, Washington.

27: SUBORDINATION: Tenant agrees that this Lease shall be subordinate to any mortgages or deeds of trust placed on the Property, provided that in the event of foreclosure, if Tenant is not then in default and agrees to attorn to the mortgagee or beneficiary under deed of trust, such mortgagee or beneficiary shall assume Landlord's obligations under this Lease and recognize Tenant's right of possession for the term of the Lease.

28: NO WAIVER OF COVENANTS: Any waiver by either party of any breach hereof by the other shall not be considered a waiver of any future similar breach. This Lease contains all the agreements between the parties; and there shall be no modification of the agreements contained herein except by written instrument.

29: SURRENDER OF PREMISES: Tenant agrees, upon termination of this Lease, to peacefully quit and surrender the Premises without notice, leave the Premises neat and clean and to deliver all keys to the Premises to Landlord.

30: HOLDING OVER: If Tenant, with the implied or express consent of Landlord, shall hold over after the expiration of the term of this Lease, Tenant shall remain bound by all the covenants and agreements herein, except that the tenancy shall be from month to month. Tenant agrees to pay a monthly rental of 1.20% of the rent herein specified for the last twelve months of the Lease.

31: BINDING ON HEIRS, SUCCESSORS AND ASSIGNS: The covenants and agreements of this Lease shall be binding upon the heirs, executors, administrators, successors and assigns of both parties hereto except as hereinabove provided.

32: USE: The Premises may be used for general office, meeting, presentation and educational purposes related primarily to Tenant's pilot, business incubator program, and accordingly may be occupied by Tenant, its agents, employees, consultants, contractors and invitees, including program participants. Landlord acknowledges that, notwithstanding any participation or use fees paid to Tenant, no use or occupancy of the Premises by Tenant's program participants shall be deemed a sublease requiring Landlord's consent under this Lease.

33: QUIET ENJOYMENT: Landlord agrees that Tenant, upon the full and timely performance of Tenant's obligations hereunder, have the quiet and undisturbed possession of the Premises throughout the Lease term.

34: NOTICE: Any notice required or permitted to be given by either party to the other shall given in writing and personally delivered, or deposited in the United States mail, postage prepaid, addressed to the Landlord c/o Mobeen A Butte 8002 N.E Bothell Way Kenmore, Wa. 98028 or to the Tenant at City of Kenmore, Attn: City Manager, 18120 68th Ave NE , P. O. Box 82607, Kenmore, Washington 98028, or at such other address as either party may designate to the other in writing from time to time. Notices shall be deemed effective upon the earlier of personal delivery or three (3) business days following deposit in the mail, as aforesaid.

35: TIME. TIME IS OF THE ESSENCE OF THIS LEASE.

36: LANDLORD'S PREPARATION WORK: To prepare the Premises for Tenant's use and occupancy, Landlord agrees to (a) repaint the interior walls of the Premises, using paint and color reasonably approved in advance by Tenant, (b) replace two (2) damaged overhead light fixtures, and (c) replace throughout the Premises, the Premises' current carpeting and flooring with bamboo flooring selected by Tenant (collectively, "Landlord's Preparation Work"). Landlord shall bear all costs associated with Landlord's Preparation Work; provided, however, that Tenant shall pay a total of \$7,200.00 toward the cost of the bamboo flooring installation. Such amount shall be payable in equal monthly installments of \$200 per month over the term of the Lease; provided, however, that in the event that Tenant exercises its early termination right set forth in Paragraph 2, above, the entire unpaid balance of such excess bamboo flooring costs shall be paid with the last installment of monthly Base Rent. Landlord shall give Tenant prompt written notice of completion of Landlord's Preparation Work. Landlord and Tenant shall thereupon conduct a walk-through, "punch-list" inspection of the Premises, and Landlord shall promptly correct any items set forth on the parties' punch list.

37: ARBITRATION: Any and all disputes, claims, or controversies between the parties hereto ("parties" specifically including, but not being limited to, any assignee of a party) arising out of or relating to this Lease that are not resolved by their mutual agreement shall be submitted to final and binding arbitration before JAMS, or its successor, at JAMS' office in Seattle, Washington (or, if none, at JAMS' office in the United States which is closest to Seattle, excluding any in Alaska), pursuant to the United States Arbitration Act, 9 U.S.C. Sec. 1, et seq. Either party may commence the arbitration process by filing a written demand for arbitration with JAMS at the designated office and concurrently sending a copy to the other party or parties. The arbitration will be conducted in accordance with the provisions of JAMS' Comprehensive Arbitration Rules and Procedures as in effect when the demand is filed. The parties to the dispute, claim, or controversy will cooperate with JAMS and each other in selecting an arbitrator from JAMS' panel of neutrals and in scheduling the arbitration proceedings. The costs and fees of JAMS and of the arbitrator shall be borne equally by the parties to the dispute, claim, or controversy. The provisions of this Section are specifically enforceable by any court with subject matter jurisdiction sitting in King County, Washington. The party or parties seeking such enforcement shall be entitled to an award of all reasonable costs, fees, and expenses (including but not limited to attorneys fees) of such enforcement action against the party or parties, jointly and severally, against whom the court enters an order enforcing this Section.

38. ENTIRE AGREEMENT: This Agreement constitutes the entire agreement of Landlord and Tenant and supersedes all oral and written agreements and understandings made and entered into by the parties hereto prior to the date hereof. Except as herein otherwise provided, no subsequent alteration, amendment, change or addition to this Lease shall be binding upon Landlord and Tenant unless reduced to writing and signed by each of them.

39: SEVERABILITY: The invalidity of any provision of this Lease as determined by a court of competent jurisdiction shall in no way affect the validity of any other provision hereof.

40: COUNTERPARTS: This Lease may be executed in counterparts, each of which shall be deemed an original, and all of which when taken together shall constitute one and the same instrument.

IN WITNESS WHEREOF, the parties hereto have hereunto set their hands the date first above written.

LANDLORD:

Kenmore Commercial LLC,
a Washington limited liability company

By: _____
Mobeen Butte, its partner
Date: _____

TENANT:

City of Kenmore,
a municipal corporation

By: _____
Its: _____
Date: _____

STATE OF WASHINGTON)
)ss.
COUNTY OF KING)

I certify that I know or have satisfactory evidence that _____ is the person who appeared before me, and said person acknowledged that _____ signed this instrument, on oath stated that _____ was authorized to execute this instrument and acknowledged it as the _____ of **Kenmore Commercial LLC**, a Washington limited liability company, to be the free and voluntary act of such party for the uses and purposes mentioned in the instrument.

Dated: _____

(Print name)
Notary public in and for the State of Washington,
residing at _____
My appointment expires: _____

STATE OF WASHINGTON)
)ss.
COUNTY OF KING)

I certify that I know or have satisfactory evidence that _____ is the person who appeared before me, and said person acknowledged that _____ signed this instrument, on oath stated that _____ was authorized to execute this instrument and acknowledged it as the _____ of the **City of Kenmore**, a municipal corporation, to be the free and voluntary act of such party for the uses and purposes mentioned in the instrument.

Dated: _____

(Print name)
Notary public in and for the State of Washington,
residing at _____
My appointment expires: _____

EXHIBIT A
LEGAL DESCRIPTION

EXHIBIT B

SITE PLAN

(Specifically identify Premises and parking areas
designated for Tenant's exclusive use.)

EXHIBIT C
OPERATING EXPENSE BUDGET



City Council Business Agenda Item
City of Kenmore, WA

Subject/Topic: Authorize the City Manager to execute Contract No. 12-C1062 with Barry Weisband for consulting services for the Pilot Business Incubator Program	For Council Meeting Agenda of: 5 November 2012 Department: Executive Prepared by: Nancy Ousley <table><tr><td></td><td><u>Initial & Date</u></td></tr><tr><td>Approved by Department Head:</td><td>NKO 26 Oct 2012</td></tr><tr><td>Approved by City Attorney:</td><td>✓ RK</td></tr><tr><td>Approved by Finance Director:</td><td>pre 10/26/12</td></tr><tr><td>Approved by City Manager:</td><td>POK</td></tr></table>		<u>Initial & Date</u>	Approved by Department Head:	NKO 26 Oct 2012	Approved by City Attorney:	✓ RK	Approved by Finance Director:	pre 10/26/12	Approved by City Manager:	POK
	<u>Initial & Date</u>										
Approved by Department Head:	NKO 26 Oct 2012										
Approved by City Attorney:	✓ RK										
Approved by Finance Director:	pre 10/26/12										
Approved by City Manager:	POK										
Proposed Council Action/Motion: Authorize the City Manager to execute Contract No. 12-C1062 with Barry Weisband for consulting services for the Pilot Business Incubator Program	Exhibits/Attachments: Proposed Contract No. 12-C1062										
Expenditure Required \$47,000 maximum through 2013	Amount Budgeted \$0 in 2012	Appropriation Required \$7500 for 2012									
<u>INFORMATION/BACKGROUND:</u> In September 2012 the City Council approved moving forward with a Pilot Business Incubator Program, that is designed to provide low cost work space and business assistance for start - up ventures. The proposed contract with Barry Weisband will provide for program start up, operation and business consultation for participating businesses. The contract authorization is for work through December 2013. As the program gets underway in 2013, staff will assess the needs for 2014 and will propose a contract amendment as necessary.											
<u>FISCAL CONSIDERATION:</u> The opportunity for establishing a pilot Business Incubator program presented itself in 3 rd Quarter of 2012 and Council approved moving forward with the pilot in September 2012. The 2011-2012 Budget did not anticipate this program, but the 2013-2014 Proposed Budget includes funding for the Pilot Incubator Program.											
<u>COUNCIL GOAL/BUDGET OBJECTIVE BEING ADDRESSED:</u> Support Economic Development											

I:\ACM\ACM NK0\Agenda Bill Drafts\AB 5 Nov 2012 Weisband contract.docx

CONTRACT FOR CONSULTANT SERVICES
Contract No. 12-C1062

This Agreement is entered into by and between the City of Kenmore, Washington, a municipal corporation ("City") and Barry Weisband, whose principal office is located at 4039 NE 178th Street, Lake Forest Park, WA 98155.

WHEREAS, the City desires to have certain services performed for its citizens;
and

WHEREAS, the City has selected the Consultant to perform such services pursuant to certain terms and conditions;

NOW, THEREFORE, in consideration of the mutual benefits and conditions set forth below, the parties agree as follows:

1. Scope of Services to be Performed by Consultant. The Consultant shall perform the services described in Exhibit "A" of this Agreement. In performing the services, the Consultant shall comply with all federal, state and local laws and regulations applicable to the services. The Consultant shall perform the services diligently and completely and in accordance with professional standards of conduct and performance.

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

The City shall pay Consultant:

[Check applicable method of payment]

☒ According to the rates set forth in Exhibit "A".

☒ A sum not to exceed \$ 47,000 through December 31, 2013

☐ Other (describe): _____

The Consultant shall complete and return to the City Exhibit "D," Tax Identification Number," prior to or along with the first billing invoice. The City shall pay the Consultant for services rendered within ten (10) days after City Council voucher approval.

3. Duration of Agreement. This Agreement shall be in full force and effect for a period commencing on September 1, 2012 and ending June 30, 2014 unless sooner

terminated under the provisions of this Agreement. Time is of the essence of this Agreement in each and all of its provisions in which performance is required.

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

5. Independent Contractor. The Consultant and the City agree that the Consultant is an independent contractor with respect to the services provided pursuant to this Agreement. The Consultant will be solely responsible for its acts and for the acts of its agents, employees, subconsultants or representatives during the performance of this Agreement. Nothing in this Agreement shall be considered to create the relationship of employer and employee between the parties.

6. Indemnification.

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

B. The City shall protect, defend, indemnify and save harmless the Consultant, its officers, employees and agents from any and all costs, claims, suits, losses or liabilities of any nature, including attorneys' fees, arising out of or in connection with the negligent acts or omissions of the City, its officers, employees and agents in performing this Agreement.

7. Insurance.

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

A. Minimum Scope of Insurance.

Consultant shall obtain insurance of the types described below:

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

2. Commercial General Liability insurance shall be written on ISO occurrence form CG 00 01 and shall cover liability arising from premises, operations, independent contractors, and personal injury and advertising injury. The City shall be named as an insured under the Contractor's Commercial General Liability insurance policy with respect to the work performed for the City.

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

B. Minimum Amounts of Insurance.

Consultant shall maintain the following insurance limits:

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

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

C. Other Insurance Provisions.

The insurance policies are to contain, or be endorsed to contain, the following provisions for Automobile Liability and Commercial General Liability insurance:

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

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

D. Verification of Coverage.

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

8. Record Keeping and Reporting.

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

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

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

10. Termination.

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

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

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

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

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

11. Discrimination Prohibited. The Consultant shall not discriminate against any employee, applicant for employment, or any person seeking the services of the Consultant under this Agreement, on the basis of race, color, religion, creed, sex, sexual orientation, age, national origin, marital status, or presence of any sensory, mental or physical disability.

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

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

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

15. Non-appropriation of Funds. If sufficient funds are not appropriated or allocated for payment under this Agreement for any future fiscal period, the City will so notify the Consultant and shall not be obligated to make payments for services or amounts incurred after the end of the current fiscal period. This Agreement will terminate upon the completion of all remaining services for which funds are allocated. No penalty or expense shall accrue to the City in the event that the terms of the provision are effectuated.

16. Entire Agreement. This Agreement contains the entire agreement between the parties, and no other agreements, oral or otherwise, regarding the subject matter of this Agreement shall be deemed to exist or bind either of the parties. Either party may request changes to the Agreement. Changes which are mutually agreed upon shall be incorporated by written amendments to this Agreement.

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

City Clerk
City of Kenmore
P.O. Box 82607
Kenmore, Washington 98028-0607

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

4039 NE 178th Street
Lake Forest Park, WA 98155

18. Applicable Law; Venue; Attorneys' Fees. This Agreement shall be governed by and construed in accordance with the laws of the State of Washington. In the event any suit, arbitration or other proceeding is instituted to enforce any term of this Agreement, the parties specifically understand and agree that venue shall

be exclusively in King County, Washington. The prevailing party in any such action shall be entitled to its attorneys' fees and costs of suit, which shall be fixed by the judge hearing the case and such fee shall be included in the judgment.

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

CITY OF KENMORE, WASHINGTON

CONSULTANT

By: _____

Rob Karlinsey

Title: City Manager

Date: _____

By: _____

Barry Weisband

Title: Owner/Consultant

Date: _____

ATTEST AS TO FORM:

Rod Kaseguma, City Attorney

EXHIBIT A

Scope of Services to be Provided by Consultant. The Consultant shall furnish services including, but not limited to, the following:

Business incubators accelerate the successful development of entrepreneurial companies through an array of business support resources and services. A business incubator's main goal is to produce successful firms that graduate from the incubation program as financially viable growth oriented companies. In a nutshell, it is commonly accepted known though tried and proven incubator models that graduates commercialize technologies, create jobs, and strengthen local economies.

Critical to the definition of an incubator is the provision of business assistance that comes in the form of management guidance, technical assistance, and consulting tailored to young, growing companies. Incubators may also involve facilities and facility-based services that provide clients with appropriate rental space and flexible leases, shared business services and equipment, technology support services, and assistance in obtaining financing necessary for company growth.

The City of Kenmore sees a distinct benefit and advantage to plan for and ultimately sponsor a business incubator with potential partners who may be but not limited to private sector firms, public agencies, individual business people, higher educational institutions and charitable foundations.

*Monthly cost estimates for Tasks 1 and 2 assume a minimum of 16-20 hours per month spent on the project

I. PILOT INCUBATOR START UP

- a. Period – September 2012 through December 2012
- b. Cost – @ \$2,500 per month
- c. Total cost \$ 10,000

Research different models of incubators: including meeting with Surf, other research, and recommend practical alternatives for pilot program in a memo Council presentation Sept 10 and subsequent reports to Council as necessary
Propose/develop client application process and criteria for selection, evaluation and graduation
Participate in client selection
Assist in developing incubator client agreement and client fee structure
Consult on physical space set up and equipment
Consult with City on pilot program operating and facility budget

II. PILOT INCUBATOR OPERATION

- a. Period – January 2013 through December 2013
- b. Cost – \$3,000 per month
- c. Total Cost – \$36,000

Assess mentoring needs of client companies and offer regular check-in's, direct support and/or access to business support expertise or networking opportunities
Advise City on graduation potential timelines of businesses
Reports to City

III. EVALUATION AND LONGER TERM PROGRAM DEVELOPMENT (final scope and costs to be determined)

- a. Period – January 2014 through June 2014
- b. Cost – \$1,000 per month
- c. Total Cost – \$6,000

Work with City, Bastyr University and other entities to develop structure for potential post pilot program
Evaluate pilot program at agreed upon intervals and recommend program elements for future program
Develop projected capital and operating budgets for long term program
Participate in preparing grant applications and make contacts with potential funders

IV. TRAINING SESSIONS FOR LOCAL BUSINESSES

Conduct 2 sessions per year for local business people/graduates on business planning or other relevant topics. City will provide meeting space, publicity and other logistics for these sessions.

- a. Period – January 2013 through June 2014
- b. Cost – \$0
- c. Total Cost – \$0

Reasonable expenses and mileage to be reimbursed by the City, subject to Consultant estimate and agreement. \$1000 is allocated for expenses through December 2013.

EXHIBIT B

Rates for Services to be Provided by Consultant. The Consultant shall furnish the services in accordance with the following rates:

See Exhibit A



City Council Business Agenda Item City of Kenmore, WA

Subject/Topic: Discussion and Direction on Proposed Phase One Improvements at Northshore Summit Park

For Council Meeting Agenda of: November 5, 2012

Department: Community Development

Prepared by: Debbie Bent, Director

Initial & Date

Approved by Department Head:

Approved by City Attorney:

Approved by Finance Director:

Approved by City Manager:

David 10/24/12
TRB K 10/24

Proposed Council Action/Motion: Discussion on the approximate playground location and direction to proceed with the park boundary and topographical survey and construction plans for Phase 1 improvements.

Exhibits/Attachments:

1. Northshore Summit Park 2006 Master Plan drawing
2. Aerial showing the approximate wetland boundary, wetland buffer and potential playground location
3. Meeting notes from the 6/21/12 community meeting
4. Meeting notes from the 10/8/12 council meeting
5. Project cost estimate for two project options presented to Council 9/17/12

Expenditure Required \$270,000.

Estimated \$80,000 expenditure in 2012 and \$190,000 in 2013 for Phase One improvements at Northshore Summit Park. Expenditure estimate consistent with the 2013-2014 Proposed Preliminary Budget given to Council 10/8/12. Park impact fees are the proposed source of revenue to fund expenditures.

Amount Budgeted The 2011-2012 adopted budget allocates \$330,000 for Phase One improvements at Northshore Summit Park, consistent with the adopted 2011-2016 adopted Capital Improvement Program (CIP). Park impact fees are the source of revenues to fund expenditures.

Appropriation Required \$0

INFORMATION/BACKGROUND: At the 11/5/12 meeting, Council will be discussing a playground location at Northshore Summit Park and potentially giving direction on proceeding with the park boundary and topographical survey and preparation of construction plans for Phase One park improvements. A contract amendment (Contract 11-C956) with Pertect for the survey work is scheduled to come forward for Council consideration at the 11/26/12 council meeting.

Attachment #1 is the 2006 master plan drawing for the Northshore Summit Park. Following community input into development of the park master plan, a circular playground area (approximate 50 foot diameter) was shown on the plan on the flat area of the site described as an under drained, soft-surfaced play area with a combination of manufactured and natural (e.g. rocks, logs) play features. In July 2012 a Class 3 (4,470 sq.ft.) wetland was identified on site in the approximate location of the playground shown on the master plan. Two other potential wetlands on site were identified close to the western boundary but these are drainage ditches and therefore do not meet the City's jurisdictional definition of wetland and are not subject to the City's critical area regulations.

Attachment #2 shows the approximate boundary of the Class 3 wetland, 60 foot wetland buffer, reduced 45 foot wetland buffer and potential playground location outside of the wetland and buffer. The size of the playground is based on the master plan which indicates an approximate 50 foot diameter area. Once the park boundary and topographical survey are complete, and the wetland boundary is surveyed, then the actual location of the playground can be confirmed. The location of existing utilities, surface water features and location of the current maintenance access road must also be considered in determining

the final location of the playground.

An area west of the wetland is the preferred location for the playground for several reasons: 1. This is a relatively flat area of the site which reduces the amount of grading needed; 2. It is relatively close to the street so improves visibility; 3. It is closer to the existing maintenance access so easier to combine with ADA access. A concern was raised at the 10/8/12 meeting about "screening" to create a visual barrier and help mitigate noise from the playground to adjacent residences. The necessity for additional vegetative screening along the portion of the western park boundary closest to the playground would need to be assessed during preparation of construction plans.

The type of playground equipment selected for the playground would be a combination of manufactured and natural features which is consistent with the intent of the master plan. As stated at the 6/21/12 community meeting, community comment on a couple of play equipment design options could be obtained during the development of construction and design plans for Phase One Improvements. The City will also be installing a small park sign (to replace the current sign) that reads "Northshore Summit Neighborhood Park." ADA access needs to be provided to the playground and so the intent would be to use the existing access road into the park which is currently used by maintenance vehicles to access and maintain surface water facilities. Whether an ADA parking space on site is also needed has yet to be determined.

Background:

2006 Master Plan for Northshore Summit Park: A park master plan for the Northshore Summit Park was adopted on 3/27/06. Attachment #1 shows the proposed improvements identified in the master plan.

2011-2012 Budget: The 2011-2012 adopted budget includes \$330,000 within the Park Capital Improvement Program (CIP) to fund a first phase of improvements (\$30,000 design in 2011 and \$300,000 for construction in 2012). A proposal for playground equipment, a contract for \$57,876.62 with Sitelines was presented to Council 9/19/11 for approval but Council tabled the discussion to a later date in part due to neighborhood requests for public involvement and review of the master plan. The Sitelines playground was larger in area and scope than the playground shown on the master plan. The City hired a Temporary Parks Project Manager (Bill Evans) in June 2012 to manage and implement parks projects in the adopted CIP, including the Northshore Summit Park Phase One project.

June 2012 Community Meeting Discussion of Phase One Northshore Summit Park Improvements: On 6/21/12 the City held a meeting to let the community know of the intent to move forward with construction of Phase 1 park improvements at the Northshore Summit Park consistent with the approved master plan, using funds allocated in the City's 2011-2012 adopted budget. The site drainage improvements and playground facilities were intended to be part of Phase 1 with other improvements included depending on available budget. The Community Meeting provided an opportunity for the community to become familiar with the master plan and ask questions about the proposed improvements. Attachment #3 are staff notes that summarize the 6/21/12 community meeting.

July 2012 Wetland Identification and Wetland Regulations: In July 2012 ESA (environmental consultant) conducted an environmental assessment at the park. A Class 3 wetland (4,470 sq.ft.) was identified in the approximate location of the playground shown on the master plan. Two other possible wetlands were identified close to the western park boundary but these are drainage ditches and do not meet the City's jurisdictional definition of wetlands. The characteristics of an area that result in its classification as wetland are defined by federal and state agencies. Numerous federal, state and local regulations also govern development and other activities in or near wetlands.

The methodology for delineating a wetland is based upon three essential characteristics that must be present: 1. Hydrophytic vegetation; 2. Hydric soils; and 3. Wetland hydrology. The wetland at the park had the three essential wetland characteristics and met the City's definition of a Class 3 wetland. The City requires a 60 foot wetland buffer. The City's regulations allow a degraded wetland buffer to be reduced to 45 feet through a combination of buffer enhancement and low impact development strategies (stormwater management). An additional 15 foot building setback does not apply to playground equipment.

Can the wetland be moved? Per the Kenmore Municipal Code KMC 18.55.100 "All actions and developments shall be designed and constructed in accordance with mitigation sequencing to avoid, minimize, restore and compensate for adverse impacts". Applicants must first demonstrate an inability to avoid or reduce impacts before restoration and compensation of impacts is allowed. This sequence is also outlined in State Rules (WAC 197-11-768). Therefore, the City would have to demonstrate that there are no opportunities for avoidance, minimization and restoration before getting to compensation to

I:/City Clerk/Agenda Items/Templates

eliminate i.e. move the wetland elsewhere.

It is very unlikely that the City could demonstrate there are no opportunities for avoidance, minimization and restoration, and therefore be allowed to fill and “compensate”, for the wetland. Even if the City could demonstrate that compensation is the only option, then the mitigation sequencing requires the mitigation to first be considered on site and if there is no reasonable onsite locations then mitigation must be in the subdrainage basin. The mitigation also has to be “like for like”, i.e. wetlands. The sequence for mitigation is restoration, creation, enhancement and preservation. Filling a wetland would also trigger agency approval from either the US Corps of Engineers and/or Department of Ecology and again it is highly unlikely that the City could justify that there is no option for avoidance, minimization and restoration. The US Corps of Engineers may regulate the wetland (and the drainage ditches on the western boundary) as “waters of the US” and if so would require review and approval prior to any activity related to filling, dredging or earthwork within these areas.

Further reduction of the buffer (to less than 45 feet) is only allowed through a variance procedure per City regulations (KMC 18.115.030). Granting a variance requires that all twelve variance criteria are met. Meeting the variance criteria would be very difficult to meet especially as there are alternative locations on site where the playground could be located outside of the buffer and building setback. Impacts to the wetland are allowed only through a Reasonable Use Exception (RUE) or Public Agency Utility Exception (PAUE), per City regulations. The PAUE is only applicable for public agencies to allow provision of utility services, so would not be applicable for playground location. The RUE is only applicable when critical area rules prevent all reasonable use of the property and criteria for granting the exception are met. The City would unlikely be able to justify that reasonable use of the property is unavailable without a playground.

September 2012 Council Discussion of the 2013-2018 Park Capital Improvement Program (CIP): On 9/17/12 Council discussed a draft park CIP for 2013-2018. The draft CIP includes \$190,000 of funding for construction of Phase One Northshore Summit Park improvements in 2013. This also assumes \$80,000 of expenditures in 2012 related to wetland report, survey work, preparation of construction plans and project management. Park impact fee revenues are the funding source for expenditures. On 9/17/12 during Council discussion of the draft 2013-2018 CIP, staff presented two options for estimated project costs for Phase 1 park improvements (see Attachment 5). Option A costs at \$155,275.00 and Option B costs at \$271,395.00. No direction was given on 9/17/12 as Council wanted an on-site meeting at Northshore Summit Park to obtain further community input and review how the on-site wetland affected the location of park improvements particularly the playground.

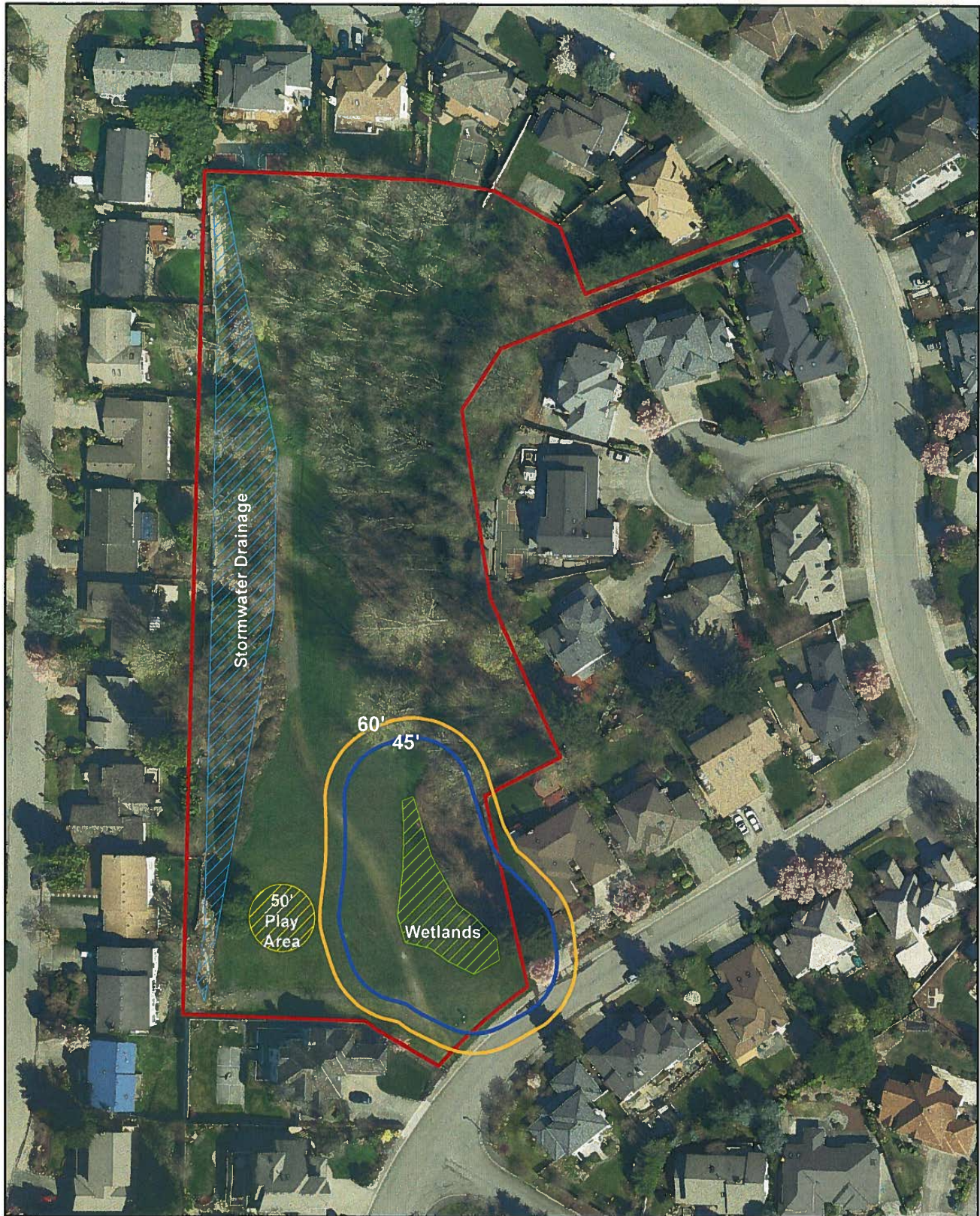
October 2012 Council Meeting at Northshore Summit Park: On 10/8/12 an informal Council meeting was held on-site at Northshore Summit Park. The goals of the meeting were: 1) To provide a status update since the 6/21/12 community meeting held at city hall; 2) Show the approximate location of the wetland and wetland buffer on-site; 3) Show possible playground locations outside of the wetland and buffer, and hear community feedback on the playground locations; and 4) Review next steps. Attachment #4 is meeting notes from the 10/8/12 meeting.

October 2012 Council Discussion of the 2013-2019 Park Capital Improvement Program (CIP): The agenda packet for the 11/5/12 meeting is distributed on 10/26/12, prior to the Council meeting on 10/29/12. On 10/29/12 Council will be discussing the Park Capital Improvement Program (CIP) including funding and expenditures for the Northshore Summit Phase One project. The Phase One project includes a proposed playground, drainage improvements and potential improvement to the footprint of the existing maintenance access to provide ADA access to the playground and other improvements based on available budget.

FISCAL CONSIDERATION: The 2013-2014 Proposed Preliminary draft budget (provided to Council 10/8/12) includes the Park Capital Improvement Program (CIP) for the years 2013-2018. The Parks CIP is scheduled for additional discussion at the 10/29/12 Council meeting. The draft 2013-2018 (CIP) allocates \$190,000 in 2013 for construction costs of Northshore Summit Park Phase One park improvements. The \$190,000 is based on the following estimate: \$140,000 for project construction; \$28,000 project contingency; and \$15,960 sales tax. The draft CIP also assumes \$80,000 in expenditures in 2012 related to completion of a wetland report, survey work, preparation of construction plans and project management. Park impact fees are the revenue source to fund expenditures. A revised estimate of expenditures in 2012 is approximately \$37,000 as construction plans would be completed in 2013. Therefore, expenditures for 2013 would need to be revised to \$240,000.

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





Kenmore Northshore Summit Park
Wetlands
Kenmore, WA

NORTHSHORE SUMMIT PARK: JUNE 21, 2012 COMMUNITY MEETING AT CITY HALL

The meeting was not recorded. The following are staff notes from the meeting.

Meeting Attendees: City staff: Bill Evans, Parks Project Manager and Debbie Bent, Community Development Director.

Community: approximately 50 attendees.

Bill Evans provided introductory and background comments before opening up the meeting to community questions and comments.

Introduction: The City intends to move forward with construction of Phase 1 park improvements at the Northshore Summit Park consistent with the approved master plan, using funds allocated in the City's 2011-2012 adopted budget. The site drainage improvements and playground facilities will be part of Phase 1. Other improvements identified in the master plan may be included as Phase 1 improvements depending on available budget. The City understands there is community interest in installing playground equipment as a "community build" project. The Community Meeting provides an opportunity for the community to become familiar with the master plan and ask questions about the proposed improvements. Any questions please contact Bill Evans, project manager at 425 398 -8900 or e-mail bevans@kenmorewa.gov

Background History:

- **October 1998 Property Transfer:** The 3.72 acre Northshore Summit Park was originally created as Tract C, part of the Prestige Heights Plat and conveyed to King County in 1980 as open space when the plat was recorded. The property transferred to the City from King County following City incorporation. The park contains an underground stormwater detention vault and associated pipes and catch basins which are maintained by King County through a contract with the City. The park is well used for informal recreation including play, walking, berry picking and dog walking.
- **April 2003 Adoption of Park and Recreation Open Space (PROS) Plan:** The PROS plan provides a policy framework to guide the Council and staff in establishment of a Citywide park and recreation system. This plan identified Northshore Summit Park as a neighborhood park and provided a list of proposed improvements including play equipment; picnic tables; trail; informal basketball court and restroom.
- **March 2006 Adoption of Northshore Summit Master Plan:** In 2005 the City hired the landscape architecture firm of Macleod Reckord to assist in development of a final master plan to reflect community input. Two community meetings were held to determine the level of improvements necessary to provide a safe, functional and neighborhood park. Council adopted the Master Plan on 3/27/06.

- **April 2011 Adoption of Park Capital Improvement Program (CIP):** At the April 11, 2011 Council meeting, Council adopted the 2011-2016 CIP providing an allocation of \$1,675,000 for parks project of which \$330,000 was allocated in the 2011-2012 City budget for Phase 1 improvements for Northshore Summit Park. The budget for the Phase 1 project must cover costs associated with preparation of detailed construction drawings (including a topographic survey, drainage plan, grading plan, landscape plan, and specifications for site improvements such as pathways). The budget must also cover actual construction and material costs, site furnishings (e.g. playground equipment, picnic shelter), project management and permit costs.
- **September 2011:** A design proposal and contract for \$57,876.62 with Sitalines was presented to Council 9/19/11. Council tabled the discussion to a later date in part due to neighborhood request for public involvement and review of the master plan.

Review of Northshore Summit Park Master Plan Improvements: Refer to 2006 master plan drawing.

- **Pathways:** To connect NE 193rd St with the entry at 63rd Ave NE, a loop path around a multipurpose lawn area. The base course for the west half of the loop trail will be of sufficient width to allow maintenance vehicle access to the stormwater facilities.
- **Drainage:** Improvements to site drainage.
- **Native Vegetation:** Removal of invasive species and debris in the woodland area. Installation of native plants to restore understory plantings and reinforce screening along the west side of the park. A small manageable patch of blackberries will be left for harvesting.
- **Picnic Facilities:** A small picnic shelter along the east side of the loop and picnic tables and benches near the play area.
- **Playground:** Circular children's play area on the flat area of the site with good visibility from NE 193rd Street. Under drained, soft-surfaced, play area with a combination of manufactured and natural (rocks, logs) climbing equipment.
- **Handicap Parking Space:** A single handicap parking space provided at NE 193rd street at the access point into the park.
- **Additional Site Furnishings:** Trash receptacles, dog cleanup station, arbor at the entry on 63rd Ave NE and two park entry signs.

Estimated Timeline: If construction start is delayed from Fall 2012 (optimal time for construction due to weather) then construction will be scheduled in 2013.

1. **6/21/12:** Community Meeting:
2. **June to August 2012:** City completes construction drawings.
3. **August to September 2012:** City advertises for bids to complete construction and awards a contract.

4. **October to December 2012:** Contractor mobilization and construction of Phase 1 improvements.

Questions/Comments and Staff Responses:

1. **Are there any “gotchas” on the project? Will the prevailing wage rates filter down to employees?**
 - **Response:** Unknown until the detailed construction drawings are prepared and more information is gathered about site conditions. There are strict rules and reporting requirements that need to be followed with regard to prevailing wage rates
2. **Thanks for the invite to the meeting and we are happy that the master plan has not changed. What are the playground options and how will the decision be made?**
 - **Response:** Details about options for playground equipment will be developed during preparation of construction plans. The decision will be made following an assessment of safety standards for playground equipment and installation requirements. Given the size of space, there is also a need to try and provide the most play value for a range of ages. Once a couple of playground options are developed, the City could make those available for public review.
3. **How will the City solicit input for features in Phase 1 or prioritize features?**
 - **Response:** If the grass lawn area, loop trail and playground are the priorities for Phase 1, then other features/facilities could be included as alternates in the request for construction bids.
4. **Is there money to provide lighting on the trails as many people like to walk?**
 - **Response:** Lighting is not part of the master plan and parks close at dusk.
5. **Including a community/volunteer project to build the upper trail is one idea. A composite material play structure may be a safer option to wood.**
 - **Response:** Opportunities for community/volunteer projects to build improvements will certainly be considered. The play structure should be durable and easy to maintain and the City will be reviewing options.
6. **At a meeting last October, the playground equipment included gongs and I am opposed to that due to the noise. There is a problem now with older kids using the park at night and providing a picnic shelter would encourage a “party hangout”. The drainage ditch on the west side of the property was installed to solve drainage issues so don’t remove it. There are mature cedars on site and hope they**

won't be removed. Will proposed screening on the west side of the park block views?

- **Response:** A drainage plan will be part of construction drawings. The intent is to keep mature trees and consider existing view. Often when a park is improved, vandalism is reduced.

7. Last year it seemed that the City was ready to cut a check for the playground and so I am glad that there is now an opportunity to talk. There is wildlife in the park so consider this. Parking in the neighborhood is a concern for unknown vehicles. Park is wet and it is a challenge to mow and maintain so resolving drainage issues will be expensive.

- **Response:** A drainage plan will be prepared as part of construction drawings. Existing vegetation in the woodland area will be retained. The intent is to remove invasive species and install native plants to restore understory plantings and reinforce screening along the west side of the park.

8. What is the permitting process? Is SEPA required?

- **Response:** Initial steps include reviewing site conditions such as soil conditions and presence of any wetlands. Preparation of a topographic and boundary survey. Preparation of a grading plan, drainage plan and construction drawings and submittal for permits. Permit requirements have yet to be determined but may include a City grading permit and SEPA depending on the scope of the project. Noticing requirements depend on the type of permits required.

9. Is there funding for Phase 2 and a guarantee that park improvements will be completed? Is maintenance a separate pot of money?

- **Response:** The intent is to improve the park as much as possible with the existing available \$330,000 capital budget. The Council determines the priorities for park projects and funding in the six year park capital improvement program. Council review and discussion of the parks capital improvement program begins June 25th. Maintenance costs are part of the project but are accounted for in a separate budget.

10. The capital improvement program (CIP) provides funds through 2016, are there additional phases planned after 2016?

- **Response:** The current CIP allocates \$330,000 for Northshore Summit Park for 2011-2012. Council determines the priorities for parks project and allocation of funds in the CIP.

11. The top of the hill in the park has springs/seeps so there is a need to do soil testing and dealing with drainage issues will be expensive.

- **Response:** An assessment of site conditions will be completed before completing a drainage plan.

12. A picnic shelter is a bad idea. Picnic tables are o.k. Plantings are a high priority.

- **Response:** Comments indicate that a picnic shelter is a low priority. Plantings are part of the master plan and a community/volunteer project for installation will be considered.

13. Springs on site will affect the project cost. Will the forest at the top of the park be kept as a buffer? If mature trees are removed will they be replaced with mature trees?

- **Response:** A drainage plan will be required. The master plan shows the wooded area will be retained with the intent to remove invasive species. Native plantings would be installed to restore understory plantings and reinforce screening along the west side of the park. Intent is to retain mature trees.

14. Are restrooms part of the plan?

- **Response:** A restroom was included in an early concept but they are not part of the master plan.

15. Rhododendron park has a picnic shelter which this has encouraged delinquents and drug use, so I no longer use the park. Concern that a picnic shelter would attract similar delinquents.

- **Response:** Concern noted. Comments received indicate that a picnic shelter is a low priority. Notify the police, call 911, if you observe or are concerned about illegal activities in parks. Often surrounding neighbors are the first to observe and make such calls.

16. It is not a neighborhood responsibility to call the police. Last year due to burglaries I asked for extra police patrols but have not seen any. Concern about the picnic shelter, calling for police help and being told none is available.

- **Response:** Concern noted. Contact the police chief if you have concerns about police response or actions.

17. I have called the police to the neighborhood and have been very pleased with the response time. The circular path could be planned with a French drain to help with drainage issues.

- **Response:** Options for addressing drainage issues will be considered when developing a drainage plan for park improvements.

18. Older kids are a problem causing vandalism. A smaller play area may be better and planned for ages 7 and under which may also give dollars for other improvements.

- **Response:** Details about options for playground equipment will be developed during preparation of construction plans. Once a couple of playground options are developed, the City could make those available for public review.

19. How does the rest of the park get built if Phase 1 only completes 50% to 70% of improvements?

- **Response:** The Council determines the priorities for park projects and funding in the six year park capital improvement program. Council review and discussion of the parks capital improvement program begins June 25th.

20. What is the estimated timeline for bids and construction?

- **Response:** The intent is to prepare construction drawings ready for bid in August with construction starting in October. This is an ambitious timeline. If construction is delayed from fall 2012, which is the optimal time for construction due to weather, then construction will be scheduled in 2013.

21. Are benches planned? Could benches be donated?

- **Response:** The master plan does include benches. Donating benches could be considered.

22. How can the plan be amended to remove the picnic shelter?

- **Response:** Comments received indicate that the picnic shelter is a low priority. The Council could amend the master plan to remove the picnic shelter.

23. What is the legal process that rezoned the park?

- **Response:** The park was transferred to the City from King County shortly after City incorporation in August 1998. The adopted 2003 parks plan identified Northshore Summit as an existing undeveloped park for a future new neighborhood park. The adopted 2006 Northshore Summit Park master plan reflected community input for park improvements. The property was zoned R6 (residential 6 dwelling units per acre) prior to Council adoption of Ordinance 06-0254 in 2006 which rezoned the property from R6 to Park zoning.

24. Nothing happened last year, will concerns delay the project and how will the public know?

- **Response:** The intent is to prepare construction drawings ready for bid in August with construction starting in October. The City will keep the public informed on a regular basis about the progress, including posting information on the City website and newsletters.

25. I support the play area but if there are so many drainage issues then I'm concerned that there will be no money for playground improvements.

- **Response:** Concern noted. The scope and cost of the project will be developed as more information is gathered about site conditions and drainage

issues. A more informed decision can then be made about funds available for improvements.

26. Don't remove the blackberries on the west side of the park as they are a nice barrier.

- **Response:** Native plantings would be installed to restore understory plantings if vegetation is removed in order to reinforce screening along the west side of the park. Intent is to retain mature trees.

NORTHSHORE SUMMIT PARK: OCTOBER 8, 2012 COUNCIL MEETING

HELD AT THE PARK

No sound or recording equipment was provided at the meeting. The following are staff notes from the meeting.

Meeting Attendees:

Councilmembers: Mayor David Baker, Councilmember Laurie Sperry, Councilmember Glenn Rogers, and Councilmember Brent Smith

City Staff: Rob Karlinsey (City Manager), Bill Evans (Park Project Manager), Debbie Bent (Community Development Director), Jennifer Gordon (Public Works Operations Manager), Richard Sawyer (Surface Water Program Manager)

Community members in attendance: Approximately 40

Introductions: Mayor Baker welcomed everyone to the meeting and introduced councilmembers and staff.

Meeting Goals: Debbie Bent provided introductory comments and outlined the four meeting goals:

1. Status update since the 6/21/12 community meeting
2. Show the wetland and wetland buffer location
3. Show two potential playground locations and hear community input
4. Next steps/timing

1. Status Update June 2012 to October 2012:

- **June:** Over 50 people attended the 6/21/12 meeting at city hall. City staff outlined proposed improvements at the park, consistent with the approved master plan which included site drainage improvements and playground facilities. The Community Meeting provided an opportunity for the community to become familiar with the master plan and ask questions about the proposed improvements.
- **July:** An environmental consultant ESA conducted an environmental assessment at the park. Preliminary results identified a Class 3 wetland (4,470 sq.ft) on site in the approximate location of the playground shown on the master plan. The aerial (attached) identifies this as Wetland A. Two other possible wetlands were identified close to the east park boundary (wetlands B and C shown on the aerial) but these are artificially created drainage features not regulated wetlands. A Class 3 wetland requires a 60 foot but buffer which can be reduced or averaged to 45 feet if the buffer is enhanced.

- **September:** On 9/17/12 Council discussed parks capital projects for the next six years, with a focus on parks projects during the next two years. The draft capital improvement, presentation included funding (\$190,000) in 2013, for construction at the park. With estimated costs in 2012 of \$80,000 for the wetland study, survey work (topographical and park boundary) and park design plans for proposed playground, access and drainage improvements. Council requested a neighborhood meeting on-site visit to hear community input before giving direction on next steps. The next step would be to complete a boundary and topographical survey of the park and then proceed with design and construction plans.
- **October:** Community meeting on site 10/8/12. Council will further discuss parks projects during budget discussion in late October and early November.

2. Wetland and Buffer Location:

- The approximate boundaries of the Class 3 wetland (Wetland A on the aerial map) were flagged on-site. The approximate boundaries of the wetland buffer at 60 and 45 feet were identified with orange cones. Unable to reduce the buffer below 45 feet or fill the wetland and mitigate/relocate the wetland elsewhere on site due to permitting regulations and cost. Therefore, trying to locate park improvements outside of the wetland and buffer.

3. Potential Playground Locations Outside the Wetland and Wetland Buffer

- There are at least two preliminary alternative potential playground sites located out of the 45 foot wetland buffer area, one to the north of the wetland buffer and one to the west of the wetland buffer. The maintenance road could provide ADA access to the playground. Playground size approximate 50' diameter (based on an estimate from the master plan). The actual size and location of the playground or playground equipment has not yet been determined. Interested in hearing community input on the two sites.

4. Next Steps:

- Community input this evening on the proposed locations and Council discussion/direction as part of budget discussions during the next few weeks. If Council provide direction to move forward then staff will proceed with survey work and design plans, following approval of consultant contracts. Construction would then be anticipated in 2013.

Questions/Comments:

1. Wouldn't filling the wetland and mitigating provide a better site long term? Bill Evans response: Very challenging to do due to regulations, permitting and cost.

2. Is a split rail fence required around the wetland and buffer, what about the access road in the buffer? Debbie Bent response: If the wetland or buffer is improved then a fence is required. As the road is existing then would have to work out a solution during design.
3. Will the playground location remove the field area that people use? Bill Evans response: It will impact some of the field area.
4. A natural playground may be a better alternative to a standard playground structure, good examples at naturalplayground.com. A natural playground could be spread out through the park. This allows kids to be more creative, serves older kids and kids with a range of physical and mental abilities.
5. Will a playground be part of the downtown plan? Rob Karlinsey response: A public square is proposed on the Kenmore Village site but improvements have not yet been defined.
6. Children would use the playground. It would be a meeting place for younger families to walk to. The park would build community for multiple generations.
7. Looking for feedback, would the younger families use the playground in the proposed locations?
8. Anything would be a huge improvement, the park is underutilized. This is an opportunity for the community. Kids want multiple things to play on.
9. There is no safety issue for a playground, adults are with the children. Street exposure is nice but away from the street makes the playground more private for the community.
10. Keep the playground small so there is still space for other activities. Bill Evans response: Interest in providing a neighborhood park with some equipment, need to balance how activities serve different needs, broad spectrum of users.
11. Are there other wetlands on site? Bill Evans response: There were two possible areas identified near the western boundary which are shown on the aerial but these are constructed drainage features and not regulated wetlands.
12. I have experience working in the sheriff's office and there is adult supervision when children are at a playground. The City should complete a survey to find out how many families are in the neighborhood.
13. Issues now with drug use in the woods and use of the park after dark. Bill Evans response: More users in a park generally make a park safer and parks close at dusk with enforcement after that by the police.

14. Is there money allocated in the budget for the park? Bill Evans response: There is money in the capital budget, source is park impact fees, 2011-2012 budget approximately \$325,000. Council are now discussing the next budget for 2013-2014.
15. I would use the playground if it was further from the street, it's a place to meet. I support creative playstructure for older kids. Shame if nothing happens due to disagreements, and there is no compromise especially if money is allocated.
16. Playground here provides a safer place rather than having to cross 61st or 68th to get to other parks.
17. Concern about parking on street. Bill Evans response: Meant to be a neighborhood park, most people will walk to the park, not intended to be a regional park with a large draw. Some people may go to the park and park on the street
18. Is an ADA parking space required? Bill Evans response: The playground structure needs to be ADA accessible but a parking space may not be required, still checking into that.
19. Concern about the noise for surrounding residents, how will this be controlled? Neighbor response: Would like to hear noise from kids playing, it's a good thing.
20. If this is a local park is park signage needed? Bill Evans response: Don't know yet what type of signage or if signage will be proposed.
21. Most people use the flat area of the park, if the playground is put there (west of wetland) how will the impact to neighbors be mitigated? Bill Evans response: The park master plan shows enhancement of the existing natural tree buffer but this may not be part of a first phase.
22. In a couple of months the park will be marshy due to springs, this is why a house was not built on the site. Bill Evans response: A drainage plan would be required if improvements constructed.
23. Linwood Park is similar, small park with playground and an open field surrounded by residents. Have these residents complained about noise, I would think it's not a problem? Bill Evans response: Not sure if there have been any complaints to the police.
24. Children don't play outside now, it would be nice to hear the noise of children playing.
25. ADA playground structures don't meet the needs of all users with a range of physical and mental disabilities. Don't put asphalt ADA space in the park. Could there be a park playground committee to select the equipment to make sure it's accessible for different

ages and abilities? Bill Evans response: Originally proposed to have a couple of playground alternative designs available for comment.

26. What is the timeframe? Rob Karlinsey response: Council asked for tonight's meeting on site and Council will then review options for parks during discussion of the CIP October 29 or November 5. Information will be on the website.

27. When is the final vote on the park? Rob Karlinsey response: The master plan was adopted in 2006. Council will be reviewing options in the next few weeks during budget discussions.

Northshore Summit Park: Estimated Project Costs

Options

- Option A: Playground equipment and associated drainage/grading, ADA path to playground
- Option B: Playground equipment and associated drainage/grading, ADA path to playground, loop trail and landscape amenities

Assumptions:

- Both estimates assume no impact to wetland or wetland mitigation.
- Estimates are preliminary and may change once design and construction plans are complete.
- ADA path assumed to be combined with location of current maintenance access

CIP Budget:

\$270,000.00

Amount budgeted: 2012 - \$80,000; 2013 - \$190,000 = \$270,000 (source impact fees)

Spent to Date (Wetland Delineation and staff time) \$6,500.00

Balance - \$263,500.00

Soft Costs

	Option A	Option B
Wetland Delineation	\$6,500.00	\$6,500.00
Regulatory Report for Wetlands B&C	\$1,935.00	\$1,935.00
Survey (boundary and topo)	\$27,500.00	\$27,500.00
Engineering (staff time)	\$2,500.00	\$2,500.00
Construction Plans and Review	\$35,000.00	\$45,000.00
Project management (staff time)	<u>\$3,000.00</u>	<u>\$4,000.00</u>
Estimated Project Cost	\$76,435.00	\$87,435.00

Construction Costs

Project Construction	\$60,000.00	\$140,000.00
20% Contingency	\$12,000.00	\$28,000.00
Subtotal	\$72,000.00	\$168,000.00
Sales Tax	<u>\$6,840.00</u>	<u>\$15,960.00</u>
Estimated Construction Cost	\$78,840.00	\$183,960.00

Summary

Estimated Soft Costs	\$76,435.00	\$87,435.00
Estimated Construction Costs	<u>\$78,840.00</u>	<u>\$183,960.00</u>
Total Estimated Project Cost	\$155,275.00	\$271,395.00

I:/Parks Project Manager – Bill Evans/Northshore Summit Park/estimated project costs



City Council Business Agenda Item
City of Kenmore, WA

Subject/Topic: Discussion: 2013-2014 Budget Proposal for Human Services	For Council Meeting Agenda of: 5 November 2012 Department: Executive Prepared by: Leslie Harris/Nancy Ousley Initial & Date Approved by Department Head: <u>NKO 26 Oct 2012</u> Approved by City Attorney: _____ Approved by Finance Director: <u>James 26/12</u> Approved by City Manager: <u>PKK</u>
Proposed Council Action/Motion: Discussion and Direction	Exhibits/Attachments: Staff Memo
Expenditure Required \$ TBD Amount Budgeted \$ Appropriation Required \$	
<u>INFORMATION/BACKGROUND:</u> The Preliminary Budget for 2013-2014 proposes a reduction in the General Fund expenditures for Human Services contracts in order to bring the City of Kenmore to a level of investment that is closer to that of comparable cities. The budget level has been determined by a formula of 3% of an average of the past two years' General Fund normalized revenues. The 2011-2012 Budget devoted a total of \$567,106 (\$289,00/\$278,106) for Human Services contracts. The Preliminary Budget proposes an investment of \$279,601 (\$159,332/\$120,269) for the 2013-2014 Biennium. The City has notified the 34 programs that are funded in the current biennium of the proposal. The staff memo discusses options for the Council's consideration.	
<u>FISCAL CONSIDERATION:</u> While the Human Services contract programs provide valuable services to Kenmore residents, the current level of investment far exceeds that of comparable cities in the area, both on a per capita or per \$1000 of Assessed Valuation basis. The Administration is also examining efficiencies in contract administration.	
<u>COUNCIL GOAL/BUDGET OBJECTIVE BEING ADDRESSED:</u> Invest in adopted goals for economic development, infrastructure and parks development	



City Of Kenmore, Washington

Memorandum

To: Rob Karlinsey, City Manager
From: Nancy Ousley, Assistant City Manager *Niko*
Date: October 26, 2012
Subject: Human Services Funding

The Council will discuss funding for Human Services programs on November 5, 2012. Since the release of the Preliminary Budget, the City Manager has had the opportunity to review the issue with Councilmembers, and this memo provides additional considerations as the Council continues to examine options.

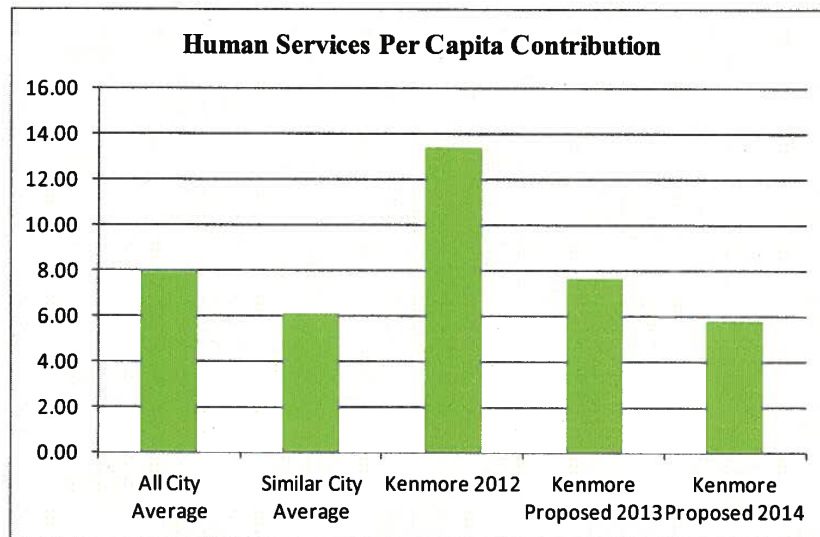
Background:

The section from the City Manager's Budget Letter follows:

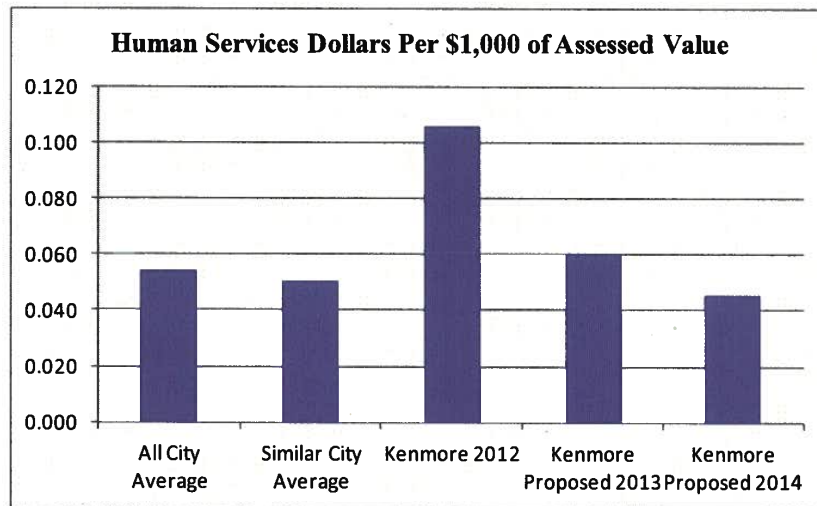
Human Services Funding. We evaluated various programs across our budgets, one of which is the City's human services program. In 2012, approximately \$278,000 is budgeted for the City to contribute to human services organizations. All of these organizations provide important services to the less fortunate, youth, and senior citizens. We are pleased to have these organizations serving our citizens, and we know they make a positive difference in our City.

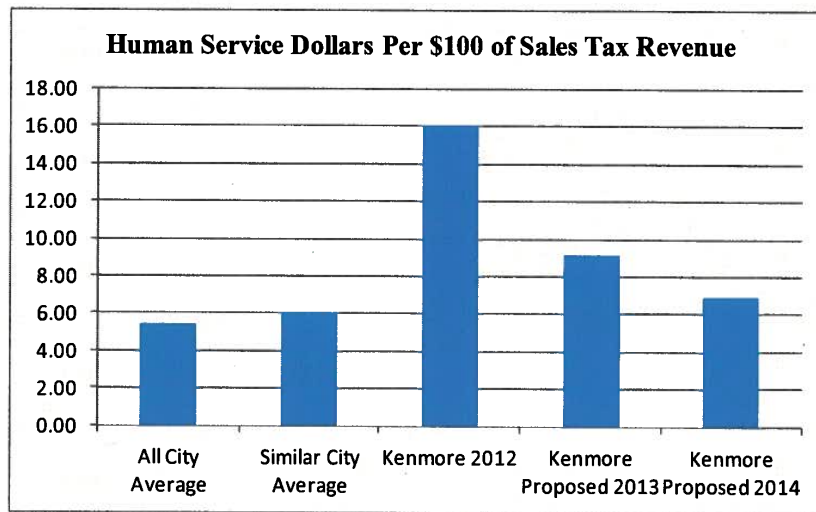
In reviewing the budget for these human services programs, we compared what the City of Kenmore pays to other East and North Lake Washington Area cities, both on an "ability to pay" basis and a per capita basis. Using the per capita basis, for 2012 the City pays \$13.38 per citizen while the average among the comparison cities is \$7.94 per citizen. If we look at "similar cities" in the comparison, meaning cities with comparable sales and property tax bases (Covington, Maple Valley, Lake Forest Park, and Mountlake Terrace), the per capita average is \$6.11 for 2012 compared to Kenmore's \$13.38.

As proposed for the 2013-2014 biennium, the recommended Kenmore contribution would be closer to the average of similar cities, shown as follows:

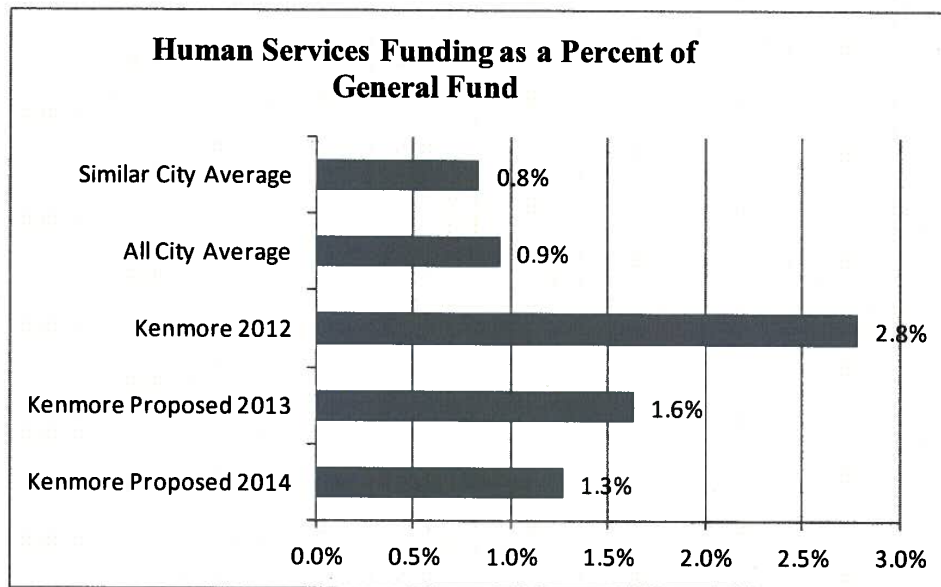


Viewing the comparison in terms of property and sales tax bases, the following graphs show where the City's 2012 and proposed 2013-2014 human services contributions would compare to other cities:





Another way to compare human services funding is from the perspective of a General Fund percentage. The following graph illustrates this comparison:



The four graphs above compare the City's human services funding to other cities in various ways. In light of this information, my recommendation is to bring Kenmore's human services contributions more in line with the average of cities in the area with similar tax base challenges. As a result, the recommended total contributions amounts for 2013 and 2014 are \$159,332 and \$120,269, respectively.

In adjusting the total contribution downward, I recommend that we keep Senior Center Services and the Kenmore Elementary Emergency Services annual City contributions at a comparable level to the 2011-2012 awards of \$24,000 and \$6,000, respectively. These two programs are physically located in our City, fit closely to the City's basic services (public safety and parks & rec), and demonstrate the greatest direct benefit to Kenmore residents.

For the remaining human services funding (\$129,332 in 2013 and \$90,269 in 2014), I recommend allocating 50% per year for the Human Services Pooled Contracts with other North/East Cities, which is administered by the City of Bellevue. The remaining 50% would be available for distribution to agencies that are not part of the North/East Cities pooled system.

For the current biennium, the City of Kenmore funds 14 human service programs for a total of \$174,868 (31% of the City's human service funds) through the pooled contract program and 20 programs for a total of \$392,238 (69% of City's human service funds) with contracts that are directly administered by the City. Our goal is to reduce the number of contracts that are directly administered by the City, particularly contracts under \$5,000, in order to reduce contract administration costs, including staff time. In evaluating applications from human service providers, we will prioritize funding for those programs that directly serve the most Kenmore residents.

Additional Information

In 2012, the largest funding amount is \$33,377 (Hopelink Emergency Services Program) and the smallest is \$962 (Eastside Baby Corner: Distribution of Basic Essentials for Children). The median funding amount of the 34 programs is \$5,055. A total of 17 contracts (9 pooled, 8 nonpooled) are less than \$5,000.

City Manager's Budget Recommendation:

Per the City Manager's Budget Letter, the recommended total contribution amounts for 2013 and 2014 are \$159,332 and \$120,269, respectively. The budgeted amount will keep the Senior Center Services and the Kenmore Elementary Emergency Services annual contributions at a comparable level to the 2011-2012 awards of \$24,000 and \$6,000, respectively. These two programs are physically located in our City, fit closely to the City's basic services (public safety and parks & rec), and demonstrate the greatest direct benefit to Kenmore residents.

For the remaining human services funding (\$129,332 in 2013 and \$90,269 in 2014), the City Manager recommends allocating 50% per year for the Human Services Pooled Contracts with other North/East Cities, which is administered by the City of Bellevue. The remaining 50% would be available for distribution to agencies that are not part of the North/East Cities pooled system.

Additional Budget Options:

The City's current practice is that 3% of a 2 year average of normalized General Fund revenues will be allocated to funding of Human Services programs. If this computation was used, the total contribution amounts for 2013 and 2014 would be \$259,332 and \$260,269, respectively. To help bring the contributions in line with comparable cities, another option is to reduce the percentage on normalized General Fund revenues from 3% to 2%. In this scenario, the 2013-2014 funding amount would be \$172,999 and \$173,513, respectively. By changing the practice from 3% to 2%, the City will be able to reduce the level of funding at a gradual rate and provide staff a guide for determining the budgeted amount. Since this option is still above the approximate 1% level of contributions given by comparable cities, staff recommends revisiting the practice during 2015-2016 budget discussions.

The biennial funding difference of \$66,911 between the City Manager's recommendation of \$279,601 and the change in percentage option of \$346,512 could be covered by identified savings.

Another option would be to add as much as \$150,000 to the biennial Human Services budget. This could be accomplished via savings that have been realized since the 2013-2014 Preliminary Budget was published. Either the \$66,911 amount or the added injection of \$150,000 could be funded from recently identified biennial savings in the preliminary proposed budget from cost reductions in the police contract, court contract, citizen survey, and abatement; and by charging the Pilot Business Incubator Program costs to the Strategic Opportunities Fund instead of the General Fund.

2013-2014 Human Service Applicants

The City has received a total of 49 applications totaling \$344,813 for 2013-2014. In 2011-2012, the City received 45 applications and funded 34. To help streamline contract administration of nonpooled agencies, the City has been in contact with United Way of King County to discuss future opportunities to partner.

Summary

In summary, the goal is to bring the level of contributions to Human Services programs in line with comparable cities.

Attachment:

Human Services Funding Evaluation Criteria Score Sheet

**City of Kenmore 2011-12 Human Service Funding
Evaluation Criteria Score Sheet**

AGENCY _____
PROGRAM _____

Prioritization	Score	3	2	1	0
Provides Basic Emergency Services to City Residents		Provides safe shelter, adequate food, clothing and other basic services to people in crisis. The program is staffed to provide 24/7, and coordinates with emergency response groups such as police and fire.	Provides two or three basic services and is staffed 24/7, or coordinates with emergency response groups such as police and fire to meet demand.	Provides one or two basic services and coordinates with emergency response groups such as police and fire to meet demand after hours.	Does not provide any basic emergency services.
Provides Direct Services to Kenmore Residents		Agency provides a direct service to Kenmore residents and can document services to in-city recipients.	Program reaches Northshore area residents.	Program is available outside Northshore area for citizens to access.	Program cannot relate its services to Kenmore recipients.
Services are Accessible to the Elderly, Physically and Mentally Disabled and Low Income Residents		The program is accessible to at least three of the following: elderly, youth, physically or mentally disabled, low-income residents.	The program is accessible to two of the following: elderly, youth, physically or mentally disabled, low-income residents.	The program is accessible to one of the following: elderly, youth, physically or mentally disabled, low-income residents.	The program is not accessible to the elderly, youth, physically or mentally disabled, or low-income residents.
Provides Appropriate Solutions to Documented or Identified Needs		Addresses one or more specific, identified community need. The proposal clearly provides evidence or there is past history that the program is effective in accomplishing the desired result.	Has human service components that fit within at least one priority category or subcategory. There is some evidence provided in the proposal or some past history that the program is effective.	Has human service components, which fit within at least one priority category or subcategory. There is no evidence provided in the proposal or past history that the program is effective.	Does not provide any solutions to documented or identified needs.
Avoids Duplication of Service		There are no other agencies providing the service to Kenmore residents, and no other responsible jurisdictions.	There are other agencies providing the service. There is extensive coordination with other related providers in the region, including referrals and programmatic coordination.	There are other agencies providing the service. There is some evidence that referrals are made to other related providers on the East and North sides.	Does not coordinate with other providers on the East or North side, but works more or less independently.
Provides Services Benefiting Low- & Moderate-Income Residents		The program benefits only low-income residents.	More than half the beneficiaries of the program are low-income residents.	Less than half are low- or moderate-income residents.	The program benefits only moderate-income residents or is not income-based.
Promotes Self-Sufficiency, Independent Living, and Prevention		Provides several prevention services that clearly are averting costlier services.	Provides several prevention services that contribute to greater quality of life and promote self-sufficiency.	Provides one element, which can promote self-sufficiency and independent living.	The program does not address these criteria.
TOTAL					