



# CITY OF SNOHOMISH

*Founded 1859, Incorporated 1890*

116 UNION AVENUE □ SNOHOMISH, WASHINGTON 98290 □ TEL (360) 568-3115 FAX (360) 568-1375

## NOTICE OF REGULAR MEETING

### SNOHOMISH CITY COUNCIL

in the  
George Gilbertson Boardroom  
1601 Avenue D

**TUESDAY**  
**February 2, 2016**  
**7:00 p.m.**

### AGENDA

*Estimated  
time*

- 7:00 1. **CALL TO ORDER**
- a. Pledge of Allegiance
  - b. Roll Call
2. **APPROVE AGENDA** contents and order
3. **APPROVE MINUTES** of the meetings of January 19, 2016
- a. Council Workshop (*P. 1*)
  - b. Regular Meeting (*P. 9*)
- 7:05 4. **CITIZEN COMMENTS** on items not on the Agenda (*and/or to request time to speak on any Action or Discussion items on this agenda*)
5. **ACTION ITEMS**
- 7:15 a. **AUTHORIZE** City Manager to Execute Questica Budget Software Agreement (*P.27*)
- 7:25 b. **AUTHORIZE** City Manager to Execute Paymentus Corp Merchant Services Agreement (*P.59*)
- 7:35 c. **AUTHORIZE** City Manager to Execute Interlocal Agreement with Fire District #4 (*P. 75*)
- 7:45 d. **ADOPT** City Council Rules and Procedures – **PASS** Resolution 1339 (*P.81*)

*Continued Next Page*

- 7:55 e. **ADOPT** Snohomish Fee Schedule – **PASS** Ordinance 2299 (P. 99)
- 8:05 f. **ADOPT** Snohomish Fee Schedule – **PASS** Resolution 1340 (P. 109)
- 8:15 6. **DISCUSSION ITEM** – Solid Waste 2016 Rates (P. 135)
- 8:30 7. **CONSENT ITEMS**
  - a. **AUTHORIZE** payment of claim warrants #58071 through #58159 in the amount of \$422,477.61 issued since the last regular meeting (P.179)
  - b. **ADOPT** Ordinance 2295 regarding 13<sup>th</sup> Street/Avenue A Annexation (P.185)
- 8:40 8. **OTHER BUSINESS/INFORMATION ITEMS**
- 8:45 9. **COUNCILMEMBER COMMENTS/LIAISON REPORTS**
- 8:50 10. **MANAGER’S COMMENTS**
- 8:55 11. **MAYOR’S COMMENTS**
- 9:05 12. **EXECUTIVE SESSION** – Potential Litigation
- 9:15 13. **ADJOURN**

**NEXT MEETING:** Tuesday, February 16, 2016, workshop at 6 p.m., regular meeting at 7 p.m., in the George Gilbertson Boardroom, Snohomish School District Resource Center, 1601 Avenue D.

*The City Council Chambers are ADA accessible. Specialized accommodations will be provided with 5 days advanced notice. Contact the City Clerk's Office at 360-568-3115.*

*This organization is an Equal Opportunity Provider.*

**AGENDA ITEM 3a**

**Snohomish City Council Workshop Minutes  
January 19, 2016**

1. **CALL TO ORDER:** Mayor Guzak called the Snohomish City Council workshop to order at 6:00 p.m., Tuesday, January 19, 2016, in the Snohomish School District Resource Service Center, George Gilbertson Boardroom, 1601 Avenue D, Snohomish, Washington.

<b><u>COUNCILMEMBERS PRESENT</u></b>	<b><u>STAFF PRESENT</u></b>
Derrick Burke	Larry Bauman, City Manager
Karen Guzak, Mayor	Jennifer Olson, Finance Director
Tom Hamilton	Owen Dennison, Planning Director
Dean Randall	Steve Schuller, Public Works Director
Michael Rohrscheib	John Flood, Police Chief
Lynn Schilaty	Pat Adams, City Clerk
Zach Wilde	

There were two citizens in attendance.

2. **DISCUSSION ITEM** – Financial Management Policy Update – Risk Assessment and Historical Finance Indicators

Ms. Olson stated the purpose of the workshop is to discuss the proposed Financial Management Policy. She noted it often helps to think of this policy in terms of managing risks. The discussion will be directed at the reserves and fund balance sections of the policy, and centered around mitigating risks with the goal of setting reserve target levels. Ms. Olson thanked the Council for their contribution to this process and for their individual risk assessments. The anticipated outcomes for the workshop is to obtain Council direction on the proposed policy language, and to set a target level of fund balance. The main focus will be on General Fund reserves.

Ms. Olson provided the Council with an overview of the reserve policy section. She discussed Section 2.1, Fund Balance Definitions and explained they are defined in terms of how the fund balance reserves are spent. Staff recommends that the new policy definitions follow the GASB 54 definitions. GASB refers to the Government Accounting Standards Board. This is a definition of how the City restricts or does not restrict our fund balances. In some cases, funds are restricted or assigned by other governmental agencies or State law. So, it is outside of the Council’s control as to whether or not its funds are assigned or restricted.

Typically, the General Fund reserves are unassigned and can be used for any purpose. Section 2.2 of the policy addresses the General Fund reserve target. A healthy, unassigned fund balance in the General Fund allows for fluidity for the City’s cash flow. The fund balance is also the only source of fluidity in the event of a disaster. It will allow cash flow for expenditures that will be reimbursed from FEMA or other sources. The reserve target should be set based on a couple of options referenced in the proposed policy. It can either be a percentage of regular operating revenues or a percentage of regular operating expenditures. The basis for those elements is typically centered around the level of predictability. So, if revenue sources are predictable, such as property tax, then the Council may choose to use revenues as the element in order to define the reserve target. Where there is an

### **AGENDA ITEM 3a**

unpredictable type of revenue source, for example, sales tax then the expenditures revenues is the ultimate authority to set that reserve target. The reason for this is because we want to remove any of the spikes or drops that distort long term trends.

Section 3.0 of the reserve policy identifies conditions for using reserves. This section will require Council direction on when a fund balance should be used. The proposed language in the policy suggests that the General Fund balance not be used for reoccurring operating expenditures but only in certain cases, which are identified in the policy.

Section 2.4 refers to the Enterprise Funds Reserve. Most of the proposed changes in this section are the result of previously set financial indicators. Those financial indicators are provided from the review of the utility funds. Ms. Olson reviewed those funds when developing the current budget along with next year's proposed budget and whether or not those indicators are being met. The only proposed change to the current indicators is in Section 2.4.3. This is where operating reserves are set at 90 days for water and 60 days for wastewater and stormwater. The proposal is that they all have at least 90 days for all of the utility fund operating reserves.

Section 2.5, addresses Special Revenue, Capital Project and Other Fund Paid Reserve. Essentially, these type of funds are intended to be used because they are assigned by the City Council, another agency or State law for a special purpose. So there is no need to set a reserve level.

Section 2.6, covers Internal Service Fund Reserves. The City has four internal service funds which provide funds for services, including fleet and utility activities, information services, and equipment replacement plans. These funds receive funding from the general fund as well as the four operating funds. So, ideally it is a good idea to have a reserve balance set for these internal service funds because these funds are designed to collect funds based on the equipment replacement plan. It's an opportunity to set aside dollars for those long term costs.

Sections 2.7 and 2.8 refer to Replenishment of Reserves and Excess Reserves. In Section 2.3, Council identified when to use reserves. In Section 2.7, Council will determine how to replenish those reserves over time, which is addressed in the proposed policy. Excess reserves, which hopefully will be seen at some point in our planning and budget efforts will result in revenues exceeding expenditures so much that we would have excess reserve over the target. In that case, Council would need to establish how to manage those excess reserves.

Ms. Olson revisited the general fund reserve targets. She provided handouts to the Council which outlined the results of their individual risk assessments questionnaires. Ms. Olson explained that she compiled the risk assessment analysis information and condensed that information into an average risk score. The scoring sheet ranked the degree of importance for retaining risks through levels of reserve.

### **AGENDA ITEM 3a**

The first issue addressed the vulnerability to extreme risk. The question was what extreme event(s) does the City Council believe the City is at risk for? Overall, the Council identified three main risks: earthquake, recession-economic downturn and flooding. The methods to mitigate those risks were for earthquake or natural disaster to apply for FEMA funding. In the case of a recession or an economic downturn was to use banked capacity or build a stronger sales tax base. For the risk of flooding, one of the responses that had more than one response was to improve our facilities to make them safe from flooding. Mayor Guzak suggested that FEMA funding could be included under flooding as well. Ms. Olson agreed.

Ms. Olson stated the Council's average score under the Vulnerability to Extreme Risk section was 4.2.

The next category of risk was revenue source stability. The question was what are the major sources of revenue for the City? Council had no difficulty identifying the three main sources of revenue as sales tax which is a source for the general fund, property tax and utility tax. The ways to mitigate risk should something happen to the general fund as a revenue source would be to build a stronger tax base. For property tax, you could utilize banked capacity or issue bonds – voter approved and councilmanic. To mitigate the risk of utility tax, the City could increase to the highest percentage allowed. Ms. Olson wanted to communicate that there is legislation to restrict the amount of utility tax to a maximum level of 6%. Anything higher would have to go before the voters.

Mayor Guzak asked if that was proposed legislation and Ms. Olson confirmed it was.

Councilmember Hamilton questioned the amount of the City's current utility tax rate. Ms. Olson replied the utility tax rate is 5.33%. Councilmember Hamilton asked should a jurisdiction's utility tax be at 8% and the proposed legislation be approved, would the jurisdiction be required to roll it back? Ms. Olson stated that is her understanding.

Councilmember Schilaty inquired whether Council's identified risks and analyses were in line with that of City staff. Ms. Olson responded that staff's assessments were very similar.

The expenditure category asked Council what they viewed as sources of possible expenditure spikes. The Council identified three main areas of expenditure volatility in the General Fund as extreme events, criminal justice/law enforcement, and public records requests. The ways to mitigate those risks were to build reserves, contract with Snohomish County for criminal justice and law enforcement services and shift to online electronic records to mitigate some of the public records requests. The Council's average score was 4.

Ms. Olson explained the issue of leverage was hard to define. However, she wanted to make sure everybody understood leverage is essentially the City's ability to use leverage debt in order to cash flow. If the City had a high level of debt and a high level of deferred maintenance, our risk for leverage impacting our reserves would be greater. The risks of deferred maintenance, bonding and outside contracting were the top responses. Ways to mitigate that would be to implement an asset management plan. For bonding, some methods to mitigate or minimize the impact would be to look at other funding sources. For outside

### **AGENDA ITEM 3a**

contracting, the City could renew our contracts on a long-term basis. The average Council score was 2.3.

The next topic addressed the City's liquidity, or ability to pay its bills and cover its debt. The question was what are the major sources of potential intra-period cash imbalances? Identified risks were the City's basis of accounting, borrowing capacity and emergency spending. The methods to mitigate these risks would be to implement management procedures such as cash flow management. For borrowing capacity, the City could defer expenditures. In the event of emergency spending, the City could borrow from other funds for that emergency. This is based on the fact the City operates on a cash basis in accounting and has a very liquid and very cash based investment portfolio, along with strong utility funds with healthy reserves. The total average liquidity score was 1.8.

The next category addressed, Other Funds Dependency. The question was what other funds rely on the general fund as a major source? This was easily identified as the Streets Maintenance Fund and the Internal Service funds. The majority of their funding comes from the General Fund. However, the Internal Service Fund has four operating funds flowing into it. Ways to mitigate the risks of other funds dependency would be to extend the TBD and then assign maximum costs according to the cost allocation plan allowed by the State Auditor for internal service funds.

Councilmember Hamilton asked if the State Auditor mandates cost allocation? Ms. Olson responded the cost allocation rules mandate that the indirect service funds cannot charge those direct service funds for more than the amount of the service provided. So, the General Fund can't charge the Water Fund for the whole Finance Division. It must be only be the actual costs incurred.

The next issue referenced Growth. The Growth risk category question was what does the City Council envision as potential sources of growth in the next five years? The risks were that if the City has no or slow growth predicted. The Pilchuck District was identified as a potential source of growth. Methods to mitigate growth from impacting our reserves would be to prioritize services. For the Pilchuck District, the City could implement or charge development fees. Regarding no growth, the primary comment was this would be cause for concern and would result in challenges for collecting fees and other types of revenues. The average score for the Growth category was 3.

The final issue was Capital Projects. The question was what high priority capital projects do not have funding? The Council identified the risks as the Hal Moe Pool site, the Ludwig property and street projects. The manner to mitigate capital projects risks would be to issue bonds instead of using reserve funds, and to utilize TBD funding sources and grants for streets projects. This category resulted in an average score of 2.8.

Ms. Olson summarized the overall risk assessment score as 25.2. In the near future, the Council will want to discuss if this is the risk assessment score they want to use, or if the Council would like to establish a range. She mentioned there are other drivers that impact reserve target levels, such as General Fund reserves which have no current specific

### **AGENDA ITEM 3a**

commitments or assignments. The General Fund is unassigned. The budget is lean and has no contingency built in to ensure those challenging budget line items such as the Hearing Examiner services are covered. Snohomish is small and has few resources for disaster or other risks. The City's borrowing capacity is strong. However, there is no current rating. In order to issue bonds for any project, it would be to our benefit to go out for a credit rating.

Councilmember Hamilton asked what the cost might be. Ms. Olson responded typically it is approximately \$15,000. She emphasized to have that score is important. Councilmember Hamilton asked if a rating was required to issue bonds and what kind of interest rates would you get with a favorable rating? Ms. Olson responded you don't need to have a rating in order to issue bonds, but it does benefit you with interest rates. Current interest rates are around 3%. If you can reduce it to 2.5% that means something long term in overall bond indebtedness.

Ms. Olson continued that some of the concerns that impact setting a reserve target is the balance between having too much in reserves, where you run the risk of public concern that the City is holding tax dollars, and not enough in reserves which leaves the community at risk should there be fiscal challenges or a disaster.

Ms. Olson reiterated the anticipated workshop outcomes would be to set the General Fund reserve level or range, as well as identify the elements we would use to calculate the range as either revenues or expenditures. Part of that process would be to identify policy conditions for using reserves. Also, she wished to review the financial indicators and discuss the timeline for future five year financial planning efforts.

Councilmember Schilaty asked if staff was comfortable with Council's conclusions of the risks identified, or are there any concerns or other issues staff believes should be taken into consideration.

Ms. Olson stated she is comfortable with Council's conclusions, as staff also prepared risk assessment worksheets. Staff's average score was 8. For staff who provided feedback in the risk categories, they had the same concerns as the Council. She is glad to see that the Council and staff identified the same risks. That is an important piece. In terms of minimizing risks, staff will present various scenarios and discuss ways to help mitigate those risks through the course of the financial planning effort. The proposed financial policy set by Council will serve as a guide for staff in addressing those scenarios.

Councilmember Schilaty doesn't want an assumption made because they haven't considered a risk that the risk doesn't exist or it isn't important. She wants to make sure Council is aware of all of the risk factors.

Mayor Guzak stated that she was surprised to discover that reserves are too low to handle a big risk like an earthquake, flooding or an economic downturn. However, she agreed that challenge will be to determine how much reserves are too much and how much is not enough. She looks forward to discussing these issues and finding where the balance is.

### **AGENDA ITEM 3a**

Ms. Olson distributed a handout which she updated to include a five year planning period from 2017 through 2021. The current structural imbalance based on the assumptions of revenues increasing slower than expenditures increasing creates an imbalance of approximately one million dollars. That is based on the current reserve of 10%. If that were to be doubled at 20%, then the structural imbalance impact would be greater. This should be a factor when Council considers a reserve target level. When doing the five year planning, the City will be looking at current and new revenue sources to assist in mitigating this imbalance and on the expenditure side looking at the organizational structure.

Councilmember Hamilton commented that he thought the reserve percentage was higher. Mr. Bauman stated it was 15%.

Mayor Guzak said 15% is not a potentially bad target to discuss and stated the topic is depressing. She knows things are already lean. The City has unfilled positions. It's very difficult to look at the revenues and difficult to cut expenditures. She understands they will need to look at revenues into the future.

Mr. Bauman stated staff has spoken internally about the reserve target, and although they haven't come up with a defined number, it may be valuable to consider a range instead of a set number based on the factors and flexibility associated with the economy and other various pressures related to that.

Ms. Olson inquired if there was an average range for the reserve fund target the Council would like to consider in their scenarios in the five year financial planning process.

Councilmember Schilaty stated she would like to see a range between 15 and 20%. Mayor Guzak agreed and stated that we are currently just looking at scenarios.

Mr. Bauman stated staff would bring back the scenarios for further review by Council. He stated this will be a very deliberative process and Council will take slow steps and conduct a very careful analysis of each scenario and element.

Mayor Guzak asked that the numbers be entered and redistributed to Council for future discussion.

Ms. Olson thanked the Council for their direction on the proposed reserve fund range. She then asked for feedback regarding the financial policies concerning the proposed three options in Section 2.3.

Councilmember Burke states his biggest concern is the budgeted revenues and actual revenues. In going forward from 2016, there is slow growth. After the big drop in 2007 and 2008, revenues continued to drop for a number of years and our budgeting stayed the same. It takes time to respond to it. He asked if the City could structure its finances so that reserves are built into the City's sales tax revenues?

### **AGENDA ITEM 3a**

Ms. Olson said sales tax revenues are very close to pre-recession levels. There is no windfall available unless there is future commercial development. 1.2% is a conservative average increase in revenue from that period in time.

Councilmember Hamilton asked whether sales tax revenues are just now returning from 2006 levels. He finds that troubling. In 2006, Snohomish Station gave the City a big boost and helped it through the recession. He wanted to know if construction sales tax is lagging?

Mr. Bauman stated that straight retail sales tax revenues have improved beyond 2006 levels. However, construction sales tax has decreased.

Mayor Guzak stated it is very difficult for developers when financial institutions are very tight with issuing loans due to strict lending policies. Funding projects is very difficult.

Ms. Olson indicated developers are having to move to alternative funding.

Mr. Dennison noted that starting in 2007 through 2013, the City had the high school modernization and aquatic center projects which ballooned our construction sales tax.

Ms. Olson stated the final financial policy will be provided to Council in June. She would like to know if there are other options the Council would like to consider? The question for tonight would be the element used in the general fund reserve in Section 2.2. There are two options to base the reserve target on, either operating revenues or operating expenditures.

Mayor Guzak stated she thought it should be based on operating expenditures. Councilmember Hamilton concurred.

Councilmember Burke noted an error in Section 3.0. The percentage is incorrect.

Ms. Olson asked the Council to address Section 2.4.3. and obtain their thoughts on the enterprise reserve target levels being set at 90 days versus 60 days for all utility fund operating reserves. Mayor Guzak felt that made sense and Councilmember Hamilton agreed.

Ms. Olson stated the reserve targets for internal service funds that staff proposed at Section 2.6 would be a reserve level of 30% of the budgeted expenditures.

Councilmember Schilaty wanted to know if this is a change from current policy. Ms. Olson replied that the current policy is similar to the General Fund reserve. In calculating the percentage it would be totaled separately from the Utility Fund.

Mayor Guzak stated that would be appropriate for replacing vehicles and computers. Councilmember Burke asked if the funds could be assessed immediately for an emergency. Ms. Olson stated it could.

Mayor Guzak inquired if it was large fund. Ms. Olson stated it was about \$150,000.

**AGENDA ITEM 3a**

Ms. Olson asked for Council direction in Sections 2.7 and 2.8 of the policy regarding the replenishment of reserves and excess reserves. It was noted should the assigned fund balance targets fall below a 15% threshold, the City would strive toward regaining the minimum threshold level during the next budget cycle. There would be no short term expenditure cuts because we would replenish those reserves during the next budget cycle.

Councilmember Schilaty wanted to know if it mattered where the City was in terms of the budget cycle.

Ms. Olson responded that a two year budget cycle would be a bit more challenging. In a two year budget, you would have a mid-period adjustment.

In Section 2.8, addressing excess reserves, Ms. Olson explained if the City had a windfall or extra reserves outside of our forecast, the proposed policy would determine how the Council would spend those reserves to bring it down to the target levels.

In conclusion, Ms. Olson wished to discuss the upcoming financial planning timeframe. Based on the status of recent departmental discussions concerning future revenue and expenditure sources, staff requires additional time to address organizational issues. She requested that the timeframe be extended and will notify the Council of the revised timeframe once staff has had an opportunity to better analyze some of these financial challenges.

Mayor Guzak agreed these decisions are complex and thanked Ms. Olson for her work and for the materials provided which were very helpful.

3. **ADJOURN** at 6:55 p.m.

APPROVED this 2<sup>nd</sup> of February, 2016

CITY OF SNOHOMISH

ATTEST:

\_\_\_\_\_  
Karen Guzak, Mayor

\_\_\_\_\_  
Pat Adams, City Clerk

**AGENDA ITEM 3b**

**Snohomish City Council Meeting Minutes  
January 19, 2016**

1. **CALL TO ORDER:** Mayor Guzak called the Snohomish City Council meeting to order at 7:00 p.m., Tuesday, January 19, 2016, in the Snohomish School District Resource Service Center, George Gilbertson Boardroom, 1601 Avenue D, Snohomish, Washington.

<b><u>COUNCILMEMBERS PRESENT</u></b>	<b><u>STAFF PRESENT</u></b>
Derrick Burke	Larry Bauman, City Manager
Karen Guzak, Mayor	Grant Weed, City Attorney
Tom Hamilton	Jennifer Olson, Finance Director
Dean Randall	Owen Dennison, Planning Director
Michael Rohrscheib	Steve Schuller, Public Works Director
Lynn Schilaty	John Flood, Police Chief
Zach Wilde	Pat Adams, City Clerk

There were seven citizens in attendance.

2. **APPROVE AGENDA** contents and order – No changes.

**MOTION** by Rohrscheib, second by Wilde to approve the agenda as presented. The motion passed unanimously (7-0).

3. **APPROVE MINUTES** of the regular meeting of January 5, 2016.

**MOTION** by Schilaty, second by Randall to approve the January 5, 2016 minutes. The motion passed unanimously (7-0).

4. **CITIZEN COMMENTS** on items not on the Agenda (*and/or to request time to speak on any Action or Discussion items on this agenda*)

**Morgan Davis, 206 Avenue I**, asked if the Mayor would allow public comment during Action Item 6 and Discussion Item 7a. Mayor Guzak responded she will allow public comment. Mr. Davis further requested the Mayor allow citizen comments right after Council questions, but before Council discussion and deliberation. He states she hasn't done that yet. Mayor Guzak replied she would allow it. Mr. Davis also asked the Mayor to confirm her agreement to mention under new business his request that a letter or resolution by the Council be submitted to the state legislature supporting the bipartisan bill by Senators Joe Fain and David Frockt that helps increase housing affordability. Mayor Guzak stated the support letter would be discussed. Mr. Davis continued stating this legislation would allow cities to grant tax breaks to landlords who keep rental housing affordable. As the Council knows, when it formed the Pilchuck District, it was called a "revitalizing area," eligible to give developers and builders of new construction property tax breaks for 8 to 12 years. Mr. Davis opposed that then because it didn't apply outside the Pilchuck District and it left existing landlords out in the cold as far as getting a similar break. This legislation by Senators Fain and Frockt is a much fairer program and provides a level playing field for all landlords in the city. Mr. Davis requested that the letter be sent immediately.

## **AGENDA ITEM 3b**

Mr. Davis requested the City Manager name the director promoted to the newly created Deputy City Manager position. He states he was unable to find anything in the minutes, Friday Newsletter or press releases to the Tribune or Herald. For the sake of transparency and open government, he would appreciate the name of the promoted staff member and the amount of the promotion.

Mayor Guzak asked Mr. Bauman to comment. He stated the promotion of the City's Public Works Director Steve Schuller to Deputy City Manager was official at the end of November 2015.

**Sam Low, Lake Stevens Council President**, wanted to thank Karen Guzak for her time on the Snohomish County Health District Board. He stated he was the Chair this past year and had enjoyed serving with Ms. Guzak. He noted Mayor Guzak did a great job representing the citizens of Snohomish. As a side note, he wanted to mention that he is running for County Council. He'll be running this Fall for the vacated seat of Dave Somers and wanted to notify the Council. He expressed his appreciation for their continued support.

**Colleen Dunlap, 1614 Fourth Street**, stated in all circumstances do not say it cannot be done before you have considered how it might be done. She believes that is a lesson we all need to absorb. She stated she wished to speak about the non-residents serving as voting members on boards, commissions and committees. Ms. Dunlap said non-residents with a heavy influence on City decisions in areas including land use, capital projects and aesthetics is inappropriate. This inappropriate allocation of power leaves the City open to outside special interests. Business owners contribute to tax revenue. However, they do not have the same stake in quality of life in Snohomish as residents do and should be limited to non-voting positions. Non-residents with expert knowledge in a field should also sit as non-voting members. Ms. Dunlap stated Mr. Bauman responded to her inquiry on this matter by providing her with information for non-resident participants. From the Municipal Code of 1997, Section 2.06.030, Residency Requirements for Boards and Commissions. The majority of all board and commission members must live within the City limits. Current Board and Commission members who do not fulfill the residency requirements shall be allowed to finish their current terms, but will not be eligible for reappointment. If a board or commission member moves out of the area, that member is no longer eligible to serve. There are exceptions in Section 2.06.035. Exceptions to the residency requirements – A member of the Planning Commission and the Parks and Recreation Board must live within the City's Urban Growth Boundary as defined by the most current adopted Community Development Plan map. According to Ordinance 2175, the most current map, at least one voting member of the new Hal Moe pool site committee lives outside the Urban Growth Area and was appointed over residents living within the City limits. One of which is well qualified to speak on the historic significance of the site. The meeting for this committee has not started. Therefore, Ms. Dunlap requests the City change the voting status of these members. There are also no exceptions listed for the Economic Development Committee, the Public Safety Commission, or the Transportation Benefit District Board. It does say members on the Design Review Board because of the expertise required to perform the duties of the board, shall be limited to those with an interest in the City as a result of either living, working, owning property or business and/or belonging to one of the City's civic organizations. This section is overly broad. As it stands, almost anyone can serve on one of our committees or commissions. The City of Snohomish has a wide variety of residents with intelligence and experience in many fields. Being a resident should be the first tier for consideration. The best qualified should be chosen from resident applicants. Under no circumstances should others be considered for voting positions on City committees, commissions or boards. Ms. Dunlap requested the public disclosure of non-residents serving and what special expertise

## **AGENDA ITEM 3b**

qualifies them for their positions. She requested the Council review the eligibility for voting membership of non-residents on all boards, commissions and committees. She also asked the Council to make changes to the code which would return influence over City decisions to residents.

Mayor Guzak thanked Ms. Dunlap for her comments and stated she would revisit the topic under new business for discussion with the Council.

**Janet Prichard, Republic Services of Lynnwood**, said it's almost time for GroundFrog Day. She noted Republic Services has been a long time champion and supporter of not only GroundFrog Day, but any number of the Chamber of Commerce events, such as the annual Easter Egg Hunt, Classic Car Show and many other events that bring visitors and guests to the City. Every Thursday, her drivers look forward to that day because they get to come to Snohomish. She believes their favorite lunch time haunts are here. Over the years, Republic Services has been delighted to partner with the City on a number of initiatives including helping to increase the City's rate of diversion from the landfill, which included implementing commercial organics collection and increasing dry recycling. She is aware the topic of solid waste is on the agenda tonight and she wanted to thank the Council for the opportunity to serve the City.

Mayor Guzak thanked Ms. Prichard and appreciated her comments.

### **5. PUBLIC HEARING – AUTHORIZE Sale of Surplus Vehicles**

Mr. Schuller stated the City's fleet replacement policy is to provide safe and reliable equipment for our crews, while also being very cost effective and using the equipment for as long as possible. He referenced the Strategic Plan initiative which is to become more environmentally sustainable. This includes lessening our environmental impact as part of the City's mission related to its fleet, and to do so in a cost effective manner which makes sense. Mr. Schuller explained staff is requesting the surplus of three vehicles. These vehicles range in age from 11 to 17 years old, and include a 1999 Dodge Flatbed, a 2000 Ford Flatbed and a 2000 Ford F-450. The recommendation is to surplus these vehicles and bring any cash received at auction back to the City.

Citizens' comments - closed

**MOTION** by Hamilton, second by Randall to PASS Resolution 1336, authorizing the sale and disposal of surplus vehicles and equipment as described in Exhibit A. The motion passed unanimously (7-0).

### **6. ACTION ITEM – ADOPT Parks Naming Policy – PASS Resolution 1338**

Ms. Johns discussed Resolution 1338, which would establish a Parks Naming Policy. As background, Ms. Johns explained this matter was brought before the Council in October 2015 as a discussion item. At that time, Council directed staff to pursue the criterion for procedures needed to establish a parks naming policy, as well as obtain information from the Parks Board if there was a need to establish a naming committee and if so, could the Parks Board fill that role. During meetings with the Parks Board in October 2015, it was determined that a naming committee would be in order because the process would include the City Council, Parks Board, citizens, management and possibly staff. The Parks Long Range Plan Policy does require that the City adopt a Naming Policy. Ms. Johns conducted an overview of the Resolution. Section 1 describes how park names will be in accordance

## **AGENDA ITEM 3b**

with the procedures and criteria set forth in the resolution. If names are changed, it would be an exception only.

Section 2 of the resolution describes the City Council and the ad hoc committee. The City Council, with the recommendation of the Parks and Recreation Board has the authority to designate names for parks and recreation facilities. The names that are selected are submitted by an ad hoc naming committee. The naming committee is appointed when needed and consists of the Parks Board Chair, a designated City Councilmember, or a citizen representative selected by the City Council, the Parks Manager or designated staff person and the City's Public Works Director.

Section 3 describes the typical organization of the naming committee and their procedures. The committee would meet as required. They would elect their own chairperson and solicit park names from the community via news media, including City website and newsletters. After considering submitted names, they would recommend names to the City Council. They are also required to submit appropriate information to justify their recommendation.

The naming criteria involves names unique to a neighborhood and community, a natural or geological feature, names of historical or cultural significance for the community, an historical figure or individual deceased for a minimum of three years who has made a significant contribution to the City or gave their life serving the United States of America in military service, and as required by purchase agreement, donation or gift.

Section 5 outlines the details of how the City Council can accept or reject the naming committee's recommendation. Ms. Johns reiterated the City Council has final authority to designate the names for parks and recreation facilities. Also outlined is the manner in which the City Council will carry out the naming process soon after a facility is acquired or in conjunction with its development.

The interim naming policy states that an unnamed park or facility will bear a number designation until a name is adopted.

Staff recommends that the City Council Pass Resolution 1338 and adopt the parks naming, and interim naming policies effective February 15, 2016. The referenced Strategic Plan Initiative is establishing a sustainable model for strengthening and expanding our parks, trails and public spaces.

Mayor Guzak stated she understands there are two parks that do not have official names. One is Ludwig Road and the other Stocker.

Ms. Johns replied that the Mayor is correct with the addition of Harryman Farms. So, there are three. Mayor Guzak indicated the policy is very timely relative to these properties.

**Morgan Davis, 206 Avenue I**, commented on the Riverview Wildlife Refuge history. He stated it was previously a de facto off leash dog park and people could walk their dogs around the abandoned lagoon. Former Public Works Director Tim Heydon said it was perfect place for people with their dogs and when he left, somebody else got involved and they decided to ban dogs. That was the impetus for the purchase of the Ludwig Road property for a dog park. When they named the Riverview Wildlife Refuge, Ann Stanton chaired that committee. Mr. Davis said he went to those meetings and it was stacked with people who lived outside of the City. He stated Colleen Dunlap made a good point tonight. You let people outside the City control things in the City. In other words, the tail is wagging

## **AGENDA ITEM 3b**

the dog. There was Tommy Peters who lived on Riverview Road and other people. Guess what name they ended up with? Instead of Snohomish Wildlife Refuge they named it Riverview. That's a community in unincorporated Snohomish County on Fobes Hill. The Council rubber stamped that because they didn't want to rock the boat with Ann Stanton. That's an example of poor naming. Another example is Ann Stanton let Stocker wag the dog with their tail too on naming the boat launch. He believes they said it had to be Cady. We already had the Cady Park Boat Launch. We don't need two boat launches named Cady. That's ridiculous. So, now if we don't come up with a decent name, Stocker is going to receive \$10,000 and the Council agreed to that. He doesn't understand how the Council can spend money like that. It's another example of waste, fraud and abuse in government. The Council is creating a bad example for the citizens. That's why there is discontent. Even on the national level, we have Bernie Sanders and Donald Trump on both ends of the spectrum and people are angry. That's what is going to happen in Snohomish until Council changes their ways.

Mayor Guzak commented she finds it very unlikely that the City will incur the \$10,000 penalty by naming the property in a way Mr. Stocker doesn't like. This is in the future and has not been decided. She feels Mr. Davis may be getting ahead of himself.

Mayor Guzak mentioned relative to Riverview it was a long process with a wonderful committee. Including members of the Pilchuck Audubon Society who donated part of the property to the City for the park. She feels that was a well-orchestrated process.

Councilmember Hamilton had a comment regarding the Ludwig property. He stated he served on the strategic committee for the parks plan where it was identified that the City needed at least a ten acre park in that area of the City. The City received an excellent deal on the Ludwig property and that was the impetus for acquiring the property.

**MOTION** by Rohrscheib, second by Burke to PASS Resolution 1338 adopting a Parks Naming Policy and Interim Naming Policy effective February 15, 2016. The motion passed unanimously (7-0).

### **7. DISCUSSION ITEMS:**

- a. Solid Waste Contract. Ms. Olson stated the purpose of this item is for the Council to begin discussions about the City's solid waste utility. The current contract with Rabanco Ltd, d/b/a Allied Waste of Lynnwood, d/b/a Republic is set to expire in March 2017. As we work through this process, staff is requesting Council provide direction on the future of solid waste collection services.

As background, Ms. Olson explained the solid waste utility was established in 1985 through Snohomish Municipal Code, Chapter 8.12. For the collection and disposal of solid waste, the City entered into a contract with the current contractor. At present, the customer service function is provided to citizens internally through the Finance Department staff. Solid waste disposal rates are charged to the customers via the combined utility bill with water, sewer and stormwater charges. With the pending expiration of the contract, staff believes it is appropriate to begin reviewing all issues and aspects of providing solid waste administration, collection and disposal services to City residents and businesses.

Staff has identified potential options for the future of the solid waste utility. Those include:

## **AGENDA ITEM 3b**

- a. Extend the contract with the existing contractor with no changes.
- b. Negotiate a new contract with the existing contractor with changes to service areas and administration
- c. Start the Request for Proposals (RFP) process for seeking out solid waste contractor proposal bids.
- d. Transition the solid waste services back to the WUTC.

Ms. Olson has identified some potential issues to be addressed as Council works on solid waste services and administration. Issues to consider as we move forward would be: Is the current contract meeting all collection and disposal requirements; Are the current rates competitive; Should the current contract be renegotiated with the existing contractor; or should the City initiate an RFP process to assess the market and seek out bids for a potentially new contract and contractor.

Ms. Olson stated another issue is that customer service and solid waste administrative activities take up a significant amount of internal staff time. There is a question of whether a new contract should include the solid waste contractor handle customer service needs.

Another question is should the City remove itself completely from the solid waste collection business and allow the WUTC to govern and manage the City's solid waste services.

Ms. Olson stated these are issues to consider through the planning timeframe in 2016. Staff also wished to provide the Council with a look at rates in comparison with other communities, because rate setting is established through the current City contract and are set according to the RRI or the Refuse Rate Index. This is a weighted index in the contract which is based on the CPI employment cost index and energy information, or essentially diesel prices. The contractor notifies the City each year of the potential for a rate increase to take effect on April 1 of each year. Currently, the City of Snohomish solid waste rates are effective through March 31, 2016. The issue of rates for 2017 will be discussed at the next Council meeting.

Ms. Olson explained that Table 1 compared the 2015 garbage, recycling and yard waste rates, along with contractual information of a number of surrounding communities. One thing to note is that communities offer different levels of service. So, it's hard to compare apples to apples. What staff wanted to emphasize is that some communities do not require or include services like yard waste which should be considered when comparing rates. Other differences include the local municipality's utility tax rate, which can range from about 5% to 20%. This is another variable that is hard to compare. The City of Snohomish's current utility tax rate is 5.33%.

Table 2 provided a look at comparable rates with the WUTC, which shows the current rates provided by that organization. One thing to note is the difference between the City's current service levels and services regulated under the WUTC is recycling. Recycling for the City happens weekly. Recycling under the WUTC happens biweekly. Staff provided an apples to apples comparison based on a one can weekly service. There is a rebate offered through the WUTC. Yard waste is a service that is selected by the consumer, so it is not included like it is in the City's contract for service. The solid waste tax for the City is different that the WUTC, which is based on the State's rate.

### **AGENDA ITEM 3b**

Ms. Olson provided further background on customer service and contract information. Currently, solid waste customer service is provided in-house and staff serves as a liaison to the solid waste contractor. Customers contact City Hall for service set up and problems with service and billing. The customer information is communicated to the solid waste contractor to find a solution to the issue. The solid waste customer service and contract administration staff time is estimated to utilize about 2 FTEs, plus managerial time for oversight of the solid waste program.

One of the most critical pieces to be discussed is the solid waste utility and the services to be provided in the future. To assist in evaluating options, the City has prepared a proposed survey to be completed by City customers. Staff plans to include the survey in the next billing cycles at the end of January and the end of February. Once surveys are returned, staff will then consolidate and provide the results of the survey to the City Council at a future meeting for discussion. The survey process would go through the Spring of 2016. In the event, Council directs staff to go through an RFP process to seek out bids from contractors, staff would predict that process would take us into early fall. Ms. Olson noted changing the contractor takes a long period of time and staff would need to begin that process immediately to ensure a transition of services on April 1, 2017.

Councilmember Hamilton asked as a City can we decide whether we want to be responsible for collecting solid waste, or we can transfer the responsibility to the State?

Ms. Olson responded that is correct. The City can decide to transfer solid waste collection and disposal to the State.

Councilmember Hamilton wanted to confirm that the City had a choice whether or not to administratively handle the solid waste customer service, or if the contractor handles it.

Ms. Olson replied the City Council would decide through the contract how customer service would be handled.

Councilmember Hamilton asked if this would be true under either scenario.

Ms. Olson responded it would not. Under the scenario where we would remove ourselves from the solid waste business, then the customer service would be provided by the contractor. We would not have a choice.

Councilmember Hamilton understood it is difficult to try to compare our situation with other cities. He noted the only way to obtain a true idea of what our customers would pay would be to go out for an RFP.

Ms. Olson responded we would still have the challenge of comparing apples to apples because the contractors would propose levels of service, and the City Council would then select the services they would want included in the contract. Staff would then do a current comparison of the new proposed services and rates with current services and rates in other communities.

Mayor Guzak asked if we contracted with the WUTC, wouldn't that potentially result in a contractor that could be Republic.

Ms. Olson stated that is correct. It's her understanding through conversations with the WUTC representatives they certify contractors to specific areas. If we were to revert back to the WUTC, the contractor who would serve the City of Snohomish would be

## **AGENDA ITEM 3b**

Waste Management.

Mayor Guzak stated during the next few months, the Council will be evaluating the trade offs, after reviewing the citizen surveys. She expects there will be more clarity as they move forward in the process.

**Morgan Davis, 206 Avenue I**, stated on page 38 of the agenda packet it shows apples to apples comparable solid waste and recycling rates for various cities. As Council knows, when the previous City contract was up for approval, he requested the City obtain competitive bids. In other words, pit Waste Management against Republic Services. Staff and a rubber stamping Council refused to get bids. He recalls Councilmember Hamilton was the only one questioning this. Council nevertheless rubber stamped the staff request from Danny Weinberg to stay with Republic with a no bid contract. No RFP. The City of Monroe with a strong mayor system negotiated one hell of a deal. Their total rate ended up being \$26.93 per month. He compared that to Snohomish's no bid contract rate of \$34.63, resulting in a huge difference of 29%. Mr. Davis stated that's because Council didn't put it out for open competitive bids like he requested. He explained the Council backed up the City of Monroe's mayor and his administrator worked out the details and it went smoothly. He noted they go back and forth between Waste Management and Republic Services, but they work the system for the taxpayer and that's what this City is not doing. Now that the high cost of fuel (gasoline, diesel and propane) has dropped dramatically, and when this Iranian oil comes in, gasoline is going to go to \$1.00 per gallon. He stated gasoline prices were the excuse for raising rates last time. Mr. Davis asked the Council to get open competitive bids from at least Waste Management and Republic Services. If anything, Snohomish rates should drop, not increase. Mr. Davis requested that the Council ask Ms. Prichard with Republic Services who is here tonight if Republic plans to raise or lower rates.

Mr. Bauman asked that the Council take a closer look at the chart in the staff report comparing solid waste and recycling rates. There is an important notation that yard waste services are included with the recycling charge for Snohomish and Mountlake Terrace, but all other cities have optional yard waste service. That really skews some of the numbers.

Mayor Guzak stated personally yard waste service is very important to her.

Councilmember Schilaty noted it is easy to draw assumptions when you are looking at the data, but there are variables. For instance, we don't know what Monroe's utility tax rate is and whether that was a factor in their solid waste and recycling contract price. There are too many variables and this is a process we need to go through. Council will do the research. She mentioned her belief if this is opened up to RFPs, the City's existing contract would terminate and could put the City in a very vulnerable position. The risks need to be managed. It is very volatile. She stated we are engaged in a deliberative process and will figure out the right direction, which also includes hearing from the citizens.

Councilmember Randall stated that he use to work a lot with the WUTC, but it was in the area of telecommunications. He knows they have analysts on staff that are experts in their area and they do a lot of research and ask companies to provide a lot of information to them. He thinks working with the WUTC may not be a bad idea. He doesn't have a problem with the current service from Republic Services. He believed the Snohomish rate at \$34.63 is about in the middle if you look at the rate chart. Mountlake Terrace is at \$26.24 and Sultan is at \$45.69.

## **AGENDA ITEM 3b**

Councilmember Burke referenced the financial workshop held earlier in the evening, where the Council continued discussions around financial planning for the City. One of the items that came up for discussion is a table from the workshop entitled expenditures per capita. Basically, this leads to a graph which shows how much money the City is spending per capita in expenditures for City services, and it's been going up for awhile. In 2009, we were calculated at a per capita expenditure of \$833 for City services and pretty much dropped for a couple of years, but now we are at \$912. Per household expenditures are up from \$1907 to \$2095. What this looks like is over time it will increasingly become more difficult for citizens to pay for their City expenditures. So that fact, coupled with things like declines in fuel is a simple equation. He believes both companies are capable of providing solid waste services and believes there should be an RFP.

Councilmember Rohrscheib strongly favored the idea of getting the best price and still getting the services the City needs. He agrees with Councilmember Randall that currently we are getting what we need, but he would like to see what else is out there and get the best deal. He is curious if there was an opportunity in the past to obtain competitive pricing why that didn't happen. He further commented that it had nothing to do with whether or not there was a strong mayor.

Mayor Guzak responded that the City did get the best deal given all the services it wanted. She also added that Republic has been a contributor to this community and supports City functions and activities. The City has benefited in that regard. It will be interesting to see what the citizen survey reveals and how we proceed through this process. The options have been communicated and we will address them in the near future.

Councilmember Wilde had a concern about having solid waste services through the State. He said when he moved here, establishing garbage service was the easiest set up of all of his utilities. All of the other utility companies he contacted provided less than adequate customer service. If the City departs from in-house customer service, he is concerned that quality customer service for our citizens may be in jeopardy. He doesn't want to lose control of the customer service aspects.

Councilmember Hamilton stated the solid waste contract has a lot of variables in it and it becomes extremely difficult to try and compare rates. He noted the City acquired a lot of extra services that were negotiated with the contractor. He questioned whether the City wished to continue to administer the contract internally, as most citizens will call the City prior to contacting the contractor. He wants to make it easy for our citizens. He is not opposed to an RFP or negotiating a contract.

**Janet Prichard, Republic Services of Lynnwood**, stated that there are a couple of things that sometimes get confused just because it's garbage – and shouldn't be confusing - but you just scratch the surface and it's instantly complex. Regarding the WUTC, it is a wonderful organization with a number of analysts and good people. The WUTC collects not only recycling but yard waste every other week. So, the City would lose weekly collection of yard waste through the WUTC. Also, Republic could add an extension time in order to assume customer service functions if that is something that is desired. She indicated that can be accomplished at any time.

Councilmember Rohrscheib stated that you get what you pay for. He feels the City is

## **AGENDA ITEM 3b**

getting fine service right now and he is definitely happy to pay our rates instead of Sultan's. However, he would still like to know what else is available for comparison purposes.

### b. Fees

Ms. Olson stated the purpose for this agenda item is for Council consideration of proposed Resolution 1340. The resolution proposes to update the City's fee schedule. In addition to the fee schedule amount changes, the related Snohomish Municipal Code that currently refers to a fee within the code is proposed to be modified through draft Ordinance 2299.

As part of the 2015 annual Council goals, staff was directed to review all fees for goods and services that the City provides, which included business licenses, land use applications, permits, park fees and other charges the City imposes.

Ms. Olson explained the format used in the current Resolution 1285 was found to be very cumbersome and difficult to read and understand. There were also some fees that were listed in the code, but not listed in the fee schedule. Staff consolidated all the fees into one comprehensive fee schedule and made it user friendly. Where the code referenced an actual fee, it was changed to reference the resolution instead. The attachment provides the new proposed fee schedule format. The current fees are also included and various staff have proposed new fees in the attachment. Not all fees are proposed to be changed.

Ms. Olson noted her discussion would entail a review of the fee schedule by chapter. There are some chapters where no fee is proposed.

In Chapter 3, the fees that are proposed to be changed under this chapter are the fees related to copying. In the current fee schedule, the copying charges were based on the name of a document, or .15 cents per copy. What staff proposes is that the copy charge not be based on the name of a document, but on paper size and whether copies are color or black and white. Staff proposes that the per copy fee remain .15 cents for copies which are not related to public records requests. The fees would increase based on color and size. The actual cost for generating a black and white 36" x 48" page is \$13.20. Staff proposes in this range of copy fees, we would charge \$15.00 for that size copy.

CDs or DVDs result in costs to produce. The proposed fee is to accommodate for staff time and is proposed at \$55.00.

The fees relating to the code under 3.45.050, would be a new code section identified in the Ordinance amendment. One of the elements staff would like to add into the fee schedule is a rate for staff time. The reason for this is when we request reimbursements or when a grant application requires staff time be included. Those proposed fees are based on actual 2016 salary and benefit costs.

Councilmember Hamilton wanted to clarify that staff fees are just part of the internal fee structure.

Ms. Olson explained charging staff fees would be used when externally billing customers or another agency for staff time. It is for billing externally.

Councilmember Hamilton asked if it would be used for public records requests.

Ms. Olson replied it would not.

### **AGENDA ITEM 3b**

Councilmember Hamilton asked about the new fee for CD/DVD, which includes staff time and wanted to confirm that staff prefers to provide information on a CD.

Ms. Olson responded that CDs are the preferred method to provide documentation.

Ms. Olson discussed Chapter 5. The only proposed fees to change are the PBIA late fees. Currently, this is under SMC 5.02.070. The City has retail PBIA rates and non-retail PBIA rates. The actual fee based on square footage is not proposed to change, but the late fee will increase by \$5.00.

The next change was under SMC 5.10.060. This is the special event for policing services. Currently, the fee is \$69.00. The proposed fee schedule is intended to bill out for the actual costs and staff wanted to identify that the current requirement is that we pass through our fees as per the Snohomish County DSA fee schedule.

Mayor Guzak questioned if we had a special event would the vendor know they are paying for police services and are they provided a fee range, or are they billed actual costs after the event?

Ms. Olson believed they are billed for actual costs. Chief Flood confirmed special event vendors are billed ahead of time and know prior to the event exactly what police services will cost.

Councilmember Burke inquired about the PBIA late fee. He asked if it would be too complicated or if there a reason to, or not to, base the late fee of \$15.00 off of the square footage of the entity that is late. He noted some of these companies are less than or equal to 160 square feet and may be a booth inside of an antique store and they're paying \$15.00 a month for their late fee, but somebody with a store greater than 2,000 square feet is also paying \$15.00 per month for their late fee. Is there a reason to do that?

Ms. Olson replied that staff would have to conduct an analyses on what the late fee would be based on square footage.

Mr. Bauman stated the late fee is really designed to cover staff time for having to send out second notices.

Chapter 7 addresses animal control fees. The fee that is proposed to be changed is under Chapter 7.12.030, which is increasing animal impound fees from \$35 to \$50.

Mayor Guzak commented that the Police Department has a couple of cages available for temporary impound of animals. If the impound is longer than 24 hours, it is her understanding the animal is transported to Monroe.

Chief Flood confirmed the department has impound cages available for the overnight security of animals until animal control comes on duty in the morning. At that time, a determination is made whether the animal will be transported to a facility in Monroe or to the Everett animal shelter.

Chapter 9 covered fingerprinting fees. The proposal is to change the fingerprinting fee from \$10 to \$15, and background checks by the Washington State Patrol will change to the actual cost. Chief Flood explained the changes are in line with our surrounding neighbors. The fingerprint fees are a little out of date. He explained the public is very savvy when it comes to getting the best deal and they were coming to Snohomish for this

## **AGENDA ITEM 3b**

service because we weren't charging as much as other cities. This just brings the City up to date.

Chapter 11 is traffic. The proposal is to increase the various types of parking tickets from \$30 to \$50 and only charge half the fee if the ticket is paid within 24 hours.

Councilmember Wilde asked if the City received a parking ticket and it was paid within the 24 hours, then the City would charge half of the ticket or \$25, which would make it less expensive than it is currently.

Chief Flood stated that is correct.

Councilmember Wilde asked why wouldn't the City charge \$40 and make that half off, so it's at least equivalent to what it is today.

Chief Flood responded that Councilmember Wilde is assuming people are paying within 24 hours. He stated, unfortunately people aren't paying these tickets. So, the City is trying to add a little incentive.

Chapter 12 refers to fees for streets and sidewalks. There are a number of proposed changes. Ms. Olson asked the Council if there are any particular fees they would like to discuss. The Council had no questions.

In Chapter 13, there is a proposal to change and significantly reduce the cost to rent certain parks facilities.

Chapter 14 deals with land use and development fees. There are a variety of changes and Planning Director Owen Dennison provided an overview of the proposed changes. Mr. Dennison stated the fee changes reflect a re-thinking of the charges we have for the wide variety of land use permits we provide. In 1998, there was a resolution adopted that established specific fees for these services. In 1999, that transitioned to a deposit system which the City continues to use today. The deposit system is intended to cover anticipated costs at the start of a project, and as costs are incurred to stop the development until the depleted deposit is supplemented by additional funds. This process is a bookkeeping nightmare, along with tracking all of the staff hours from conversations, meetings, phone calls, hearings and preparation for hearings. Staff is proposing to revert back to the fee system. Each of the fees shown is based on an estimate of administrative costs, including publication, notice preparation for mailing, posting, as well as the evaluation of individual people who would have an interest or expertise in that review. For example, most applications have some aspect of building review by our Building Official, Project Engineer and the City Engineer, as well as planning staff. These fees are intended to acknowledge that some reviews will be less time consuming in terms of staff resources and some will be more. These fees are intended to capture typical situations. There will be an attendant code amendment to Chapter 14.10 of the SMC which lays out the basis for the deposit approach. There are certain deposits that have been maintained. For example, the hearing examiner costs and the consultant costs for critical areas review.

If adopted as proposed, it would be similar to what is proposed for the wireless communications facilities. The City has an on-call consultant to advise staff on radio frequency engineering questions that staff does not have the expertise for. That service would require a deposit and when depleted, the City would require additional monies. If staff didn't utilize the entire deposit amount, it would be refunded. Staff receives precise invoices from its consultants and from the Hearing Examiner, so staff has a specific cost to rely on when determining what the ultimate cost to the applicant will be.

## **AGENDA ITEM 3b**

Mayor Guzak asked if the Hearing Examiner was billing the City for actual time.

Mr. Dennison replied that is correct and the fees are very cost competitive. The Hearing Examiner charges \$175 per hour and has other attorneys working for him performing some of the preparation work of the decisions at a lower rate.

Chapter 20 deals with house trailers. This is not a section that is proposed to change. House trailers is the last section of code that has fees that pertain to the actual code. It is intended to remove these fees from the fee schedule.

Mayor Guzak commented this was a lot of work, but believed it is a good idea to detach the fees from the Ordinances so the City can be more efficient in adjusting fees in the upcoming years and as costs change.

City Attorney Grant Weed commented that under State law both in statute and common law, public entities are only entitled to charge for the reasonable cost of the actual service provided. One of the discussions he had at the staff level in preparing this schedule is any fee proposed to be changed needed to be justified and approximate to the actual reasonable cost of the service. Mr. Weed is confident that this review had been done. Also, as Council knows, his firm works for a number of cities around the area and those that have gone through this laborious effort to consolidate all their fees into one schedule have benefitted greatly going forward. There has been extensive time put into this effort. A good example of how this has worked well is the City of Lake Stevens. They have had a consolidated fee schedule in place for a number of years and it is reviewed periodically. It takes time, but in the end it's an effort well worthwhile.

Mayor Guzak noted the proposed fee schedule review is for discussion only at this time. She noted that relative to the cell tower fees, there is a place holder there since we haven't dealt with changes in the code concerning cell towers.

Mr. Dennison replied the Mayor is correct.

Mayor Guzak thanked staff and appreciated the work involved in consolidating the fee schedule.

8. **CONSENT ITEM - AUTHORIZE** payment of claim warrants #57983 through #58070 in the amount of \$517,361.89 issued since the last regular meeting.

**MOTION** by Hamilton, second by Rohrscheib to authorize the payment of claim warrants #57983 through #58070 in the amount of \$517,361.89. The motion passed unanimously (7-0).

## **AGENDA ITEM 3b**

### **9. OTHER BUSINESS/INFORMATION ITEMS**

Mayor Guzak said the letter in support of the State affordable housing initiative was forwarded to all Councilmembers. The letter has support from Mayors from a number of cities. She supports the City of Snohomish signing a similar letter. The Council agreed. Mayor Guzak thanked Mr. Davis for bringing this issue to the Council's attention.

Mayor Guzak discussed a request from the Learning Lab pilot project. She stated she has a potential draft letter available which was forwarded to Councilmembers via email to obtain support for this legislative activity.

Mr. Bauman asked if she had any contact with the School District to determine if they had any comment on this program.

Mayor Guzak replied she had not. She requested feedback from Council on next steps.

Councilmember Randall stated he is generally in support of the idea and the letter. He thought it would be a good idea to contact the Snohomish School District for their input.

Mayor Guzak directed Mr. Bauman follow up with Snohomish School District and report back to the City Council at their next meeting.

Mayor Guzak wished to discuss issues brought up by Ms. Dunlap regarding the residency of members serving on City boards and commissions. She noted this is currently structured through City code. She stated she is willing to introduce this topic as a discussion item if Council wants to go further with this. Mayor Guzak asked Mr. Bauman to provide a recap of the email he sent to Ms. Dunlap.

Mr. Bauman apologized that he did not bring the code or a copy of the email he sent to the meeting. Essentially, what the code states, and as read by Ms. Dunlap during public comments, is the majority of all boards and commissions are required to be composed of members that are residents of the City. There are some exceptions to that rule, particularly for the Parks Board and Planning Commission, in which all members are to be residents within the City or its UGA. The fact that it has been a long term policy for the City to accept members who are business owners who presumably also have a stake in the community is one that was debated long before he arrived at the City, so he don't know what the context of that discussion was.

Mayor Guzak stated it would take staff time to review those codes and determine if Council wants to make some changes.

Councilmember Hamilton stated some of our boards and commissions are specific to City functions, like the Planning Commission which is a quasi-judicial body. Parks is also very specific to the City. A number of our committees are ad hoc committees like the Strategic Advisory Committee for instance, which included business owners and residents. The Hal Moe Pool Site Advisory Committee, as an ad hoc committee, will meet for a specific purpose and then sunset out. He doesn't particularly have an issue with people who are active in the community serving on these committees. He appreciated that there is interest.

Councilmember Schilaty agrees with Councilmember Hamilton that there are many instances where we have issues that affect the City that are well served by our business leaders in the community who own businesses, but may not be residents of the City, or by people who live

## **AGENDA ITEM 3b**

within our UGA but may not reside within the City limits. She stated these individuals do have a vested interest in the City. She is in favor of reviewing the code to make sure it's not open to someone in Spokane coming into Snohomish and being able to sit on a City committee. However she believes the City actually has the opposite problem, in that we don't get enough people to sign up. She would like to review the code to make sure it's not too broad.

Mayor Guzak mentioned that committee members invest their money, time and energy in the City and although they may live outside of the City limits, in their advisory capacity those people are very valued as far as she is concerned. She asked Mr. Bauman to copy all the Councilmembers on his email exchange with Ms. Dunlap in order to obtain a better idea of what the issues are, and what the current code is. She stated relative to the specific issue concerning the constituents on the Hal Moe Committee, she asked if there was any desire to expand that committee.

Mr. Bauman pointed out that in terms of the Hal Moe Committee, the City accepted all the applicants, with the exception of two applicants who applied late, and they were subsequently appointed as alternates.

Councilmember Rohrscheib stated he voted against the appointment of members in the Hal Moe committee because he felt if you're going to have the honor of living in the City of Snohomish, you should have the ability to actively vote for or against something. He said being on one of these committees is a privilege and he wants people to be active in the community and have their voices heard. At the same time, if you're not a resident of the City, he has a hard time with that. However, based on the clarification he heard from Mr. Bauman, specifically regarding the Parks Board and Planning Commission and if members are within those guidelines, he doesn't see a problem with that. He most certainly agrees that anyone who is a business owner in the City has every right to make sure their voices are heard and are contributing members to this community. He respects that a lot.

Councilmember Burke agrees with Councilmember Rohrscheib. He is concerned that we have a group of citizens that have been trying to join one of our committee, when typically we have trouble getting people involved at all, and they are feeling like their voices are not being heard. Personally, he doesn't mind a colorful debate. He goes out of his way to obtain lots of different viewpoints when looking for information. Years ago, when he first went into business, he was putting up a sign and making changes to his building and he had to go before the Design Review Board to get his sign and building design approved. He knew what the charter of that group was and what the discussion needed to be framed within. The Board went outside the scope of their authority, but he didn't care. He is not against bringing in a wider body of citizens.

Mayor Guzak stated it doesn't appear there is Council interest in opening up committees that have already been set for additional members, but she would like to review the residency matter again once Council has received additional information from Mr. Bauman concerning what the code allows. She thanked Ms. Dunlap for bringing the matter before Council for consideration.

## **10. COUNCILMEMBER COMMENTS/LIAISON REPORTS**

Councilmember Burke attended HDS last week and they are going through the process of preparing for their annual retreat to take place next month. This group has had a lot of really big changes and there are a lot of people working very hard. He will provide updates on upcoming events.

## **AGENDA ITEM 3b**

Councilmember Rohrscheib met with the Public Safety Commission last week and they were excited that Council moved forward with their fireworks recommendation. However they are really struggling with where they fit in within the City. They want their voices to be heard and want to know where they can help. They asked that he come before Council tonight and speak with each Councilmember to determine if there is any information Council is looking for from the Public Safety Commission. They want to let Council know they are a dedicated body to the City of Snohomish and are here to help and assist, but they need some direction. He also apologized ahead of time that he will be out of town on February 2, so he will not be here for the next regular meeting.

Councilmember Wilde attended a Design and Review Board meeting for the first time last week. Communication is important and making sure that everyone knows what's going on. There are a lot of passionate people that do a lot for our City and not a lot of people know about that. They need some recognition. Everybody on the Design Review Board wants to be there and enjoys being there, and it's great to be a part of that and witness everything they do. It was enlightening. He also wanted to give a shout out to Brooke Eidem for the awesome work she does for board.

Councilmember Schilaty responded to both Councilmember Rohrscheib and Wilde that the Council hosts an annual boards and commission recognition event and the boards and commissions provides the Council with their annual reports. She noted in the past, the Council has had a workshop where they've had the chair of each board and commission attend. She thinks in the midst of a lot of things going on, it's good to remember there is overlap with these committees. For example, the Economic Development Committee overlaps almost every aspect of what we do in the City. There is an economic component to almost everything we do. She would like the Council to consider a workshop with its boards and commission chairs and have a discussion about what we're doing and how we can collaborate.

### **11. MANAGER'S COMMENTS**

Mr. Bauman stated in follow up to Councilmember Rohrschieb's notice that he will be absent on February 2, he decided to reschedule the Council photo to February 16 which he would like to conduct at 6:15 p.m. at the Fire District training room. The other item rescheduled from the regular meeting on February 2 is a review of medical and recreational marijuana that Council asked to be brought back as a discussion item. This has been rescheduled to February 16.

### **12. MAYOR'S COMMENTS**

The Mayor and City Manager attended a legislative briefing at the Everett School District office. It was sponsored by the Snohomish County Cities and by the Economic Alliance of Snohomish County. The purpose of the briefing was to provide a sense of what this next legislative session would bring. It's a short session. They do a biennial budget, so there's not going to be much discussion or initiatives coming forward. The big discussion is going to be school funding, and that is in light of the Tim Eyman initiative which is currently going through the court review process. She understands there has been a legislative committee that has been working on school funding over this time out, and there is some resolution, but also some conflict in that. It will be interesting to see how the legislative session comes forward. She asked if the City Manager had any additional input.

**AGENDA ITEM 3b**

Mr. Bauman stated the other issue is the perennial issue for cities which is the Public Records Act. Council may be aware that the State Auditor's Office was directed by the legislature in its last session to conduct a survey of all cities in the State to determine the volume of public records requests, the types of public records requests, the estimated hours used in attending to those requests and what the internal costs were. The original assumption was the survey and report results would be out in February. It has now been postponed to April, which means it will not be a part of the 2016 legislative session discussion on this topic. Mr. Bauman believes there will be more focus on that issue for the 2017 legislative session once that report is out and the data can be analyzed.

Mayor Guzak indicated there was a large group of people in attendance at the briefing. She thought it was a good briefing and was glad to represent Snohomish in that environment.

Mayor Guzak also attended a day long summit on the Eastside Rail Corridor. The summit was held in Bellevue and sponsored by the Cascade Bicycle Club, Sound Transit, King County, City of Redmond, City of Renton, and The Trust for Public Land. The discussion centered around rails and trails which the City is very interested in. The City has an investment in our three blocks of rail and our mile or more of trail. This group is largely King County and Sound Transit centric. It is well known the City of Kirkland removed their railroad tracks and they have made a trail there, so there is a lot of emphasis in the City of Kirkland to maintain their trail. There is continuing commitment from the leaders of this endeavor in King County. She mentioned a wonderful speaker in attendance from the City of Atlanta. She states they have done an amazing job of doing rails and trails in their 22 mile transit greenway which circles the City of Atlanta. What heartened her again and again was she kept hearing people talk about the 42 miles in this corridor, which includes the 12 miles of Snohomish County, even though the disposition of the Snohomish County portion has not yet been decided. It is still owned by the Port of Seattle who would very much like to sell it. She thinks Snohomish County is still expressing some interest. The rail operator, Doug Engle is expressing some interest. She'll see how that evolves. Mr. Bauman is calling a meeting with Mr. Engle next week and they will be discussing this with him. He is proposing to purchase the City's three blocks of rail. This is not something she would like him to do. She states the City might give him the use of the three blocks. She will keep the Council apprised of any developments.

13. **ADJOURN** at 8:51pm

APPROVED this 2<sup>nd</sup> day of February, 2016

CITY OF SNOHOMISH

ATTEST:

\_\_\_\_\_  
Karen Guzak, Mayor

\_\_\_\_\_  
Pat Adams, City Clerk

**AGENDA ITEM 3b**

## **ACTION ITEM 5a**

**Date:** February 2, 2016  
**To:** City Council  
**From:** Jennifer Olson, Finance Director  
**Subject:** **Authorize City Manager to Execute Questica Budget Software Agreement**

---

The purpose of this agenda item is for City Council's consideration and to authorize the City Manager to execute the Questica Budget Agreement (See Attachment).

**Background:** The 2016 Information Services Fund Budget includes an allocation of \$65,000 for the purchase of budget software.

The current tools available for preparing the annual budget are Microsoft Word and Excel software applications. Each section of the budget is manually created with narrative, tables, charts and graphs individually assembled. Staff's ability to analyze budget scenarios or forecast long-term is limited. The potential for human error is great as multiple versions of spreadsheets with manual adjustments do not automatically update data or allow for a reliable audit trail of budgetary changes.

The investment in budget software should result in the following improvements to our information system:

- Budget software is one step toward improved financial transparency and ultimately offering an open financial data portal to citizens as an open government initiative.
- Budget data will be stored in a database and historical budgetary information will be easily accessed.
- Significantly reduces the need for individual spreadsheets and word documents to create a budget.
- Capital projects and the CIP will be developed and maintained through the budgeting application and include reporting features for project development and project budget vs. actual cost reporting.
- Cash-flow analysis, multiple-year budget scenarios and salary & benefits costing are built into the budget application. Separate spreadsheets will not be needed.
- Provides future ability to add a performance measurement module that would include features for tracking annual goals and reporting on progress.

The software implementation is expected to begin immediately in February 2016 and in time for preparation of the 2017 budget cycle. Budget managers will begin software training in April.

**STRATEGIC PLAN REFERENCE:** This action is related to all Strategic Plan initiatives.

**RECOMMENDATION:** That the City Council **AUTHORIZE** the City Manager to execute the Questica Budget Software Agreement.

**ATTACHMENT:** 2016 Questica Budget Agreement



## Questica Budget Agreement

Prepared for

**Jennifer Olson  
City of Snohomish**

by

**André Aberdeen  
Questica Inc.**

This proposal is subject to a review of your Chart of Accounts and a review of the Scope of Work

03-December-15r1



SN-15-008/Questica Budget Agreement – City of Snohomish – December 3, 2015 revised

**ACTION ITEM 5a**



City of Snohomish  
116 Union Avenue  
Snohomish, WA  
98290-2943

Attn: Jennifer Olson  
RE: Questica Budget Budgeting Solution

Questica is pleased to present this information package to the City of Snohomish. Our Questica Budget product represents a proven COTS (commercial off-the-shelf) solution - designed specifically for the unique needs of the Public Sector. At Questica, we own and implement our own product, we are not implementers of a 3<sup>rd</sup> party product, and as a result we have full control over all the resources from all areas within our organization. We are an agile organization with control over all aspects of software development, implementation, sales, support and ultimate customer satisfaction.

Questica Budget (formerly TeamBudget) is well known in the Public Sector community for its ability to allow for a logical development of the budget, in an intuitive and secure environment. Questica Budget consists of three primary modules; Operating, Salaries/Position Planning and Capital which are all web based - ideal for collaborative budgeting.

Be assured that Questica has the knowledge and experience to solve your budgeting challenges. Over 140 public sector customers including **University of Washington, Sound Transit, Oregon Metro, Multnomah County, Washington County (OR), Lane Community College**, use Questica Budget to prepare and manage their annual budgets. Combined with proven experience working with dozens of financial and HR systems, the City of Snohomish can be confident that Questica is the vendor with the expertise, tools and knowledge required to provide a complete budget software solution.

Our confidence in our ability to deliver a viable solution in a timely manner is illustrated by our fixed price bid herein.

We appreciate the opportunity, and encourage you to contact us with any questions or comments.

With Regards,

A handwritten signature in blue ink, appearing to read "A Aberdeen", is written over a horizontal line.

André Aberdeen  
Account Manager  
905.634.0110 x503  
[aaberdeen@questica.com](mailto:aaberdeen@questica.com)

SN-15-008/Questica Budget Agreement – City of Snohomish –December 3, 2015 revised.

## **ACTION ITEM 5a**

### Executive Summary

**Not too big, not too small** – as a company, Questica is not only the leading budgeting software provider to the public sector, but also the largest independent budget software company. Questica represents the largest group of budget software experts in N. America dedicated to serving the public sector. We have the resources and the right people to do the job, and do it quickly. We offer ‘one-stop shopping’ for Development, Professional Services, Operations, Sales, and ongoing Support from one central location (nothing is outsourced). At Questica, we help public sector entities prepare and manage their budgets – that’s all we do. Period.

**Accounting and HR Integration:** Integration with your **Springbrook System** is a key element of a successful solution. With over 350 successful integrations to date, we have a proven integration methodology and the required experience to work seamlessly with your existing technology. Questica will guarantee a successful integration between our Questica Budget and your **Springbrook system**. Not only do we guarantee the integration between the systems, we are offering the integration at a fixed price.

**Questica Customer Satisfaction:** Each year Questica surveys our customers for feedback on Customer Support and Product satisfaction related issues. The most recent survey was performed in the summer of 2015. Although we will always strive to improve overall customer satisfaction, we are pleased to report that the average Questica Budget User considers the application to be solid and reliable, coupled with outstanding service and support.

As with many software companies, we use the *Net Promoter Score*, or ‘NPS’ to evaluate ourselves and gauge overall customer satisfaction. (see: [http://en.wikipedia.org/wiki/Net\\_Promoter](http://en.wikipedia.org/wiki/Net_Promoter)). Net Promoter Score is a customer loyalty metric developed by (and a registered trademark of) Fred Reichheld, Bain & Company, and Satmetrix. It is a management tool and customer loyalty metric that can be used to gauge the fidelity of a firm's customer relationships. An NPS above zero is considered to be positive and an NPS of over 50 is excellent.

**The Questica NPS Score for 2015 was 59.**

**Integrated Workflow:** Questica Budget improves the efficiency of the budgeting process by automatically notifying users via e-mail when their participation is required. As the budget is promoted through the different stages, (department data entry, manager approved, Board approved, etc.) user permissions (security settings) are triggered, providing the re-assurance that only the appropriate people can modify or view the budget at each stage of its development.

**Reporting:** Questica Budget includes over 90 reports out-of-the-box ready for use. Questica Budget also provides a robust Ad Hoc reporting solution that allows analysts and users the flexibility to easily design their own reports. The Ad hoc report writing tool is designed for non-technical users who desire quick access to design and create their own reports. It includes an intuitive user interface. Users drag and drop the information they want to see into a report design window.

**Flexibility:** Questica Budget was designed to be more than a budgeting tool. It was designed to be easily customized and modified to suit the specific needs of any organization. Using easily customizable screens and the ability to define custom business rules, Questica Budget can provide unique functionalities such as Key Performance Indicators/Service Level Measurements, and Strategic Budgeting.



03-December-15r1 1 of 28

Turning Objectives into Outcomes

## **ACTION ITEM 5a**

**Microsoft Gold Certified:** Questica has obtained Microsoft Gold Certified Status, a premium certification level with Microsoft. Additionally, Questica has had both Questica Budget and its SQL Server components tested by VeriSign, a well-known and respected third party testing agency.

### **Why Questica?**

With over a decade of experience and 150 + clients, Questica has significant experiencing in implementing solutions in the Public Sector. Below are examples of some Questica Budget Customers.

#### **Examples of other Questica Budget users:**

<b>Organization / Customer</b>	<b>Population</b>
City of Oceanside, California	168,602
City of Thousand Oaks, California	126,000
City of Palo Alto, California	66,000
City of Irvine, California	143,000
City of Riverside, California	300,000
City of Walnut Creek, California	66,000
City of Pleasanton, California	64,000
Oregon Metro (Portland) OR	1,500,000
Shelby County, Tennessee	909,000
City of Boston, MA	650,000
City of Greensboro, North Carolina	258,000
Washington County, Maryland	144,000
La Crosse County, Wisconsin	109,000
City of Champaign, Illinois	73,000
NASA – Florida	-

#### ***What our customers have to say ...***

“What used to take me 2 days now takes 20 minutes with Questica Budget. Couldn’t have done it without your excellent support! I really appreciate the Questica team. You guys are an awesome vendor!”

**- Rachel Zabin, NASA / Abacus Technology Corp**

“The customer service provided by the Questica Budget staff has been excellent - always very professional and pro-active in adapting their product to our needs.”

**- Wanda Richards, Budget Controller, Shelby County TN**

“Streamlining our budget process with Questica Budget has saved the City three months in the compilation of budget information.”

**- Teri Ferro, Financial Services Director - City of Oceanside, CA**



03-December-15r1 2 of 28

Turning Objectives into Outcomes

## **ACTION ITEM 5a**

"Everyone at Questica is helpful and cordial. Even though you know they have other customers they treat you like you're their only one when corresponding with them"

**- Town of Southampton, NY**

"Excellent Technical support and service. Questica is the best vendor I have ever worked with during my 30 years of working in the computer software industry."

**- Zena Bartusch, Senior Project Manager, PMP - University of Washington**

"I have dealt with many vendors in the past, and I have to say that you and your team was a very pleasant experience. It restores my faith in others. Thank you."

**- Chris Ampongan, Project Manager – Sound Transit (Seattle Washington)**

"As with all IT projects, there's always a few bumps along the way, but I can say that everyone involved on our side thinks we made the right choice in selecting Questica Budget as our new budget system!

**- Ken Anderson, PMP - Multnomah County, Oregon**

"Questica Budget allows us to spend more time on Budgeting and Analysis and spend less time linking spreadsheets and reviewing data for clerical errors."

**- John Di Battista, Senior Financial Analyst – City of Hamilton, On**

"Questica Budget has ... allowed us to consolidate our budget information and present it to Council more effectively.

**- Andrew Hicik, Manager of Finance – City of Sidney**

"Compared to other software vendors we deal with, Questica is always the quickest to respond to inquiries, provide guidance, and make repairs. All the staff is always very friendly and professional and it is a pleasure to work with them."

**- Strathcona County, AB**

"Great group of staff that work VERY hard. Thanks for all your hard work".

**- Donna Herridge, Manager Corporate Budget – City of Mississauga ON**

"From a municipal IT perspective I've dealt with a wide gamut of vendors and none have come close to the level of service I receive from Questica. I've had the opportunity to work with a wide range of Questica employees and the consistent speed, quality and attitude is unparalleled elsewhere in the industry."

**-Dave Hyde, Senior Communications Specialist – City of Brandon**



Turning Objectives into Outcomes

03-December-15r1 3 of 28

**ACTION ITEM 5a**

**Questica Budget Price Estimate**

**Quotation ID#: 03-December-15r1**

**Standard Pricing Model**

Description	Qty	Total
Questica Budget Framework <i>Includes 1 Seat (Operating, Salaries &amp; Capital)</i>	1	
Operating License Seats	8	
Salaries License Seats	1	
Capital License Seats	5	
Performance Measures License Seats	0	
Unlimited Read-Only	0	
Allocations Module	0	
Statistical Ledger	0	
<b>Total Software:</b>		<b>\$13,179</b>
<b>Total Annual Maintenance and Support:</b>		<b>\$3,031</b>
<b>Professional Services (Per Statement of Work)</b> <b>(Fixed price and services are provided in SOW)</b>		
Planning & Analysis	Included	
Installation	Included	
Data Load & Verify	Included - see notes	
Accounting Integration	Included	
Customizations	Not included	
Customized Reports	Not included	
Training	Included	
Project Management	Included	
<b>Total Professional Services:</b>		<b>\$51,800</b>
Travel expenses, if applicable	Not applicable	
<b>Total Travel Expenses:</b>		<b>\$ -</b>
<b>Discount, including year 1 maintenance</b>		<b>-\$3,031</b>
<b>Grand Total</b>		<b>\$64,979</b>

Special Notes: The on-going cost would be **\$3,031/Year**, unless additional licenses and/or modules are purchased. Any additional licenses, modules or services would be handled via a Change Order process.



03-December-15r1 4 of 28

Turning Objectives into Outcomes

## **ACTION ITEM 5a**

### **Pricing Notes**

---

**Quotation ID#:** 03-December-15r1

Pricing valid through: January 29, 2016

- Above pricing in US dollars
- Terms of Payment:
  - Software License- 100% due upon Contract Signing (Net 30)
  - Maintenance- Year 2- 100% due 365 days from Contract Effective Date (Net 30)
  - Services:
    - 50% earlier of 60 days from contract effective date or 1<sup>st</sup> login to hosting server
    - 50% earlier of 120 days from contract effective date or delivery of historical data import
- Applicable Tax Extra

#### **Professional Services Notes:**

- Data Load and Verify:
  - Data imports based on standard Excel Import Template (Provided by Questica)- Operating module only
- Accounting Integration:
  - GL Accounting System Integration Connector to Springbrook - Operating module only
    - Actual costs integration (getting the actuals from Springbrook to Questica Budget)
    - Budget export integration (pushing the budget from Questica Budget to Springbrook)
    - Tables and queries may need to be supplied by your staff
- Remote Implementation and Training

#### **Special Note:**

- Capital and Salaries data imports are not included in this quotation
- Capital and Salaries integrations are not included in this quotation
- Customizations and Custom Benefits are not included in this quotation
- Custom reports “may” be required but are not included in this quotation.
  - Note: Ad Hoc reporting is not considered custom – Ad hoc reporting is included

#### **Other Items:**

- Microsoft SQL Licenses not included (unless Questica is hosting)
- Travel costs, if applicable will be charged back at cost (airfare, hotels, car rental, etc.) plus a \$75 per diem for food and incidentals.
  - Travel time if applicable will be billed at a rate of \$185/hr. to a max of \$500 each way.
  - We do not anticipate the need to travel to your site, unless requested.
- Hosting and SaaS (Software as a Service) pricing options also available.

\* Questica hosts the application and database during the implementation process. The 1<sup>st</sup> login represents the date on which the first login to the hosting database by a customer user occurs.

**Subject to Scope of Work.**



Turning Objectives into Outcomes

03-December-15r1 5 of 28

## **ACTION ITEM 5a**



### **Quotation General Terms and Conditions**

Quotation ID: 03-December-15r1

#### **General Terms and Information:**

**Terms of Service:** The services and any related software are provided under the License and Service Agreement which is hereby deemed to be fully incorporated into this quotation, whether or not attached hereto. By executing this quotation below, Customer acknowledges a) having been provided a copy of the License and Service Agreement as Exhibit A to this quotation, and b) having read the License and Service Agreement and Agrees to all its terms. Terms, provisions, or conditions on any purchase order, acknowledgement, or other business form or writing that Customer may use in connection with the provision of Services (or software) by Questica will have no effect on the rights, duties, or obligations of the parties hereunder, regardless of any failure of Questica to object to such terms, provisions, or conditions.

**Taxes:** The pricing on this quotation is exclusive of all sales, use or other taxes, customs duties and similar levies, if any, payable in or to any jurisdiction or authority whatsoever. Such taxes (other than the taxes on the net income of Questica) shall be the responsibility of the Customer.

**Payment:** Payment is required in the currency quoted. Unless detailed otherwise in this quotation, Terms are Net-30 days from the later of a) the date of receipt of invoice, or b) the invoice date.

**Maintenance and Support:** This quotation may include Annual Product Maintenance and Support. Its cost is calculated as 23% of the current cost of licensed software, prior to discounts. This service (as detailed in the attached License and Service Agreement) is purchased on an annual basis from the date the software is purchased. If payment of the annual fee is not received by Questica before the first business day of the next additional year, Questica's obligation to provide the maintenance and support services shall be terminated. Questica may, in its sole discretion, increase the Annual Product Maintenance Fee upon 30 days prior written notice. If may elect not to increase its maintenance and support rate in any year, however no such waiver shall preclude Questica from applying the escalation to any subsequent year or part of a year, and from making the subsequent application as if all subsequent escalation had been duly made over the period since the last increase.

**Acceptance of Custom Work:** This quotation may include the development of Product Customization, Custom Reporting or Data import services as detailed in an attached Scope of Work. Within fifteen (15) business days from the delivery of each individual Custom Work, the Customer/Licensee shall, in its sole discretion, review the Product Customization and notify Questica whether it finds the Customizations satisfactory or unsatisfactory. If its determined that the Customizations are unsatisfactory, then it shall state in writing the reasons for its determination, including identifying any nonconformance with the Licensee's specifications or expectations. Questica will promptly correct the deficiencies and reinstall the Customizations, and the approval procedure shall be reapplied until Licensee finally declares the Customizations satisfactory. In the absence of a written response within 15 Business Days after the delivery of the Customizations or once the Licensee has declared the Customizations satisfactory, the Customizations shall be considered 'Accepted'.

**Consulting, Training or Implementation Time Invoicing:** Only activities approved in an approved Scope of Work shall be invoiced. A mutually determined change control mechanism will be used to accommodate modifications to the Scope of Work.

**Travel Costs:** Unless noted otherwise, this quotation does not include any travel, lodging, or on-site expenses. If such travel is required and subsequently authorized, Questica's standard travel and per diem rates shall apply. Air Travel, Rental Car (with associated fuel and parking costs), and Lodging costs shall reimbursed at cost. Questica is not responsible for unpredictable (including Commercial Airline Travel) delays which may increase travel cost.



03-December-15r1 6 of 28

Turning Objectives into Outcomes

**ACTION ITEM 5a**

**Acceptance**

---

**Quote ID#: 03-December-15r1**

Authorized Signature: \_\_\_\_\_

Authorized Name: \_\_\_\_\_

Organization Name: \_\_\_\_\_

Date: \_\_\_\_\_

Upon accepting this offer, please fax back (or scan and email to your Questica representative) all pages of the signed quotation and include an authorized purchase order.  
Fax number: 1-866-520-8514.

**QUESTICA, INC.**

Authorized Signature: \_\_\_\_\_

Authorized Name: \_\_\_\_\_

Organization Name: Questica, Inc.

Date: \_\_\_\_\_



Turning Objectives into Outcomes

03-December-15r1 7 of 28

## **ACTION ITEM 5a**



### **QUESTICA BUDGET LICENSE AND SERVICE AGREEMENT**

This SOFTWARE LICENSE AGREEMENT (the "Agreement") is made this **January 5, 2016** (the "Effective Date") by and between QUESTICA INC., a corporation incorporated under the laws of Ontario, Canada ("Questica") and **City of Snohomish (Washington)**, including, without limitation, all its subdivisions, departments, and constituent entities within its legal scope and jurisdiction (collectively, the "Licensee").

#### **BACKGROUND**

- A. Questica has made a substantial investment in the development of the QUESTICA BUDGET computer software products identified in the attached Quotation (the "Software"), and in the development of documentation related thereto (the "Documentation" and together with the Software, the "Work").
- B. Questica has the right to license the Work to third parties.
- C. The Licensee wishes to use the Work, and Questica has agreed to license such use, pursuant to the terms of this Agreement.

NOW THEREFORE, in consideration of the premises and the mutual covenants contained herein and other good and valuable consideration (the receipt and adequacy of which are hereby acknowledged), Questica and Licensee (collectively, the "Parties" and individually, a "Party") agree as follows:

**1. PERMITTED USE.** Subject to the terms of this Agreement, Questica hereby grants to Licensee a perpetual, Personal, non-transferable and non-exclusive license to use the Software, solely in executable code format, and the Documentation provided therewith, solely for Licensee's own internal business purposes exclusively within the facilities and sites within the jurisdiction of the Licensee.

If Licensee wishes to use the Software at or from an additional site or sites outside of its jurisdiction, Licensee agrees to obtain a separate license for such site(s). Licensee's right to use the Software and the Documentation is limited to those rights expressly set out herein. Licensee shall not use the Software, in whole or in part, on behalf of or for the benefit of any other Person, including an affiliate of the Licensee, except as expressly provided herein.

**1.1 STAFF WORK-AT-HOME RIGHTS.** Staff of the Licensee may use the Software from their home as an extension of the license granted to the Licensee, for business related purposes. Staff may not use the Software at home for personal purposes.

Licensee is responsible for ensuring that the Software is made inaccessible to its staff if a) any event causes the staff member to no longer be an employee for any reason, or b) the staff member would not normally require the use of the Software in the at-work environment.

**1.2 PERMITTED CUSTOMIZATIONS.** Questica also grants the licensee a non-sublicensable, non-exclusive, non-transferable right to create, or to have created on its behalf, "Permitted Customizations" to the executable code components of the Software solely for internal use and only for use as part of and in conjunction with the related Software. "Permitted Customizations" is custom software or reports which are developed that access or interact with the Software or its associated database(s). The Licensee may only create Permitted Customizations that do not require access and changes to the source code. The Licensee may only create Permitted Customizations that do not require the source code of the Software to create the Permitted Customizations, and access the executable code version of the Software or its associated databases in a way that is reasonably practical without access to the source code of the Software at any time.

Permitted Customizations Do Not Inhibit Questica's Right to Innovate. Independently, Questica is continually innovating and improving the Software to meet the needs of its customers. The licensee acknowledges that, while it has the ability to create its own Permitted Customizations, Questica must not be prevented from continuing to develop and enhance its software in any respect, even if such modifications may be similar to the Permitted Customizations in functionality, appearance or otherwise. Therefore, if Questica develops any modifications which may be similar to the Permitted Customizations, Licensee agrees to not make any claim against Questica for infringement of any of its (or its subcontractors) rights in or to the Permitted Customizations. Questica shall not directly incorporate into its modifications any original source code independently developed by the Licensee.



03-December-15r1 8 of 28

Turning Objectives into Outcomes

## **ACTION ITEM 5a**

**1.3 RESTRICTIONS ON USE.** Except as set forth herein, Licensee shall (a) not copy the Software except to copy it onto the site computers being used by Licensee and to make one copy of the Software solely for backup or testing purposes; (b) not copy any of the Documentation for any use outside the site; (c) not assign this Agreement or transfer, lease, export or grant a sub-Licensee of the Work or the license contained herein to any Person or organization except as and when authorized to do so by Questica in writing; (d) not reverse engineer, decompile or disassemble the Software; (e) not use the Work except as authorized herein; (f) take such precautions with respect to the Software, as it would take to protect its own proprietary software or hardware or information. For the purposes of this Agreement, "Person" includes an individual, corporation, partnership, joint venture, trust, unincorporated organization, the Crown or any agency or instrumentality thereof or any other judicial entity recognized by law.

**2. OWNERSHIP AND COPYRIGHT.** Questica is the owner of all intellectual property rights in the Work, related written materials, logos, names and other support materials provided pursuant to the terms of this Agreement. No title to the intellectual property in the Work or in any magnetic media or other physical media provided therewith is transferred to the Licensee by this Agreement.

Questica shall defend Licensee against any claim that the Work infringes a patent, copyright, trade-mark or other intellectual property right of any third party and Questica will pay resulting cost, damages and reasonable legal fees finally awarded, provided that i) Licensee promptly notifies Questica in writing of the claim; and ii) Questica has sole control of the defense and all related settlement negotiations.

If such claim has occurred or in Questica's opinion is likely to occur, Licensee agrees to permit Questica at its option and expense, either to procure for Licensee the right to continue using the Work or to replace or modify the same so that it becomes non-infringing without loss of functionality.

Questica shall have no obligation to defend Licensee or to pay costs, damages or legal fees for any claim based upon use of other than a current unaltered release of the Work, if such infringement would have been avoided by the use of a current unaltered release thereof.

The foregoing states the entire obligations of Questica with respect to infringement or proprietary or intellectual rights of third parties.

**3. LIMITED WARRANTY.** Questica warrants that so long as Product Maintenance and Support services are provided by Questica that the Software, when properly installed, will perform substantially in accordance with the accompanying written materials. If the Software does not so perform during such period, Questica will correct, at no cost to Licensee, programming errors in the Software to make the Software so perform provided that i) the Software has been properly used by the Licensee in accordance with the documentation furnished by Questica to Licensee in connection therewith; ii) Licensee notifies Questica of the programming errors and describes the nature of the suspected errors and of the circumstances in which they occur; iii) Questica, using reasonable efforts, is able to confirm the existence of the programming errors; and iv) Licensee or any third party has not changed or modified the Software.

Licensee agrees that Questica shall not be liable to the Licensee or any other person, regardless of the cause, for the effectiveness or accuracy of the Software, the Documentation or any other related materials, or for any other special, indirect, incidental or consequential damages arising from or occasioned by the use of the Software, the Documentation or the related materials, or the failure or omission on the part of Questica to comply with its obligations under this Agreement.

The Licensee hereby agrees that Questica's maximum liability for any claim arising in connection with the Software, the Documentation or any related materials (whether in contract, tort, including negligence, product liability or otherwise) shall not exceed the total License Fee paid by the Licensee.

THE ABOVE EXPRESS WARRANTY IS IN LIEU OF ALL OTHER WARRANTIES AND CONDITIONS (EXPRESS AND IMPLIED) AND THOSE ARISING BY STATUTE OR OTHERWISE IN LAW OR FROM A COURSE OF DEALING OR USAGE OF TRADE, INCLUDING BUT NOT LIMITED TO WARRANTIES OR CONDITIONS OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE. NO OTHER WARRANTIES OR CONDITIONS EXPRESS OR IMPLIED ARE GIVEN.

**4. LIMITATIONS OF REMEDIES AND DAMAGES.** Subject to Section 10 hereof, Questica's entire liability and the Licensee's exclusive remedy under this agreement shall be i) if Questica is in breach of the Limited Warranty, to require Questica to replace any defective media or to correct any defects and make any modifications which are necessary to cause the Software to conform in all material respects to the Documentation; or ii) the termination of this agreement.

In the event of any such termination, Questica shall not be liable in the aggregate for any damages which exceed the amount paid hereunder by the Licensee to Questica as Software License Fees. In no event shall Questica be liable for indirect, special, incidental, or consequential damages, even if advised of the possibility of such damages.

**5. DISPUTE RESOLUTION / ARBITRATION.** In the event of any dispute arising out of or relating to and/or in connection with this Agreement, the parties' project managers shall use every reasonable effort to resolve such dispute in good faith within ten (10) business days. If the project managers have failed to resolve the dispute within such time frame, then the dispute shall be escalated to the next escalation level. At each escalation level, the designated executives shall negotiate in good faith in an effort to resolve the dispute.



03-December-15r1 9 of 28

Turning Objectives into Outcomes

## **ACTION ITEM 5a**

Escalation Level	Questica Management Level	Licensee Management Level	Period of Resolution Efforts
First Level	Project Manager	Project Manager	10 business days
Second Level	President	Finance Department Manager	10 business days
Third Level	Chairman	Director of Finance or Treasurer	10 business days

If the above escalation periods have elapsed and there continues to be a dispute as to any matter herein, the matter in dispute shall be referred to arbitration by a single arbitrator, if such parties agree upon one arbitrator, or otherwise by three arbitrators, of whom one shall be appointed by Licensee and one shall be appointed by Questica and the third shall be chosen by the first two named before the arbitration. The arbitration and the appointment of the arbitrator shall, unless expressly provided for herein, be conducted in accordance with the laws of the State of Washington, USA). The award and determination of such arbitrator, arbitrators or any two of such three arbitrators ***shall be binding*** upon the parties and their respective successors and permitted assigns. Licensee and Questica shall cooperate in completing any arbitration as expeditiously as possible and the arbitrator or arbitrators may hear such experts as may appear to him or them appropriate. Any interested party shall bear its costs and expenses incurred in connection with the arbitration except for the cost of the arbitrator or arbitrators and experts engaged by him or them which shall be borne by Questica and Licensee equally. Notwithstanding the foregoing, arbitration shall not preclude the right of either party to seek injunctive relief. Jurisdiction and Venue are in Snohomish County Washington, USA.

**6. IRREPARABLE HARM.** Licensee acknowledges and agrees with Questica that the breach by it of any of the provisions of Sections 1- 4, 8 or 10 of this Agreement would cause serious harm to Questica which could not adequately be compensated for in damages and in the event of a breach by Licensee of any of such provisions, Licensee understands that an injunction may be issued against it restraining it from any further breach of such provisions, but such actions shall not be construed so as to be in derogation of any other remedy which Questica may have in the event of such breach.

**7. PRODUCT MAINTENANCE AND SUPPORT.** For the first year of this Agreement, upon paying the Licensee Fee and for each year thereafter, provided that Licensee continues to pay the Annual Product Maintenance and Support Fee in accordance with the attached quotation, Questica shall provide the Maintenance and Technical Support services (the "Services") for the software as outlined in Appendix A, if the Licensee is not otherwise in breach of the provisions of this Agreement.

**8. CONFIDENTIAL INFORMATION.** Each of the Parties shall use reasonable efforts (and, in any event, efforts that are no less than those used to protect its own confidential information) to protect from disclosure the confidential information only to its employees or agents who require access to it for the purpose of this Agreement or as otherwise provided in this Agreement. This Section shall survive the termination of the Agreement. For the purposes of this Section, "confidential information" means all data information which when it is disclosed by a Party is designated as confidential and shall include the Work and any other proprietary and trade secrets of Questica to which access is obtained or granted hereunder to Licensee; provided, however that confidential information shall not include any data or information which (a) is or becomes publicly available through no fault of the other Party, (b) is already in the possession of the Party prior to its receipt from the other Party, (c) is independently developed by the other Party, (d) is rightfully obtained by the other Party from a third party, (e) is disclosed with the written consent of the Party whose information it is, or (f) is disclosed pursuant to court order, or other legal compulsion.

### **Public Records Act RCW 42.56**

The parties agree that this Agreement and records related to the performance of the Agreement are with limited exception, public records subject to disclosure under the Public Records Act RCW 42.56. Further, in the event of a Public Records Request to the City, the City may provide Questica with a copy of the Records Request and Questica shall provide copies of any City records in Questica's possession, necessary to fulfill that Public Records Request. If the Public Records Request is large Questica will provide the City with an estimate of reasonable time needed to fulfill the records request.

If a public records request is made the City may or may not choose to give Questica third party notice under RCW 42.56 for Questica to decide whether to file for a court action to prevent or limit the disclosure of the records.

In addition, when the City provides Questica with notice of a public records request, Questica agrees to save, hold harmless, indemnify and defend the City its officers, agents, employees and elected officials from and against all claims, lawsuits, fees, penalties and costs resulting from the consultants violation of the Public Records Act RCW 42.56, or consultant's failure to produce public records as required under the Public Records Act. – Without the limitations as set forth in paragraphs 3 and 4 of this agreement.

**9. NONDISCLOSURE OF AGREEMENT.** Neither Party shall disclose the terms of this Agreement except as required by law or governmental regulation, without the other party's prior written consent, except that either Party may disclose the terms of this Agreement on a confidential basis to accountants, attorneys, and financial advisors and lenders. \* The parties agree that this agreement



03-December-15r1 10 of 28

Turning Objectives into Outcomes

## **ACTION ITEM 5a**

and the terms of this agreement are public records under RCW 42.56, and the parties agree that by entering this agreement that consent is given to release the agreement pursuant to the Public Records Act and other applicable Washington State law.

**10. TERMINATION.** This Agreement is effective as of the Effective Date and shall continue unless and until this Agreement is terminated. Licensee may terminate this Agreement if Questica is declared insolvent, has assigned this Agreement in violation of the terms and conditions herein, or has made an assignment for the benefit of creditors.

After a one year period from the Effective Date, the Licensee may terminate this Agreement at any time for any reason, or no reason, providing their financial obligations to Questica as detailed in the attached Quotation 03-December-15r1 have been satisfied and paid in full. If the Agreement is terminated in this manner, no refund will be provided for any maintenance or support services paid in advance.

In the event that Licensee shall be in breach of any provisions of the Dispute Resolution / Arbitration Section outlined in this Agreement, Questica may provide notice of such breach to Licensee, who shall have thirty (30) days from the date of such notice to cure or rectify the said breach. Should Licensee fail to cure or rectify the said breach in the said thirty (30) days, Questica may terminate this Agreement. Such termination by Questica shall be in addition to and without prejudice to such rights and remedies as may be available to Questica including injunction and other equitable remedies.

The provisions of Sections 1-3, 8, 9, and 11 herein shall survive the termination of this Agreement.

**11. DISENTANGLEMENT.** In the event that Licensee has entered into or enters into agreements with other Contractors or government institutions for additional work related to the Capital or Operating Budgeting process, Questica agrees to cooperate with such other parties. Questica shall not commit any act which will unnecessarily interfere with the work performed by any such third parties.

In the event of termination of this Agreement, Questica agrees that it shall provide reasonable assistance to, and shall not hinder a complete transition of the software functionality being terminated from Questica and its subcontractors to the Licensee, or to any replacement provider designated by the Licensee, without any interruption of or adverse impact on the services provided hereunder or any other services provided by third parties. Any additional services requested by Licensee during the disentanglement period shall be provided by Questica at Questica's standard rates.

**12. NOTICE.** Any notice or other communication required or permitted to be given hereunder or for the purposes hereof to any party shall be in writing and shall be sufficiently given if delivered personally to such party, or if sent by prepaid registered mail or if transmitted by facsimile transmissions to such Parties as detailed in the attached Quotation or at such other address or facsimile number as the Party to whom such notice is to be given shall have last notified (in the manner provided herein) the Party giving such notice.

**NOTICES.** Notices to the City shall be sent to the following address:

[INSERT NAME, TITLE AND ADDRESS, or FAX Number OF CITY CONTACT]

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

[INSERT NAME, TITLE AND ADDRESS or Fax Number OF CONSULTANT CONTACT]

Receipt of any notice shall be deemed effective upon fax transmittal or three (3) days after deposit of written notice in the U.S. mail with proper postage and address.

**13. FORCE MAJEURE.** Except as expressly provided otherwise in this agreement, dates and times by which any Party is required to render performance under this agreement or any schedule hereto shall be postponed automatically to the extent and for the period that such Party is prevented from meeting them by reason of any cause beyond its reasonable control (other than lack of funds), provided that the Party prevented from rendering performance notifies the other Party immediately and in detail of the commencement and nature of such cause and the probable consequences thereof, and provided further that such Party uses its reasonable efforts to render



03-December-15r1 11 of 28

Turning Objectives into Outcomes

## **ACTION ITEM 5a**

performance in a timely manner utilizing to such end all resources reasonably required in the circumstances, including obtaining supplies or services from other sources if same are reasonably available.

**14. SOFTWARE ESCROW.** Questica will deposit in escrow the Software source code for the most recent version of the Software. The Escrow Agent will be authorized to release the escrowed source code to the Licensee should Questica become insolvent or cease to carry on business and the business of Questica is not continued by a Receiver or Trustee or Assignee.

**15. MEDIA RELEASES.** Neither party shall use the name, trademark or logo of the other party without the prior written consent of the other party. Notwithstanding the foregoing, Questica may use the Licensee's name and identify the Licensee as a Questica client in advertising, marketing materials, press releases and similar materials.

**16. USE OF SUBCONTRACTORS.** Questica warrants that all persons assigned by it to the performance of this Agreement shall be employees or authorized subcontractors of Questica and shall be fully qualified to work under this Agreement. Questica shall ensure that an adequate number of appropriately qualified personnel are employed and available to satisfy its obligations as outlined in this Agreement.

**17. EXPORT CONTROL.** The Software is intended for distribution only in the United States and Canada. Licensee agrees that it will not directly or indirectly, export or re-export the Software (or portions thereof) to any country, person, entity or end user subject to U.S. or Canadian export restrictions.

**18. MISCELLANEOUS.** This Agreement, including all Schedules and Exhibits attached hereto, is the entire agreement between Licensee and Questica pertaining to Licensee's right to use the Work and supersedes all prior or collateral oral or written representations or agreement related thereto. This Agreement shall be governed by the law of the State of Washington USA and jurisdiction and venue will be in Snohomish County Washington, USA. Except as otherwise provided herein, no term or provisions hereof shall be deemed waived and no breach excused unless such waiver or consent shall be in writing and signed by the Party to, or waiver of, a breach by the other, whether expressed or implied, shall not constitute a consent to, waiver of, or excuse for any other different or subsequent breach.

**19. COOPERATIVE STATEMENT.** Other government organizations and educational or health care institutions may elect to participate in this Agreement (piggyback) at their discretion, provided Questica also agrees to do so.

**20. HEADINGS; SEVERABILITY.** The headings and other captions in this Agreement are for convenience and reference only and are not to be construed in any way as additions or limitations of the covenants and agreements contained in this Agreement. In the event that any provision hereof is found invalid or enforceable pursuant to judicial decree or decision, any such provision shall be deemed to apply only to the maximum extent permitted by law, and the remainder of this Agreement shall remain valid and enforceable according to its terms.



03-December-15r1 12 of 28

Turning Objectives into Outcomes

**APPENDIX A – Maintenance and Technical Support Services**

(A) **Product Maintenance.** On an as-available basis, Questica will provide enhancements, modifications or upgrades to the Software as Questica may from time to time make available to its Licensees generally (“Updates”) but excluding any New Product (a “New Product” being a solution which, in Questica’s determination and subject to general industry standards, does not replace the Software licensed hereunder.) Updates do not include:

- I. Platform extensions including product extensions to (i) different hardware platforms; (ii) different windowing system platforms; (iii) different operating system platforms
- II. New applications
- III. Services associated with the application or installation of Updates

Installation of Updates is the responsibility of the Licensee. If requested, Questica will provide assistance in the installation of Updates at its then current rates, including the testing of any site specific customizations. Questica will provide a quote for any required rework associated with customizations resulting from the upgrade.

(B) **Technical Support Services.** Comprehensive Phone and e-mail based Technical Support of a reasonable nature. A technical support incident or problem is a single user defined problem seeking resolution. It must be related to the original intent and design of the software. Support Services include the support of Questica supplied integrations that have not been modified by the Licensee. Each support incident is deemed closed when a remedy, workaround, or recommendation for the installation of a current maintenance release has been offered, and a commercially reasonable effort has been made to restore operation to the original intent and design of the software. Technical Support does not include:

- I. Custom Programming Services.
- II. On-site support.
- III. Software Installation or re-installation.
- IV. Update Installation, or data and report updates required to support Updates.
- V. Licensee developed interfaces, API interactions, or customizations.
- VI. Licensee developed reports.
- VII. End-User Training or Re-Training.
- VIII. Licensee Hardware Issues.
- IX. Correction of data issues derived from user error or product misuse.
- X. Changes to Questica developed custom reports or product customizations (including Questica supplied custom business rules or customized user screens) that are outside the scope of the accepted specification, scope of work, or authorized change requests.
- XI. Corrections to Questica developed custom reports or customizations beyond six months from the date of delivery. (the upgrade protection period)
- XII. Changes to integration functionality made necessary due to licensee server modifications/replacement, or changes by upgrades or changes to the integrated financial system software or hardware.

Questica may at its sole discretion, periodically make reasonable modifications or changes to the Technical Support Services and/or Product Maintenance Services provided.

Licensee is responsible for all hardware, operating systems, network setup, network maintenance and setup, SSRS maintenance, SQL-Server database maintenance, IIS maintenance and setup, backup strategy, disaster recovery strategy and the use of any file access control systems required in the support of the Software. Licensee may be required to grant Questica certain limited access rights to Licensee’s computer systems in order to render support.

Licensee is responsible for ensuring that its personnel have sufficient training to attain and maintain competence in the operation of the Software.

Technical Support is available through Questica’s normal business hours, Monday through Friday, 8:00am through 8:00pm, Eastern Standard Time. Extended coverage is available for an additional fee. Questica will provide an initial response to all properly submitted support requests within two (2) business hours of initial submission.

END OF LICENSE AND SERVICE AGREEMENT DOCUMENT



03-December-15r1 13 of 28

Turning Objectives into Outcomes

## Scope of Work Questica Budget Implementation for City of Snohomish

### 1. Revision History

Edition	Date	Authors	Notes/Changes
1			

### 2. Scope of Work

In the Scope of Work tables, entries in the column headed "Scope of Work" are defined as follows:

Entry	Meaning
In scope	The task or function is within the scope of work to be undertaken by Questica professional services.
Customer task	The task or function is not within the scope of work to be undertaken by Questica professional services, but will be undertaken by The Customer, with such help from Questica as is detailed in the item description.
Not in scope	The task or function is not within the scope of work to be undertaken by Questica professional services, nor will it be undertaken by The Customer.
n/a	Some functions such as reporting using the standard Questica Budget report library are available to, and utilized by, The Customer but their use is ancillary to the implementation of Questica Budget and not a required component of implementation.

Questica and The Customer agree that the implementation of Questica Budget is a shared responsibility and that neither party is in total command of all the resources necessary to achieve objectives within mutually agreed timeframes. However, both Questica and The Customer agree that they will employ their best efforts to complete their agreed tasks on a timely basis. Neither Questica nor The Customer is expected to have resources available to mitigate timeframe slippage caused by the other party, and neither shall have an obligation to do so. Delays on the part of The Customer, including putting the project on temporary hold or switching out project team members, may result in a project Change Order to cover restart, rework, rescheduling and retraining.



03-December-15r1 14 of 28

Turning Objectives into Outcomes

## **ACTION ITEM 5a**

“Integration” as used in this Scope of Work shall include the data population in pre-existing costing centers for the operating module and projects for the capital module. Data elements identified by a full GL account in the general ledger will be imported as a Questica Budget GL object if that element can be unambiguously matched to a pre-existing GL object or to a pre-existing costing center / project + fund combination. An exception report is provided for data elements which cannot be thus matched. Similarly, integrations will not create accounts in the general ledger where no such accounts exist. General ledger integrations do not include the integration of post approval budget amendments and transfers other than in the form of unannotated changed budget amounts. In the case of project budgets and actual data, this Scope of Work covers only those situations where the project identifier forms part of the GL account string or is available in the import file, query or web service. The customer agrees to provide Questica with assistance in understanding the nature and location of the data to be integrated and, where required, create or cause to be created all necessary sources of data including database queries, delimited files, and/or web services.

### **2.1. Questica Budget Configuration & Shared Components**

<b>Functional Area</b>	<b>Description</b>	<b>Scope of Work</b>
Implementation Hosting	Questica will configure production and test versions of Questica Budget during the implementation period. These will be hosted by Questica for a period not to exceed 3 months from the signing hereof.	In scope
Production Hosting	The Customer will provide a server operating environment as follows: <ul style="list-style-type: none"> <li>• Microsoft® Windows Server®: supported versions - 2012, 2012R2 (Standard or Enterprise editions, 32 &amp; 64 bit)</li> <li>• Microsoft Internet Information Server (IIS): component of installed Windows server.</li> <li>• Microsoft SQL Server® and SSRS (SQL Server Reporting Services): supported versions - 2012 or 2014</li> <li>• Microsoft .NET Framework 4.5 installed</li> </ul> The Customer will provide user workstation environments as follows: <ul style="list-style-type: none"> <li>• A web browser: supported browsers - Internet Explorer 10 or newer, Safari latest release (on Mac only), Firefox latest release, Chrome latest release.</li> <li>• Microsoft Excel 2007 or newer (if spreadsheet export/import feature is required)</li> <li>• Microsoft .NET Framework 4.5 installed</li> </ul> The Customer will provide a technical contact with full security access to the operating environment as well as the authority and proficiency to assist Questica in the configuration of Questica Budget and/or to provide Questica personnel with full VPN access and permissions for the operating environment.	Customer task
Questica Access To Production Server	Questica implementation & technical staff have full access to the production system for the purpose of system implementation.	In scope



03-December-15r1 15 of 28

Turning Objectives into Outcomes

**ACTION ITEM 5a**

Project Management	<p>Questica will assign a project manager to lead this implementation on Questica's behalf. The role and responsibility of the project manager is to ensure that the product is implemented according to this Scope of Work and to carry out the tasks detailed in subsection "2.8.1. Questica Project Management Responsibilities" of this Scope of Work.</p> <p>Project management and analysis shall not exceed 75 hours in total, with such hours accounted for over an implementation duration of 16 weeks, except where an extension to this duration is required by Questica. Questica project managers are able to provide consulting services and analysis, and may, at their discretion, include such analysis and/or use a Questica consultant to do so. Time so spent is considered to be project management time and accounted for as such.</p>	In scope
Budget Book Preparation	Provide Questica Budget expertise for Budget Book production and other pre-press activities.	Not in scope
Administrator Authored Reporting	Provision of database models for administrator authored report building using Report Builder 3.0. Note that creating administrator authored reports is a customer task.	In scope
Application Level Security	Determine how and when to use the various security levels available within Questica Budget, enter users and assign them to groups and roles. Questica will assist with this task until such time as administrators have received training in the security component of Questica Budget.	Customer task
Single Sign-On	Configure Questica Budget to use The Customer's existing Windows, Google or CAS Authentication, for user logon.	Not in scope
Create Division/Department Structure	Division/Department hierarchy created by importing Excel workbooks. Questica will supply The Customer with blank workbooks which must be completed according to the defined format and structure.	In scope
Objects/GL Accounts & Categories	Import from data import workbooks.	In scope
Fund Categories & Funds	Import from data import workbooks.	In scope
Dashboard Widgets	Questica will, with the help of The Customer, create up to 4 Dashboard Widgets	In scope



03-December-15r1 16 of 28

Turning Objectives into Outcomes

## **ACTION ITEM 5a**

### **2.2. Operating Module**

The Questica Budget Operating module is included in this installation.

<b>Functional Area</b>	<b>Description</b>	<b>Scope of Work</b>
Allocations Add-in	The Questica Budget Allocations add-on, to allocate specific forecasts to multiple costing centers.	Not in scope
Statistical Ledger Add-in	The Questica Budget Statistical Ledger add-on, to budget for non-general ledger and non-monetary values, rates and quantities within costing centers.	Not in scope
<b>Import Data ...</b>	<p><i>Initial data is imported into Questica Budget from Excel® files (“workbooks”). Questica will supply The Customer with blank workbook templates which must be completed according to the defined format and structure. Questica will import the operating data up to two times, subject to the supplied data being clean and free of inconsistencies. At a minimum, the files will contain the data necessary to:</i></p> <ul style="list-style-type: none"> <li>• <i>Create costing centers</i></li> <li>• <i>Add costing centers to departments consistent with, and shared by, the Capital budget module</i></li> <li>• <i>Define funds and associate costing centers with funds</i></li> <li>• <i>Create GL objects and associate them with object categories</i></li> <li>• <i>Associate dollar amounts with GL objects at the costing center level.</i></li> </ul>	
Import Initial Budget	Import up to 5 years of data from data import workbooks.	In scope
Import Historic Amended Budgets	Import up to 2 years of data from data import workbooks.	In scope
Import Actuals Data	Import up to 2 years of data from data import workbooks.	In scope

For the purpose of the above, the definitions of costing centers, divisions, departments, GL objects, object categories and funds shall be those found in the Questica Budget Operating manual. The mathematical relationships between them shall be those currently supported by Questica Budget and described in the Questica Budget Operating Manual.

The import of chart of account segments (“chart fields”) other than those that relate to division, department, fund, cost center and GL object is not within scope unless expressly referenced in the “Customizations” section of this Scope of Work.

The object/object category, division/department/costing center and fund category/fund structures must be consistent across all years and across the Operating module and Capital module if both are used. The Customer will resolve any inconsistencies in the structures implicit in the actual and budget import data prior to providing them to Questica for import to Questica Budget.

If import data is supplied in the Excel import templates provided by Questica and the data is consistent with the data integrity requirements of Questica Budget, Questica will populate the Questica Budget database within 15 business days of receiving the import workbooks. The inclusion of custom chart of account segments (chart field items) or data that violates Questica Budget’s data integrity rules will extend this timeframe, unless otherwise detailed in the “Customization” section below.

<b>Import Configuration ...</b>		
Costing Centers	Import from data import workbooks.	In scope
<b>Configuration ...</b>		



03-December-15r1 17 of 28

Turning Objectives into Outcomes

**ACTION ITEM 5a**

Operating Budget Stages	If not in scope then The Customer will leverage Questica provided training to determine how to configure Questica Budget's budget stages to assist in their budget process and establish those stages within the system.	Customer task
Scenarios	If not in scope then The Customer will leverage Questica provided training to determine how and when to use the concept of scenarios to assist in their budget process. Scenarios are versions of a costing center budget. A costing center may have multiple scenarios but only one scenario may be active and included in the consolidated budget.	Customer task
<b>Integration ...</b>		
Budget Export	Automated facility to transfer Operating module budget data from Questica Budget to The Customer's general ledger at the approved budget object/costing center level on an annual or other basis when invoked by a user. Questica shall be responsible for providing the software interface into Questica Budget and the operational infrastructure required to manage the integration. The Customer shall be responsible for ensuring that the standard Questica Budget to financial system import integration component is available. Budget data integration shall be at the division, department, cost center, fund and GL object level only. Notwithstanding responses to Requests for Proposals or other communications between Questica and The Customer, Questica will create no more than 1 custom export configuration. No custom user interface will be created for the selective export of sections of the budget, nor is the integration of additional chart of account segments ("chart fields") included in this Scope of Work unless expressly referenced in the "Customizations" section of this Scope of Work.	In scope
Actuals Import	Automated facility to transfer actual data from The Customer's general ledger to the Questica Budget Operating module at a transaction level on a daily basis when automatically scheduled. Questica shall be responsible for providing the software interface from Questica Budget and the operational infrastructure required to manage the integration. The Customer shall be responsible for making available the data to be exported from the financial system, either in CSV formatted files or by ensuring that the standard financial system to Questica Budget integration component is available. Actual data integration shall be at the cost center, fund and GL object level only. Notwithstanding responses to Requests for Proposals or other communications between Questica and The Customer, Questica will create no more than 1 custom actuals import configuration. No custom user interface will be created for the selective export of sections of the budget, nor is the integration of additional chart of account segments ("chart fields") included in this Scope of Work unless expressly referenced in the "Customizations" section of this Scope of Work.	In scope
Reports ...		



03-December-15r1 18 of 28

Turning Objectives into Outcomes

**ACTION ITEM 5a**

Standard Reports	Provision of Questica Budget's standard Operating module reports.	In scope
Standard Views for Administrator Authored Reporting	Provision of Questica Budget's standard report views for the Operating module.	In scope
Custom Report View Fields	Adaptation of report views to include custom fields added to the Operating module.	Not in scope
<b>Customizations ...</b>		
Customizations include custom business rules, modifiers, user interface (grids, forms, etc), hand-crafted reports and reporting models. They are all detailed in section "2.7. Customizations" of this Scope of Work document.		



Turning Objectives into Outcomes

03-December-15r1 19 of 28

## **ACTION ITEM 5a**

### **2.3. Capital Module**

The Questica Budget Capital module is included in this installation.

Functional Area	Description	Scope of Work
<b>Import Data ...</b>	<p><i>Initial data is imported into Questica Budget from Excel® files (“workbooks”). Questica will supply The Customer with blank workbook templates which must be completed according to the defined format and structure. Questica will import the capital data up to two times, subject to the supplied data being clean and free of inconsistencies. At a minimum, the files will contain the data necessary to:</i></p> <ul style="list-style-type: none"> <li>• <i>Create projects</i></li> <li>• <i>Create asset types &amp; assets</i></li> <li>• <i>Associate projects with asset types</i></li> <li>• <i>Associate projects with divisions consistent with, and shared by, the Operating budget module</i></li> <li>• <i>Define funds</i></li> <li>• <i>Create GL objects and associate them with object categories</i></li> <li>• <i>Populate projects with values.</i></li> </ul>	
Import Initial Budget	Import up to 5 years of data from data import workbooks. If not in scope then The Customer can add their budget data manually or using Questica Budget's spreadsheet import feature.	Customer task
Import Historic Amended Budgets	Import up to 2 years of data from data import workbooks. If not in scope then The Customer can add their historical data manually or using Questica Budget's spreadsheet import feature.	Customer task
Import Actuals Data	Import up to 2 years of data from data import workbooks. If not in scope then The Customer can add their historical data manually or using Questica Budget's spreadsheet import feature.	Customer task

For the purpose of the above, the definitions of projects, divisions, departments, assets, GL objects, object categories and funds shall be those found in the Questica Budget Capital manual. The mathematical relationships between them shall be those currently supported by Questica Budget and described in the Questica Budget Capital Manual.

The object/object category, division/department/project and fund category/fund structures must be consistent across all years and across the Capital module and Operating module if both are used. The Customer will resolve any inconsistencies in the structures implicit in the actual and budget import data prior to providing them to Questica for import to Questica Budget.

If import data is supplied in the Excel import templates provided by Questica and the data is consistent with the data integrity requirements of Questica Budget, Questica will populate the Questica Budget database within 15 business days of receiving the import workbooks. The inclusion of custom chart of account segments (chart field items) or data that violates Questica Budget's data integrity rules will extend this timeframe, unless otherwise detailed in the “Customization” section below.

<b>Import Configuration ...</b>		
Capital Projects	Import from data import workbooks.	In scope
<b>Configuration ...</b>		



03-December-15r1 20 of 28

Turning Objectives into Outcomes

**ACTION ITEM 5a**

Capital Budget Stages	If not in scope then The Customer will leverage Questica provided training to determine how to configure Questica Budget's budget stages to assist in their budget process and establish those stages within the system.	Customer task
Scenarios	If not in scope then The Customer will leverage Questica provided training to determine how and when to use the concept of scenarios to assist in their budget process. Scenarios are versions of a project budget. A project may have multiple scenarios but only one scenario may be active and included in the consolidated budget.	Customer task
<b>Integration ...</b>		
Budget Export	Automated facility to transfer Capital module budget data from Questica Budget to The Customer's general ledger at the approved budget object/department level on an annual or other basis when invoked by a user.	Not in scope
Actuals Import	Automated facility to transfer actual data from The Customer's general ledger system at the GL object/project level on a regularly scheduled basis and/or other basis when invoked by a user.	Not in scope
<b>Reports ...</b>		
Standard Reports	Provision of Questica Budget's standard Capital module reports.	In scope
Standard Views for Administrator Authored Reporting	Provision of Questica Budget's standard report views for the Capital module.	In scope
Custom Report View Fields	Adaptation of report views to include custom fields added to the Capital module.	Not in scope
<b>Customizations ...</b>		
Customizations include custom business rules, modifiers, user interface (grids, forms, etc), hand-crafted reports and reporting models. They are all detailed in section "2.7. Customizations" of this Scope of Work document.		



Turning Objectives into Outcomes

03-December-15r1 21 of 28

## **ACTION ITEM 5a**

### **2.4. Salaries Module**

The Questica Budget Salaries module is included in this installation.

<b>Functional Area</b>	<b>Description</b>	<b>Scope of Work</b>
<b>Import Data ...</b>	<p><i>Initial data is imported into Questica Budget from Excel® files (“workbooks”). Questica will supply The Customer with blank workbooks which must be completed according to the defined format and structure.</i></p> <p><i>Questica will import the operating data up to two times, subject to the supplied data being clean and free of inconsistencies. At a minimum, the files will contain the data necessary to:</i></p> <ul style="list-style-type: none"> <li>• <i>Create positions</i></li> <li>• <i>Create salary grades</i></li> <li>• <i>Create salary grade steps</i></li> <li>• <i>Create modifiers (benefits)</i></li> <li>• <i>Create employees</i></li> <li>• <i>Allocate employees to positions</i></li> <li>• <i>Allocate positions to costing centers.</i></li> </ul>	
Import Positions & Employees	Import from data import workbooks. If not in scope then The Customer can add positions and employees manually.	Customer task
Import Grades & Scales	Import from data import workbooks. If not in scope then The Customer can add grades, steps and pay scales manually.	Customer task
Import Benefits (Modifiers)	Import from data import workbooks (if sufficient modifiers exist to make this more efficient than entering manually). If not in scope then The Customer can enter modifiers manually. This is typically more efficient than entering data into a spreadsheet for automated import.	Customer task
Import Position/Costing Center Allocations	Import from data import workbooks. If not in scope then The Customer can create the position/costing center allocations manually.	Customer task

For the purpose of the above, the definitions of profiles, contracts, positions, salary grades, salary grade steps, employees and modifiers shall be those found in the Questica Budget Salaries manual. The mathematical relationships between them shall be those currently supported by Questica Budget and described in the Questica Budget Salaries Manual.

<b>Integration ...</b>		
------------------------	--	--



03-December-15r1 22 of 28

Turning Objectives into Outcomes

**ACTION ITEM 5a**

HR Data	<p>Automated facility to synchronize salaries data between Questica Budget and The Customer's HR system. Questica shall be responsible for providing the software interface into Questica Budget and the operational infrastructure required to manage the integration. The Customer shall be responsible for making available the data to be exported from the HR system, either in CSV formatted files or by ensuring that the standard HR system to Questica Budget integration component is available for extracting data from and updating data within that system. This will be through the export and import of structured files or by providing database interfaces (stored procedures and queries). This integration synchronizes:</p> <ul style="list-style-type: none"> <li>• New, deleted and updated employees;</li> <li>• New, deleted and updated positions;</li> <li>• Changes in employee-position relationships;</li> <li>• Changes in position-costing center relationships.</li> </ul> <p>The integration of profiles (bargaining units), grades, steps, pay scales and benefits shall not be included unless expressly referred to in the "Customizations" section of this Scope of Work. Notwithstanding responses to Requests for Proposals or other communications between Questica and The Customer, the integration of custom chart field items is not included unless expressly set out in the "Customizations" section of this Scope of Work.</p>	Not in scope
<b>Include ...</b>		
Publish To Operating	Publication of calculated salaries to the Operating module's data.	In scope
Standard Reports	Provision of Questica Budget's standard Salaries module reports.	In scope
Standard Views for Administrator Authored Reporting	Provision of Questica Budget's standard report views for the Salaries module.	In scope
Custom Report Views	Adaptation of report views to include custom fields added to the Salaries module.	Not in scope
<b>Customizations ...</b>		
<p>Customizations include custom business rules, modifiers, user interface (grids, forms, etc), hand-crafted reports and reporting models. They are all detailed in section "2.7. Customizations" of this Scope of Work document.</p>		



03-December-15r1 23 of 28

Turning Objectives into Outcomes

**ACTION ITEM 5a**

**2.5. Performance Measures Module**

The Questica Budget Performance Measures module is not included in this implementation.

Functional Area	Description	Scope of Work
<b>Import Data ...</b>	<i>Initial loading of Performance Measures from another data source (Excel® “workbooks”) is not available for Performance Measures</i>	
<b>Configuration ...</b>		
Measure Categories and Units	If not in scope then The Customer will leverage Questica provided training to determine how to configure Performance Measures Categories and Units, establishing those lookup values within the system.	Not in scope
Measures	If not in scope then The Customer will leverage Questica provided training to determine how to configure Performance Measures within the system.	Not in scope
Scorecards	If not in scope then The Customer will leverage Questica provided training to determine how to configure Performance Measure Scorecards within the system.	Not in scope
<b>Integration ...</b>	<i>Integration of Performance Measures with external systems is not available.</i>	
<b>Reports ...</b>		
Standard Reports	Provision of Questica Budget's standard Performance Measures reports.	Not in scope
Standard Views for Administrator Authored Reporting	Provision of Questica Budget's standard report views for the Performance Measures module.	Not in scope
Custom Report View Fields	Adaptation of report views to include custom fields added to the Performance Measures module.	Not in scope
<b>Customizations ...</b>		
Customizations include custom business rules, modifiers, user interface (grids, forms, etc), hand-crafted reports and reporting models. They are all detailed in section “2.7. Customizations” of this Scope of Work document.		



03-December-15r1 24 of 28

Turning Objectives into Outcomes

**ACTION ITEM 5a**

**2.6. Training**

Functional Area	Description	Scope of Work
Administration	Training in Questica Budget administration. This will be delivered in one training session.	In scope
Security	Training in the use of Questica Budget's security component. This will be delivered in one training session.	In scope
Administrator Authored Reporting	Training in the use of report views using Report Builder 3.0. This will be delivered in one training session.	In scope
Budget Book Preparation	Training in the preparation of a Budget Book.	Not in scope
Dashboards	Training in Questica Budget's Dashboards feature. This will be delivered in one training session.	In scope
Allocations	Training in Questica Budget's Allocations feature.	Not in scope
Change Requests	Training in Questica Budget's Change Requests feature. This will be delivered in one training session.	In scope
Statistical Ledger	Training in Questica Budget's Statistical Ledger budgeting feature within the Operating module.	Not in scope
Train-the-Trainer: Operating	"Train the trainer" training in the use of Questica Budget's Operating module. This will be delivered in one training session.	In scope
Train-the-User: Operating	"Train the user" training in the use of Questica Budget's Operating module.	Customer task
Train-the-Trainer: Salaries	"Train the trainer" training in the use of Questica Budget's Salaries module. This will be delivered in one training session.	In scope
Train-the-User: Salaries	"Train the user" training in the use of Questica Budget's Salaries module.	Customer task
Train-the-Trainer: Capital	"Train the trainer" training in the use of Questica Budget's Capital module. This will be delivered in one training session.	In scope
Train-the-User: Capital	"Train the user" training in the use of Questica Budget's Capital module.	Customer task
Train-the-Trainer: Performance Measures	"Train the trainer" training in the use of Questica Budget's Performance module.	Not in scope
Train-the-User: Performance Measures	"Train the user" training in the use of Questica Budget's Performance module.	Not in scope
<b>On Site ...</b>		
On-Site Training Visits	All in-scope training provided by Questica will be delivered using web conferencing tools. Attendees are able to participate in the training from multiple locations, using their own computer or a shared system (their own computer is recommended). Audio is provided by telephone or the computer's own audio facilities.	Not in scope



03-December-15r1 25 of 28

Turning Objectives into Outcomes

## **ACTION ITEM 5a**

### **2.7. Customizations**

#### **2.7.1. Custom Business Rules (CBRs), Modifiers, User Interface**

This Scope of Work does not include the development of customizations.

**Customizations not listed here can be accommodated upon receipt and acceptance of a change order.**

#### **2.7.2. Custom Reports, Custom Report Views and Custom Dashboards**

This Scope of Work does not include the development of custom reports, views or dashboards.

**Custom reporting and dashboard requirements not listed here can be accommodated upon receipt and acceptance of a change order.**

#### **2.7.3. Specifications**

Before Questica undertakes any customizations described herein, as well as general ledger integrations and data imports, The Customer and Questica shall prepare and sign-off on the detailed specifications ("Specifications") for the work to be performed.

#### **2.7.4. Change Orders**

Any changes to the agreed specifications, including changes requested by The Customer within the warranty period, shall be the subject of a new change order and the work to be carried out thereunder shall be separately quoted, agreed, and billed and shall not be included as part of this Scope of Work.

#### **2.7.5. Warranty**

Once completed the custom work shall be warranted by Questica in accordance with the "Technical Support Services" section of the Questica Software License Agreement.

### **2.8. Project Management**

#### **2.8.1. Questica Project Management Responsibilities**

1. Coordinating the development of the project plan in consultation with The Customer project manager and team members.
2. The timely delivery of items identified as "In scope" within this SoW.
3. Ensuring that members of The Customer staff are sufficiently educated in the Questica Budget application to understand the implications of initial design decisions.
4. Providing The Customer with timely and detailed descriptions of the items identified as "Customer task" within this SoW.
5. Advising The Customer of expected completion dates for items identified as "Customer task" within this SoW.
6. Advising The Customer of the impact on the expected delivery dates of "Customer task" items when prerequisite customer tasks, such as the completion of data import templates or approval of report specifications, are advanced or delayed.
7. Monitoring the progress of the project and advising The Customer of risks to its on-time completion.
8. Coordinating the completion and approval of change orders.

#### **2.8.2. The Customer Project Management Responsibilities**

1. The timely delivery of items identified as "Customer task" within this SoW.



03-December-15r1 26 of 28

Turning Objectives into Outcomes

## **ACTION ITEM 5a**

2. Advising The Customer of expected delivery dates for items identified as “Customer task” within this SoW.
3. Ensuring that change orders contain a full specification of the changes required.
4. Ensuring that customizations are fully specified and documented.
5. Ensuring that all Customer team members have a clear understanding of their responsibilities to the project.

### **2.8.3. Project Planning**

1. The project plan will be prepared by the Questica project manager in consultation with The Customer’s project manager and team members.
2. The project planning phase will determine whether Questica Budget modules are to be implemented serially or in parallel and, if serially, the order of module implementation.
3. The implementation of each Questica Budget module will involve the following stages:
  - a. An overview of, and training in, the module and the ways in which the module can be extended by configuration and customizations.
  - b. A determination of how best to configure and, if necessary, customize the module to meet the objectives of The Customer.
  - c. An overview of the advantages and, if present, disadvantages of the proposed configuration and customizations.
  - d. Documentation of the agreed configuration and customizations.
  - e. The preparation of data import templates consistent with the agreed configuration and customizations.
  - f. The completion by The Customer of the data import templates.
  - g. The import by Questica of the data import templates.
  - h. Customer approval of the imported Questica Budget structures and data.
  - i. The creation by The Customer of a technical environment in which Questica Budget can operate.
  - j. The deployment of the Questica Budget application and database on The Customer servers.
  - k. The creation of custom ad hoc models to support the reporting of custom fields.
  - l. Training in the use of ad hoc modeling for Report Builder 3.0.
  - m. Determination of custom reporting requirements that cannot be met by the standard reports and the use of Report Builder 3.0
  - n. The preparation of change orders and specification for any custom reports not detailed in this Scope of Work.
  - o. The development by Questica of any required custom reports detailed in this Scope of Work.
  - p. The testing and acceptances of custom reports and report views.
  - q. The deployment of custom reports and report views.
  - r. The development of an integration strategy for updating the Questica Budget database with actual result data from the financial system and the passing of budget data into the financial system.
  - s. The development by The Customer of the integration components (queries, intermediate tables, file output/input etc.) which are required to access actual data from the financial system/HR System and update the financial system with budget data.
  - t. The development by Questica of:



03-December-15r1 27 of 28

Turning Objectives into Outcomes

## **ACTION ITEM 5a**

- i. integration components which transform budget data prior to updating the financial system;
- ii. integration components which transform actual result data prior to updating the Questica Budget database;
- iii. integration components required to initiate the execution of integrations.
- u. The deployment of all integration components.
- v. The testing and acceptance by The Customer of the integration components.

### **2.9. Customer Resources**

- 1. The requirement for Customer resources is variable with:
  - a. The duration of the project.
  - b. The degree of internal Customer consultation.
  - c. The level of internal Customer agreement.
  - d. The number of customizations.
  - e. The familiarity of Customer staff with the SQL Server environment.

**END OF DOCUMENT.**



Turning Objectives into Outcomes

03-December-15r1 28 of 28

**ACTION ITEM 5a**

## **ACTION ITEM 5b**

**Date:** February 2, 2016  
**To:** City Council  
**From:** Jennifer Olson, Finance Director  
**Subject:** **Authorize City Manager to Execute an Amendment to the Paymentus Corporation Merchant Services Agreement**

---

The purpose of this agenda item is for City Council's consideration and to authorize the City Manager to execute the Paymentus Amending Agreement (See Attachment A) to modify the Paymentus Master Services Agreement, allowing for expanded merchant services, on-line payments and utility account portals and extending the contract for two years.

**Background:** The City of Snohomish initially executed the Paymentus Master Service Agreement in May of 2010 to offer credit cards as a form of payment to City of Snohomish utility billing customers. The current merchant services are at no cost to the City; however, the utility billing customer using this option has been charged a \$6.95 convenience fee by Paymentus.

**Analysis:** As part of the 2016 budget development discussions, staff provided the City Council with information about expanding our merchant service features to include credit cards as a form of payment for all City services and fees, enhancing our on-line payment portal features and adding online utility bill account information. Staff recommended eliminating the customer paid convenience fee of \$6.95 for utility account payments as this fee apparently discourages many customers from using a debit/credit card as a form of payment. The cost of the merchant service fee for utility billing payments is proposed to be absorbed within the four enterprise utility funds. This is a typical cost of doing business and is allocated within the 2016 Utility Fund Budgets totaling \$15,000.

In addition to enhancing utility customer payment options, the proposed merchant service amendment will extend the City's ability to accept credit cards as a form of payment for all non-utility fees and services, such as park rentals, business licenses and permits; however, for these payments a convenience fee of \$2.95 or 2.95% of the transaction, whichever is greater, will be charged to the customer by Paymentus. This new merchant service option is at no cost to the City.

The existing Paymentus-created City of Snohomish customer payment and account portal will be updated with new customer features. A customer will have the ability to create an on-line account, save payment information, set up reoccurring payments and other payment options. City utility customers will be able to set up e-bill features and view their utility bill on-line as well as opt-out of receiving a paper bill. Utility customers will also be able to see a history of their account consumption and other account details. The new e-bill account information feature is expected to cost \$350.00 per month, or \$4,200 annually for Paymentus hosting services which and has been allocated within the 2016 Utility Fund Budgets.

**ACTION ITEM 5b**

These customer service feature improvements will expand the City's ability to accept credit cards as a form of payment for all fees and services, eliminating the utility payment convenience fee and adding on-line utility account information. Staff believes these changes will reduce staff time in processing paper checks and providing routine utility customer account information. Customers will have an alternative payment option and staff anticipates that the number delinquent accounts and shut-offs will be reduced as a result.

**STRATEGIC PLAN REFERENCE:** Not applicable.

**RECOMMENDATION:** That the City Council **AUTHORIZE** the City Manager to execute an amendment to the 2010 Master Agreement with Paymentus Corporation Merchant Services, extending the contract for two years, and allowing expanded merchant services with on-line payments and utility account portal.

**ATTACHMENTS:**

- A. Paymentus Amending Agreement – 2016
- B. Paymentus Master Agreement - 2010

ATTACHMENT A



**AMENDING AGREEMENT**

Customer:	City of Snohomish
Customer Address:	116 Union Avenue Snohomish, WA 98290
Contact for Notices to Customer:	Jennifer Olson, Finance Director

This Amending Agreement is entered into as of the below effective date, by and between the Customer ("Customer") identified above and **Paymentus Corporation**, a Delaware Corporation ("Paymentus").

**WHEREAS:**

- A - The parties entered into a Master Services Agreement dated May 25, 2010.
- B - The parties now wish to amend the Schedule A of the Master Services Agreement to add additional payment types and the corresponding Paymentus Service Fee.
- C- The parties now wish to add Schedule B: Additional Paymentus Services to add Standard Electronic Bill Presentment.
- D- The parties now wish to amend Section 9.1 of the Master Service Agreement ("Term") to extend the initial term for an additional three (3) years to July 16, 2019.

**NOW, THEREFORE**, in consideration of the mutual covenants hereinafter set forth, the receipt and sufficiency of which are hereby acknowledged, the parties, intending to be legally bound, hereby covenant and agree as follows:

Schedule A of Master Services Agreement will be amended per Schedule A attached with this Amending Agreement.

Except the Schedule A & B, and Section 9.1, as provided in this Amending Agreement, all provisions of the Agreement remain in full force and effect, un-amended.

IN WITNESS WHEREOF, the parties have caused this Agreement to be executed by their duly authorized representatives

**Customer:**

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_  
Date: \_\_\_\_\_

**Paymentus:**

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_  
Date: \_\_\_\_\_



**Schedule A – Paymentus Service Fee Schedule**

Paymentus Service Fee charged to the Customer will be based on the following model:

<b>Absorbed Fee Model</b>	
<input type="checkbox"/>	Absorbed Model
<input type="checkbox"/>	Average Bill Amount: \$300
<input type="checkbox"/>	Paymentus Service Fee per qualified utility rate transaction <ul style="list-style-type: none"> <li>• Credit/Debit Card      \$2.50 (Visa, MasterCard , Discover Utility Program Rate)</li> <li>• ACH/ eCheck            \$1.50</li> <li>• Non-qualified            3.50% of the excess Non-qualified transaction amount</li> </ul>

Note: Maximum Amount per Payment is \$1,000. The Client will be billed based upon payment increments of \$300.

Paymentus Service Fee charged to the User will be based on the following model:

<b>Payment Type</b>	<b>Paymentus Service Fee</b>
Miscellaneous Government Services (Business Licenses, Park & Recreation Payments, Over-the-Counter Planning & Building) <ul style="list-style-type: none"> <li>• Average Bill Amount of \$100</li> <li>• Maximum Payment Amount of \$1,000. Multiple payments may be made.</li> </ul>	2.95% or \$2.95, whichever is greater

Paymentus may apply different limits per transactions for user adoption or to mitigate risks, upon written notification to the Client.

**Schedule B – Additional Services**

Paymentus Service Fee charged to the Customer will be based on the following table:

<b>Enhanced Electronic Bill Presentment (Optional)</b>	
Paymentus Electronic Bill Presentment Set-Up	\$2,500 One-Time (Waived)
<ul style="list-style-type: none"><li>• System Development</li><li>• System Set Up / Implementation</li><li>• File interface with CIS</li><li>• System loading fees</li><li>• Presentment fees</li><li>• Customer email notifications</li></ul>	Included at no cost Included at no cost
<ul style="list-style-type: none"><li>• 3 month rolling historical e-bill hosting (non-Standard)</li></ul>	\$350 per month

ATTACHMENT B



**MASTER SERVICES AGREEMENT**

Customer:	City of Snohomish (WA)
Customer Address:	116 Union Ave. Snohomish WA 98290
Contact for Notices to Customer:	Diana Bruland
Estimated Yearly Bills / Invoices:	40,000

This Master Services Agreement ("Master Agreement") is entered into as of the Effective Date below, by and between the Customer ("Customer") identified above and **Paymentus Corporation**, a Delaware Corporation ("Paymentus").

**WHEREAS** Paymentus desires to provide and the Client desires to receive certain services under the terms and conditions set forth in this Agreement. Paymentus provides electronic bill payment services to utilities, municipalities, insurance and other businesses.

**NOW, THEREFORE**, in consideration of the mutual covenants hereinafter set forth, the receipt and sufficiency of which are hereby acknowledged, the parties, intending to be legally bound, hereby covenant and agree as follows. This Agreement consists of this signature page, General Terms and Conditions, and the attachments ("**Attachments**") with schedules ("**Schedules**") listed below:

**Schedule A: Paymentus Service Fee Schedule**

This Agreement represents the entire understanding between the parties hereto with respect to its subject matter and supersedes all other written or oral agreements heretofore made by or on behalf of Paymentus or Customer with respect to the subject matter hereof and may be changed only by agreements in writing signed by the authorized representatives of the parties.

**IN WITNESS WHEREOF**, the parties have caused this Agreement to be executed by their duly authorized representatives

**Customer:**  
By: *Larry Bauman*  
Name: Larry Bauman  
Title: City Manager  
Date: 5/24/10

**Paymentus:**  
By: *Dushyant Sharma*  
Name: DUSHYANT SHARMA  
Title: CEO  
Date: MAY 19, 2010



## **GENERAL TERMS AND CONDITIONS**

### **1 Definitions:**

For the purposes of this Agreement, the following terms and words shall have the meaning ascribed to them, unless the context clearly indicates otherwise.

- 1.1 "Agreement " or "Contract" shall refer to this Agreement, as amended from time to time, which shall constitute an authorization for the term of this contract for Paymentus to be the exclusive provider of services, stated herein, to the Customer
- 1.2 "User" shall mean the users of the Customer's services
- 1.3 "Effective Date" shall be the last date upon which the parties signed this Agreement. The Agreement will not be effective against any party until the said date
- 1.4 "Launch Date" shall be the date on which Customer launches this service to the Users
- 1.5 "Payment" shall mean Users to make payments for Customer's services or Customer's bills
- 1.6 "Payment Amount" shall mean the bill amount User wants to pay to the Customer.
- 1.7 "Services" shall include the performance of the Services outlined in section 2 of this Agreement
- 1.8 "Paymentus Authorized Processor" shall mean a Paymentus authorized merchant account provider and payment processing gateway
- 1.9 "Reversed or Charged-back Transactions" shall mean cancelled transactions due to User error, or a User's challenge to Payment authenticity.
- 1.10 "Average Bill Amount" shall mean the total amount of Payments collected through Paymentus system in a given month divided by the number of the Payments for the same month.

### **2 Description of Services to be performed**

#### **2.1 Scope of Services**

Paymentus shall provide Users the opportunity to make Payments by Credit Cards and other payment methods as deemed necessary by Paymentus. Payments may be made by Interactive Telephone Voice Response System ("IVR") or secure Internet interface provided at the Paymentus Corporation's web site or other websites part of Paymentus' Instant Payment Network ("WebSites"), collectively referred to as the ("System").

Paymentus shall, on behalf of the Customer, collect and process Payments from Users using Visa, MasterCard or other credit cards ("hereinafter referred to as a "Card"). Paymentus may also offer other payment options such as eChecks or Debit Cards.

#### **2.2 Professionalism**

Paymentus shall perform in a professional manner all Services required to be performed under this Agreement.

## **ACTION ITEM 5b**



### **3 Compensation**

#### **3.1 No Cost Installation**

Paymentus will charge no fees related to the initial setup and personalization of its standard service for both Web and IVR interfaces.

#### **3.2 Paymentus Service Fee**

System will charge each User a Service fee for each transaction processed (hereinafter called "Paymentus Service Fee"). Such Paymentus Service Fee is to be collected in addition to the corresponding Payment as part of the transaction.

For each payment, the Paymentus Service Fee collected will be used to pay the corresponding Credit Card transaction fees or transaction fees associated with Debit Cards or eChecks (hereinafter called "Transaction Fees") except NSF fees and processing charges related to Paymentus (hereinafter called "Paymentus Fees").

A schedule of Paymentus Service Fee is attached hereto as Schedule A. Paymentus and Customer may mutually review Paymentus Service Fee schedule at regular intervals. However, Paymentus can amend this schedule upon prior written notice to the Customer, if such change is required due to changes in the Visa and MasterCard regulations or changes in Credit Card fees or changes in the Average Bill Amount.

### **4 Payment Processing**

#### **4.1 Explicit User Confirmation**

Paymentus shall confirm the dollar amount of all Payments and the corresponding Paymentus Service Fee to be charged to a Card and electronically obtain the User approval of such charges prior to initiating Card authorizations transaction. Paymentus will provide User with electronic confirmation of all transactions.

#### **4.2 Merchant Account**

Paymentus will arrange for the Customer to have a merchant account with the Paymentus Authorized Processor for processing and settlement of the credit card transactions.

#### **4.3 Card Authorization**

For authorization purposes, Paymentus will electronically transmit all Card transactions to the appropriate Card-processing center, in real time as the transactions occur.

#### **4.4 Settlement**

Paymentus together with its authorized Card processor shall forward the payment transactions and corresponding Paymentus Service Fee to the appropriate card organizations for settlement directly to the Customer's depository bank account previously designated by the Customer (hereinafter the "Customer Bank Account").

Paymentus together with Paymentus Authorized Processor will continuously review its settlement and direct debit processes for its simplicity and efficiencies. Customer and Paymentus agree to fully cooperate with each other if Paymentus were to change its settlement and invoicing processes.

## **ACTION ITEM 5b**



### **4.5 Reversed or Chargeback Transactions**

Reversed or Chargeback Transactions can be reversed by the Customer using the Paymentus software provided ("Agent Dashboard"). The Payment Amount will be refunded to the User, however, except in the case of a Substantiated Chargeback transaction as defined below, the Paymentus Service Fee is non-refundable, and therefore the corresponding Paymentus Service fees will not be refunded to the User. The remittance file will contain a record of any such transaction whenever such transactions occur.

With respect to all Chargeback Card Transactions that are substantiated by a User and approved by an authorized representative of Paymentus and the Customer ("Substantiated Chargeback"): (i) the Customer authorizes Paymentus and Paymentus Authorized Processor (and/or the respective card organization) to debit the Customer Bank Account for the amount of the corresponding Payment and (ii) Paymentus shall refund to the Card organization for credit back to the User the corresponding Paymentus Service Fees. The Customer agrees that it shall not refund in cash to a User any Payment made using Paymentus' Services. Since Paymentus receives no revenue from any Payment that is charged back, the Customer will be responsible for the fees associated with Chargeback processing by Paymentus Authorized Processor.

Paymentus together with Paymentus Authorized Processor will continuously review its processes for Reversed or Chargeback transactions, for simplicity and efficiencies. Customer and Paymentus agree to fully co-operate with each other if Paymentus requires any change its settlement and invoicing processes for such transactions.

## **5 General Conditions of Services**

### **5.1 Service Reports**

Paymentus shall provide Customer with reports summarizing use of the Services by Users for a given reporting period.

### **5.2 User Adoption Communication by Customer**

Customer will make Paymentus' Services available to its residential and commercial customers by different means of customer communication including a) through bills, invoices and other notices; (as determined by the customer); b) by providing IVR and Web payment details on the Customer's website including a "Pay Now" or similar link on a prominent place on the web site; c) through customer's general IVR/Phone system;(if applicable); and d) other channels deemed appropriate by the Customer.

Paymentus shall provide Customer with logos, graphics and other marketing materials for Customer's use in its communications with its users regarding the Services and/or Paymentus.

Both parties agree that Paymentus will be presented as a payment method option. Customer will communicate Paymentus option to its end residential and commercial customers wherever Customer usually communicates its other payment methods when feasible.

### **5.3 Independent Contractor**

Customer and Paymentus agree and understand that the relationship between both parties is that of an independent contractor.

### **5.4 Customer's Responsibilities**

In order for Paymentus to provide Services outlined in this Agreement, the Customer shall co-operate with Paymentus by:

**ACTION ITEM 5b**



- (i) Customer will enter into all applicable merchant Card or cash management agreements.
- (ii) For the duration of this Agreement, Customer will keep a bill payment link connecting to Paymentus System at a prominent and mutually agreed location on the Customer website. The phone number for the IVR payment will also be added to the web site. Customer will also add the IVR payment option as part of the Customer's general phone system.
- (iii) User Adoption marketing as described in 5.2.
- (iv) Within 30 days of the merchant account setup, Customer will launch the service to the Users.

**6 Governing Laws**

This Agreement shall be governed by the laws of the state of Washington.

**7 Communications**

**7.1 Authorized Representative**

Each party shall designate an individual to act as a representative for the respective party, with the authority to transmit instructions and receive information. The parties may from time to time designate other individuals or change the individuals.

**7.2 Notices**

All notices of any type hereunder shall be in writing and shall be given by Post or by hand delivery to an individual authorized to receive mail for the below listed individuals, all to the following individuals at the following locations:

To Customer

c/o \_\_\_\_\_ Danny Weinberg \_\_\_\_\_  
\_\_\_\_\_ 116 Union Ave. Snohomish WA \_\_\_\_\_  
\_\_\_\_\_ 98290 \_\_\_\_\_  
( \_360\_) 282\_\_\_\_-3171\_\_\_\_\_ (Phone)  
( \_360\_) \_568\_\_\_\_-1375\_\_\_\_\_ (Fax)

To Paymentus

c/o President and CEO  
3455 Peachtree Road N.E. 5<sup>th</sup> Floor  
Atlanta, GA 30326  
  
(888) 476-8910 (Phone)  
(877) 882-1676 (Fax)

## **ACTION ITEM 5b**



Notices shall be declared to have been given or received on the date the notice is physically received if given by hand delivery, or if notices given by US Post, then notice shall be deemed to have been given upon on date said notice was deposited in the mail addressed in the manner set forth above. Any party hereto by giving notice in the manner set forth herein may unilaterally change the name of the person to whom notice is to be given or the address at which the notice is to be received.

### **7.3 Interpretation**

It is the intent of the parties that no portion of this Agreement shall be interpreted more harshly against either of the parties as the drafter.

### **7.4 Amendment of Agreement**

Modifications or changes in this Agreement must be in writing and executed by the parties bound to this Agreement.

### **7.5 Severability**

If a word, sentence or paragraph herein shall be declared illegal, unenforceable, or unconstitutional, the said word, sentence or paragraph shall be severed from this Agreement, and this Agreement shall be read as if said word, sentence or paragraph did not exist.

### **7.6 Attorney's Fees**

Should any litigation arise concerning this Agreement between the parties hereto, the parties agree to bear their own costs and attorney's fees.

### **7.7 Confidentiality**

Customer will not disclose to any third party or use for any purpose inconsistent with this Agreement any confidential or proprietary non-public information it obtains during the term of this Agreement about Paymentus' business, operations, financial condition, technology, systems, no-how, products, services, suppliers, customers, marketing data, plans, and models, and personnel. Paymentus will not disclose to any third party or use for any purpose inconsistent with this Agreement any confidential User information it receives in connection with its performance of the services.

### **7.8 Intellectual Property**

In order that the Customer may promote the Services and Paymentus' role in providing the Services, Paymentus grants to Customer a revocable, non-exclusive, royalty-free, license to use Paymentus' logo and other service marks (the "Paymentus Marks") for such purpose only. Customer does not have any right, title, license or interest, express or implied in and to any object code, software, hardware, trademarks, service mark, trade name, formula, system, know-how, telephone number, telephone line, domain name, URL, copyright image, text, script (including, without limitation, any script used by Paymentus on the IVR or the WebSite) or other intellectual property right of Paymentus ("Paymentus Intellectual Property"). All Paymentus Marks, Paymentus Intellectual Property, and the System and all rights therein (other than rights expressly granted herein) and goodwill pertain thereto belong exclusively to Paymentus.

### **7.9 Force Majeure**

Paymentus will be excused from performing the Services as contemplated by this Agreement to the extent its performance is delayed, impaired or rendered impossible by acts of God or other events that are beyond Paymentus' reasonable control and without its fault or judgment, including without limitation, natural disasters, war, terrorist acts, riots, acts of a governmental entity (in a sovereign or contractual capacity), fire, storms, quarantine restrictions, floods, explosions, labor strikes, labor walk-outs, extra-ordinary losses utilities (including telecommunications services), external computer "hacker" attacks, and/or delays of common carrier.

## **ACTION ITEM 5b**



### **7.10 Time of the Essence**

Paymentus and Customer acknowledge and agree that time is of the essence for the completion of the Services to be performed and each parties respective obligations under this Agreement.

## **8 Indemnification**

### **8.1 Paymentus Indemnification and Hold Harmless**

Paymentus agrees to the fullest extent permitted by law, to indemnify and hold harmless the Customer and its governing officials, agents, employees, and attorneys (collectively, the "Customer Indemnitees") from and against all liabilities, demands, losses, damages, costs or expenses (including reasonable attorney's fees and costs), incurred by any Customer Indemnitee as a result or arising out of (i) the willful misconduct or negligence of Paymentus in performing the Services or (ii) a material breach by Paymentus of its covenants.

### **8.2 Customer Indemnification and Hold Harmless**

Customer agrees to the fullest extent permitted by law, to indemnify and hold harmless Paymentus, its affiliates, officers, directors, stockholders, agents, employees, and representatives, (collectively, the "Paymentus Indemnitees") from and against all liabilities, demands, losses, damages, costs or expenses (including without limitation reasonable attorney's fees and expenses) incurred by any Paymentus Indemnitee as a result or arising out of (i) the willful misconduct or negligence of Customer related to the Services or (ii) a material breach of Customer's covenants.

### **8.3 Warranty Disclaimer**

Except as expressly set forth in this Agreement, Paymentus disclaims all other representations or warranties, express or implied, made to the Customer or any other person, including without limitation, any warranties regarding quality, suitability, merchantability, fitness, for a particular purpose or otherwise of any services or any good provided incidental to the Services provided under this Agreement.

### **8.4 Limitation of Liability**

Notwithstanding the foregoing, the parties agree that neither party shall be liable to the other for any lost profits, lost savings or other special, indirect or consequential damages, even if the party has been advised of or could have foreseen the possibility of such damages. Paymentus' total liability for damages for any and all actions associated with this Agreement or the Services shall in no event exceed the total service fees paid to Paymentus for the six (6) months preceding the particular payment transaction which is the subject matter of the claim of damage.

**ACTION ITEM 5b**



**9 Term and Termination**

**9.1 Term**

The term of this Agreement shall commence on the effective date of this Agreement and continue for a period of 3 (three) years ("Initial Term") from the Launch Date. Services under this Agreement shall begin within 30 days of the merchant account setup.

At the end of the Initial Term, this Agreement will automatically renew for successive three (3) year periods unless either Customer or Paymentus provide the other party with not less than 6 (six) months prior written notice before such automatic renewal date that such party elects not to automatically renew the term of this Agreement.

**9.2 Material Breach**

A material breach of this Agreement shall be cured within 90 (ninety) days ("Cure Period") after a party notifies the other of such breach. In the event, such material breach has not been cured within the Cure Period, the non-breaching party can terminate this Agreement by providing the other party with a 30 (thirty) days notice.

**9.3 Upon Termination**

Upon termination of this Agreement, the parties agree to cooperate with one another to ensure that all Payments are accounted for and all refundable transactions have been completed. Upon termination, Paymentus shall cease all Services being provided hereunder unless otherwise directed by the Customer in writing.

**ACTION ITEM 5b**



**Schedule A – Paymentus Service Fee Schedule**

Paymentus Service Fee charged to the User will be based on the following table:

<b>Payment Type</b>	<b>Paymentus Service Fee</b>
Average Bill Amount of \$300	Flat Fee of \$6.95

Note: Maximum Amount per Payment is \$600. Multiple payments can be made.

The Paymentus Service Fee will be collected in addition to the end-user bill payment total. Paymentus may apply different limits per transactions for user adoption or to mitigate risks.

**ACTION ITEM 5b**

B. Current District Activity Information:

- 1. Number of Annual Transactions = 124,000
- 2. Number of Annual Dollar Volume = \$15,500,000
- 3. Average dollar amount per transaction = \$125

C. Types of Payments Accepted:

- 1. Electric Utility Bills
  - One-time payments
  - Recurring payments
- 2. Other District Payments

4.0 SCHEDULE

It is the District's intent to complete the selection process and award the work by approximately July 9, 2010, in accordance with the following schedule:

SCHEDULE	
Activity Description	Date
RFP Issued	April 30, 2010
RFP Due Date	May 28, 2010
Award of Services	July 9, 2010
Begin Services (approximately)	November 1, 2010
Complete Services (approximately)	October 31, 2013

5.0 SELECTION PROCESS

- 5.1 The selection procedure to be used in selecting the successful Respondent shall consist of the following phases:

- Request for Proposal
- Review and Evaluation of Written Proposals
- Oral Presentations (if requested by the District)
- Final Selection

- 5.2 The primary purpose of the RFP is to 1) define the scope of services to be performed, and 2) outline the data to be provided by Respondents which shall be evaluated by the District in the selection process.

The written proposals are to address the following categories as outlined in Section 6.0, "Evaluation Factors," of this RFP.

- Project Organization
- Background and Experience of Contractor
- Project Approach

**ACTION ITEM 5b**

**ACTION ITEM 5c**

**Date:** February 2, 2016

**To:** City Council

**From:** Jennifer Olson, Finance Director

**Subject:** **Authorize Interlocal Agreement (ILA) with Snohomish County Fire District #4 for Building Use**

---

The purpose of this agenda item is for City Council's consideration and authorization for the City Manager to execute the Interlocal Agreement for Building Use between the City of Snohomish and Fire District #4 (See Attachment).

**Background:** In 2015, the City of Snohomish was awarded a grant in the amount of \$7,900.00 from the Snohomish County Department of Emergency Management (DEM) for the purpose of purchasing computer hardware and related equipment that will serve as the City's emergency operation/information server. This server connects to the City network via the City's, Snohomish School District's, and Snohomish County's fiber optic network. The City's files, documents, and databases will be backed up to this server on a continuous basis.

This equipment is setup at the Fire District #4 Training Annex Building and an agreement regarding use of the building is in order. Staff negotiated a no-cost ILA with the Fire District for use of the building and requests approval of the agreement.

**STRATEGIC PLAN REFERENCE:** This action is related to all Strategic Plan initiatives.

**RECOMMENDATION:** That the City Council **AUTHORIZE** the City Manager to execute an Interlocal Agreement between the City of Snohomish and Snohomish County Fire District #4 for building use at the City Emergency Operations Center (EOC) for storage of communications and computer equipment and access to fiber optic system.

**ATTACHMENT:** Proposed Building Use ILA with Fire District #4



1525 Avenue D  
P.O. Box 820  
Snohomish, WA 98291-0820

*Snohomish County  
Fire District #4*

**BUILDING USE INTERLOCAL**

This agreement is entered into as of this \_\_\_\_ day of \_\_\_\_\_, 2015 between Snohomish County Fire Protection District No. 4, "District" and the City of Snohomish, "City."

**RECITALS**

1. The District owns a Training Annex Building, located at 1525 Avenue D, Snohomish, WA, 98290 "Building."
2. The Building contains a large room that can be jointly used by the District and the City as an Emergency Operations Center "EOC" in the event of disaster.
3. In order to serve as an EOC for the City, the City requires certain communications and computer equipment with access to the fiber optic system that serves the Building.
4. The District has surplus space within the Building that is available for the City's computer and communications equipment.
5. This Agreement is entered into under the authority of chapter 39.34 RCW, the Interlocal Cooperation Act.

**AGREEMENT**

1. **Use of Building by City.** The District agrees to allow the City the non-exclusive use of a server room located on the second floor of the building for the purpose of installing a server, back-up power supply and associated equipment necessary for the City's operation of an EOC "EOC Server." The City shall be responsible for independently arranging the City's connection to the existing fiber optic system and the City's EOC Server shall not, in any way, be connected to or interfere with the District's IT systems.
2. **Security and Building Access.** The City EOC Server is property of the City. Only authorized City staff, that includes members of the Information Technology (IT) Department, and the Executive Management team will be allowed to access, service, support or provide information about the EOC Server. Access to the EOC Server to third parties will be allowed only by explicit permission from authorized City staff. The District shall provide two copies of keys to the City to allow authorized City staff access to the facility that hosts the EOC Server. One copy of the keys will be kept at City Hall as a backup and the second copy will be kept by the City's IT department. City staff shall not make additional copies of the keys without express written permission from the District. Except in the case of emergency, the City shall provide the District with advance notice of its intent to access the Building. Unless other access times are authorized by the District in advance, the City's access to the Building shall be during the hours of 0800-1700 Monday – Friday except in case of emergencies.

---

Emergency 911 • Business (360) 568-2141 • Fax (360) 568-2143 • [www.snohomishfire.org](http://www.snohomishfire.org)

## **ACTION ITEM 5c**

### **3. District Obligations.**

- 3.1. The District shall provide the space identified in Section 1 and the necessary electrical power to operate the EOC Server.
- 3.2. In situations that require the EOC Server to be relocated, the District shall provide 1 weeks advance notice to the City's IT department or the City's Executive Management team if the City's IT department cannot be reached. The City will make arrangements for relocation of the EOC Server.
- 3.3. In situations that require the EOC Server to be powered off, the District shall provide advance notice to the City's IT department or the City's Executive Management team if the City's IT department cannot be reached. In situations where the District makes any configuration modifications to the District's computing network environment that may affect the EOC Server, advance notice shall be provided to the City's IT department and/or Executive Management team as necessary.

**4. No Shared Property or Shared Use.** The parties agree that the City's rights to use the Building are limited to the uses specified in Section 1 of this Agreement and that City has no right to use District equipment located in the Building or server room. All property acquired by the City related to its use of the Building, shall remain the property of the City in the event of the termination of this agreement. The Building shall remain the sole property of the District and this Agreement does create any ownership interests in the Building.

**5. Term.** This Agreement shall be effective on the date of mutual execution and shall continue until terminated in accordance with paragraph 6.

**6. Termination.** Either party may terminate this agreement with sixty days written advance notice. In addition the District may terminate this Agreement with seven days written notice in the event the City is in breach of any term of this Agreement.

**7. Consideration.** The consideration for this Agreement is the benefit to the District of having the City prepared to operate the EOC in the event of a disaster and the benefit provided by the City's agreement to indemnify and hold the District harmless in the manner specified in Section 8.

**8. Indemnification/Hold Harmless.** The City agrees to assume responsibility for all liabilities that occur or arise in any way out of the use of the Building by its elected officials, officers, employees, agents or guests and to save and hold the District, its elected officials, employees and officers harmless from all costs, expenses, losses and damages, including the costs of defense, incurred as a result of any acts or omissions of the City, its elected officials, officers, employees, agents or guests during the use of the Building. IT IS FURTHER SPECIFICALLY AND EXPRESSLY UNDERSTOOD THAT THE INDEMNIFICATION PROVIDED HEREIN CONSTITUTES THE CITY'S WAIVER OF IMMUNITY UNDER INDUSTRIAL INSURANCE, TITLE 51 RCW, SOLELY TO CARRY OUT THE PURPOSES OF THIS INDEMNIFICATION CLAUSE. THE CITY FURTHER ACKNOWLEDGES THAT IT HAS MUTUALLY NEGOTIATED THIS WAIVER.

### **9. Insurance.**

- 9.1. Each party shall procure and maintain a comprehensive general liability policy covering all claims for personal injury (including death) and/or property damage (including all real and personal property located on or in the Building) arising at the Building or arising out of the parties performance of their obligations under this agreement by its elected officials,

## **ACTION ITEM 5c**

officers, employees and agents. The limit of liability should not be less than one million (\$1,000,000.00) dollars for each occurrence and two million (\$2,000,000.00) dollars aggregate. Participation in a self-insured governmental risk pool will satisfy the insurance requirements herein.

- 9.2. The City shall be responsible for maintaining its own insurance on City owned personal property located in the Building.

### **10. Miscellaneous.**

- 10.1. **No Separate Entity Created.** This Agreement does not establish a separate legal entity, joint board, or administrative section for the purpose of acquiring, managing, or disposing of property, or any other financial obligation.
- 10.2. **Administration.** This Agreement shall be administered jointly by the chief officers of the respective Parties.
- 10.3. **Benefits.** This agreement is entered into for the benefit of the parties to this agreement only and shall confer no benefits, direct or implied, on any third persons.
- 10.4. **Entire Agreement/Modification.** This Agreement represents the entire agreement of the Parties with respect to the subject matter hereof and supersedes all prior negotiations or discussions with respect thereto. This Agreement may be amended or modified by written instrument signed by the Parties.
- 10.5. **Publication on Website.** This Agreement shall either be filed with the County Auditor or listed on each party's website in compliance with RCW 39.34.040. The failure to correctly list this Agreement shall not nullify any term of this Agreement.
- 10.6. **Notice.** All communications regarding this Agreement shall be sent to the parties at the parties regular business address unless notified to the contrary. Any written notice hereunder shall become effective upon personal service or three (3) business days after the date of mailing by first class or certified mail, and shall be deemed sufficiently given if sent to the addressee at the address stated in this Agreement or such other address as may be hereafter specified in writing.

**ACTION ITEM 5c**

**SNOHOMISH COUNTY FIRE PROTECTION  
DISTRICT NO. 4**

**CITY OF SNOHOMISH**

By: \_\_\_\_\_

By: \_\_\_\_\_

DATE: \_\_\_\_\_

DATE: \_\_\_\_\_

**NOTICES TO BE SENT TO:**

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

ATTEST:

\_\_\_\_\_  
City Clerk

APPROVED AS TO FORM:

\_\_\_\_\_  
City Attorney

**NOTICES TO BE SENT TO:**

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

**ACTION ITEM 5c**

**ACTION ITEM 5d**

**Date:** February 2, 2016  
**To:** City Council  
**From:** Larry Bauman, City Manager  
**Subject:** **Adoption of Revised City Council Rules and Procedures–Resolution 1339**

---

The purpose of this agenda item is for City Council adoption of Resolution 1339 (attached) to revise the City Council’s operating rules and procedures.

**BACKGROUND:** In 1994 the City Council established a policy of procedures for conducting business at Council meetings with Resolution 843. Included with those procedures was a requirement for periodic review. This review is to be done as needed but no less than every two years in January of even-numbered years, which is the same time that new Councilmember terms begin. The Council reviewed proposed changes to its rules and procedures on January 5, 2016, and based on Council direction at that time the draft changes to the rules and procedures have been revised and Resolution 1339 is provided now for adoption.

**ANALYSIS:** The revisions to Council’s rules and procedures proposed as provided in Resolution 1339 include new sections for uses of communications technologies (cell phones, computers, tablets, etc.) and an expansion of citizen comment opportunities for City Council agenda discussion and action items.

**Communications Technology:** Changes to this section of the policies are found in Section VII, Electronic Media and Technology, Councilmember Communications Outside of Meetings, Open Public Meetings (OPMA) and Public Records Act (PRA). These recommended changes are primarily generated by the most recent understandings and interpretations of the Open Public Meetings Act and Public Records Act. New legal understandings of the Public Records Act regarding the use of cell phones for texting could require Councilmembers to consider adopting one of the following approaches:

1. Receive and use a City issued cell phone for all phone calls and texting related to City business (texts would be automatically archived by a third party vendor as they are expected to soon be archived for all City employees);
2. Use a personally owned cell phone and make individual arrangements with a third party (if there are effective means found to accomplish this) to archive all texts for response to any Public Records Act requests regarding text communications; a personal phone would be subject to searches to respond to Public Records Act requests and both the City and individual Councilmembers may be liable if a Court were to find the Councilmember in violation of law.
3. Use a personally owned cell phone and make no use of texting for City business with the understanding that the phone may still be subject to searches to respond to Public

## **ACTION ITEM 5d**

Records Act requests and that both the City and individual Councilmembers may be personally liable if found to be in violation of state law.

Public record retention requirements in Washington set the need to archive texts—the same as for all correspondence, including email—for two years. The three options listed above could be used to give each Councilmember the ability to choose his or her own preferred cell phone use. The proposed rules and procedures assume that each Councilmember would individually select one of the options above so that individual preferences would be accommodated. City Information Services would intend to assist Councilmembers by providing advice regarding use of personal phones or other electronic devices.

**Public Comments:** Also recommended is a procedural change regarding the policies for Public Testimony, Section VI, Oral and Written Comments (A.), General (1.). Staff's recommendation is that as a preliminary step toward improving citizen engagement and two-way communications that Council allot up to three minutes for citizen comments on all action and discussion items on the Council's regular meeting agendas. This would avoid some confusion for citizens as to when citizen comments are permitted and would eliminate the need for speakers to understand that during "Citizen Comments on items not on the agenda" they must request time to speak to these action and discussion items. This section has also been modified to clarify that such public comments will be allowed following staff presentations and Council questions but prior to Council deliberations, as suggested during citizen comments during the January 5 discussion topic for these rules and procedures.

An additional change not previously discussed but now recommended by the City Attorney for this section is included in the attached Resolution 1339 regarding Oral and Written Comments. This change would add the following new text and delete one sentence from the January 5 draft version as follows:

"Where a public hearing is scheduled (whether quasi-judicial or not) all public comment and testimony will be provided during the hearing so an adequate record can be made. Except for matters of procedure, public comment and/or testimony shall not be given during the general citizen comment portion of the agenda and will be reserved for the time of the hearing.

~~"Public oral testimony shall not be given on quasi-judicial matters outside of a public hearing, except on matters of procedure."~~

With this one further change as recommended and incorporated above, staff recommends passage of the revised Resolution 1339, attached.

**STRATEGIC PLAN REFERENCE:** N/A

**RECOMMENDATION:** That the City Council ADOPT Resolution 1339 amending the City Council's rules and procedures.

**ATTACHMENT:** Resolution 1339 as revised and recommended

**ACTION ITEM 5d**

**CITY OF SNOHOMISH  
Snohomish, Washington**

**DRAFT RESOLUTION 1339**

**A RESOLUTION OF THE CITY OF SNOHOMISH ESTABLISHING  
PROCEDURES FOR THE CONDUCT OF BUSINESS AT COUNCIL  
MEETINGS AND REPEALING RESOLUTION 1311**

**WHEREAS**, RCW 35A.13.170 grants the City Council authority to establish rules of conduct for their meetings; and

**WHEREAS**, a comprehensive procedure for Council meetings will provide the most expedient means of conducting Council meetings; and

**WHEREAS**, pursuant to Resolution 1311 the City Council of the City of Snohomish established procedures for the conduct of business at Council meetings; and

**WHEREAS**, the City Council has studied and reviewed these procedures and determined that periodic review and updates to these procedures is appropriate; and

**WHEREAS**, the City Council wishes to adopt policies and guidelines related to communications via technology platforms such as email accounts, texting or instant messaging and social media sites for communicating both inside and outside of City Council meetings; and

**WHEREAS**, the City Council decided that in order to keep these rules in the form of one consolidated document, Resolution 1311 should be repealed and replaced by this Resolution;

**NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE  
CITY OF SNOHOMISH AS FOLLOWS:**

Resolution 1311 is hereby repealed and shall be replaced with this Resolution 1339 which shall read as follows:

- I. **General:** These rules constitute the official rules for the conduct of business by Snohomish City Council. In all other contested decisions arising from points of order, the Council shall be governed by Robert's Rules of Order Newly Revised, a copy of which is maintained in the office of the City Clerk.
- II. **Organization:**
  - A. **Swearing in of New Councilmembers.** Newly elected Councilmembers shall be sworn in either (1) within the ten days preceding January 1<sup>st</sup>, or (2) at the last regularly scheduled meeting of the year as per RCW 29A.20.040. In the case of an appointment to fill a vacancy, the Councilmember shall be sworn in at the

## **ACTION ITEM 5d**

same meeting as the appointment or the next regular meeting, at the option of the new Councilmember.

- B. Election of Mayor. The Council shall elect a Mayor and a Mayor Pro-tem for a term of two years and organize itself at the first Council Meeting during even-numbered years. In the temporary absence of the Mayor, the Mayor Pro-tem shall perform the duties and responsibilities of the Mayor. In the event the Mayor is unable to serve the remainder of the term, a new Mayor shall be elected at the next Regular Meeting. In the event the Mayor Pro-tem is unable to serve the remainder of the term, a new Mayor Pro-tem shall be elected at the next Regular Meeting.
- C. Quorum. At all Council Meetings, a majority of the Council (four members) shall constitute a quorum for the transaction of business, but a lesser number may recess or adjourn.
- D. Attendance and Excused Absences.
1. Councilmembers. RCW 35A.13.020 provides that a Councilmember shall forfeit his or her office by failing to attend three consecutive Regular Meetings of the Council without being excused by the Council. Members of the Council may be so excused by complying with this section. The member shall contact the Mayor; or, if the Mayor is not available, the City Manager, or City Clerk, who shall convey the message to the Mayor. Following roll call, the Mayor shall inform the Council of the member's absence, state the reason for such absence, and inquire if there is a motion to excuse the member. This motion shall be non-debatable. Upon passage of such motion by a majority of members present, the absent member shall be considered excused and the City Clerk will make an appropriate notation in the minutes.
  2. City Clerk. The Clerk or an authorized Deputy Clerk shall attend all Council Meetings. If the Clerk and the Deputy Clerk are absent from any Council Meeting, then the Mayor shall ask the City Manager to appoint a member of the staff to act as Clerk for that meeting.
  3. Officers or Employees. Any City officer or employee shall have the duty, when requested by the Council, to attend Council Meetings and shall remain for such time as the Council may direct.
- E. Decorum.
1. Forms of Address. The Mayor shall be addressed as "Mayor (surname)". Members of the Council shall be addressed as "Councilmember (surname)" or by the name requested by the Councilmember.
  2. Councilmember Communications Protocols During Meetings:

**ACTION ITEM 5d**

- a. No Councilmember comments are to be personal in nature or otherwise disruptive. All Councilmember comments are to be addressed to the Chair.
- b. All Councilmember comments during meetings shall be germane to the business of the City and tempered to advance the debate.
- c. Councilmember comments during meetings shall be concise and respectful of the time available to complete actions on the agenda and the desire to provide ample opportunities for citizens and other Councilmembers to comment.
- d. Council members may not take action via electronic device while in an open public meeting of the governing body. "Action," as defined under RCW 42.30.020, means the transaction of the official business of a public agency by a governing body including but not limited to receipt of public testimony, deliberations, discussions, considerations, reviews, evaluations, and final actions. "Final action" means a collective positive or negative decision, or an actual vote by a majority of the members of a governing body when sitting as a body or entity, upon a motion, proposal, resolution, order, or ordinance.
- e. City Councilmembers are responsible for complying with the communication guidelines contained in this policy. Violations could result in legal exposure to the Councilmember and the City and loss of privileges to access to technology mediums or systems. Sanctions for violation of Councilmember Communications protocols as described in this section may include the following, although the Council may decide, based on the severity of the violation, to begin with steps other than the first step as listed here:
  - i. On the first violation, the Chair may issue a warning orally to the Councilmember who has violated these protocols.
  - ii. On the second violation, the Chair, upon a motion being adopted by the City Council, may issue a written reprimand to the Councilmember who has violated these protocols.
  - iii. On the third violation, the Chair, upon a motion being adopted by the City Council, may issue a formal resolution of censure to the Councilmember who has violated these protocols.
  - iv. On the fourth violation, the Chair, upon a motion being adopted by the City Council, may remove the committee

**ACTION ITEM 5d**

and liaison assignments of the Councilmember who has violated these protocols.

3. Right to Eject. While the Council is in session, both the members and the public must preserve order and decorum, and shall neither, by conversation or otherwise, delay or interrupt the meeting or the peace of the Council, nor disrupt any member while speaking or refuse to obey the orders of the Presiding Officer, except as otherwise provided in these Rules. Any person who becomes boisterous, unruly, or who physically or verbally threatens any other person while addressing the Council or while attending a Council meeting shall be asked to leave by the Presiding Officer and the Police Chief shall escort them from the Council Chambers. The Presiding Officer may also call for a recess so that measures may be taken to restore order to the meeting.
4. Hearings. Whenever the Council is conducting a public hearing on a quasi-judicial matter that affect individuals or property rights, such hearings must not only be fair, but must be free from even the appearance of unfairness. Therefore, in their consideration of such matters Councilmembers shall:
  - a. Try to avoid any ex parte contact with the individual or property owner whose rights are under consideration;
  - b. Try to avoid any public or private statements in advance of the hearing that would suggest that the Councilmember has decided the issue before the hearing.
5. Ex parte Communication. Consistent with RCW 42.36.060, if any Councilmember has had ex parte communications with opponents or proponents with respect to a quasi-judicial proposal, that Councilmember must disassociate him/herself from the proceedings, unless:
  - a. That Councilmember places on the record the substance of any written or oral ex parte communications concerning of the action; and
  - b. The Presiding Officer makes a public announcement providing for an opportunity for any party to rebut the substance of the ex parte communication.
6. Conflict of Interest. Councilmembers that disassociate themselves from participating in a public hearing due to the violation of the appearance of fairness doctrine or a conflict of interest shall leave the Council Chambers during Council consideration of a matter.

## **ACTION ITEM 5d**

### F. Voting.

1. Method. Unless otherwise provided for by statute, ordinance, or resolution, all votes shall be taken by voice; except that at the request of any Councilmember, a roll call vote shall be taken by the Clerk.
2. Tie Vote. In case of a tie vote on any proposal, the proposal shall be considered lost.
3. General. Each Councilmember shall vote on all questions put to the Council, unless a conflict of interest or an appearance of fairness question under state law is present. Unless a member of the Council states that he or she is abstaining, his or her silence shall be recorded as an affirmative vote.

- G. Adjournment. Council meetings shall adjourn at or before 10:00 p.m.; except the time may be extended in half-hour increments until 11:00 p.m. upon approval of a formal motion. At 11:00 p.m. the meeting shall be continued to a date and time certain upon approval of a formal motion. The date and time will be announced by the chair at the meeting.

### III. Officers:

- A. Mayor and Mayor Pro-Tem. The selection, duties, and powers of Mayor and Mayor Pro-tem shall be:
1. Selection. Biennially in even numbered years at the first meeting of the new Council the Councilmembers shall by majority vote choose a chairman from among their number unless it is so approved by the voters for the chairman to be elected pursuant to RCW 35A.13.033. The chairman of the Council shall have the title of Mayor (RCW 35A.13.030). Selected in the same manner as Mayor shall be a Mayor Pro-Tem.
  2. Duties as Presiding Officers. The Mayor, or in his or her absence the Mayor Pro-Tem, shall be the Presiding Officer of the Council. In the absence of both the Mayor and the Mayor Pro-Tem, the Council shall appoint one of the members of the Council to act as a temporary Presiding Officer.
  3. Powers. In addition to the powers conferred as Mayor as listed below and as set forth in state law, the Mayor shall continue to have all the rights, privileges, and immunities of a member of the Council. The Mayor shall be recognized as the head of the City for ceremonial purposes and by the governor for purposes of military law. The Mayor shall have no regular administrative duties, but in time of public danger or emergency, if so

## **ACTION ITEM 5d**

authorized by ordinance, shall take command of the police, maintain law, and enforce order.

### B. Presiding Officer's Duties. It shall be the duty of the Presiding Officer to:

1. Call the meeting to order.
2. Keep the meeting to its order of business.
3. Control discussion in an orderly manner by:
  - a. Giving every Councilmember who wishes an opportunity to speak when recognized by the Chair;
  - b. Permitting citizen comments at the appropriate times; and
  - c. Requiring all speakers to speak to the question and to observe the rules of order.
4. Decide all questions of order, subject to the right of appeal to the Council by any member.

IV. **Committees.** Ad hoc committees of Councilmembers may be appointed by the Mayor, with the concurrence of the Council, from time to time as the need arises. The members of such ad hoc committees will select the committee chairperson.

### V. **Council Meetings.**

A. **Open to the Public.** All Council Meetings shall comply with the requirements of the Open Meetings Act (RCW 42.30). All Meetings of the Council shall be open to the public. The City shall comply with the provisions of RCW 35A.12.160 regarding notice of public meetings. (*See also Section VII Electronic Media and Technology, Councilmember Communications Outside of Meetings, Open Public Meetings (OPMA) and Public Records Act (PRA).*)

### B. **Type of Meetings.**

1. **Regular Meetings.** The Council shall hold their Regular Meetings on the first and third Tuesdays of the month between 7:00 p.m. and 10:00 p.m. Should any Tuesday fall on a legal holiday, the meeting shall be held at the same hour and place *if available* on the next working day. Any change in location will be included in the regular publication notice of the meeting agenda.
2. **Workshops.** The Council may hold a workshop one hour before any regular meeting of the month. Additional workshop sessions may be scheduled as needed. Should any Tuesday fall on a legal holiday, the

## **ACTION ITEM 5d**

meeting shall be held at the same hour and place if available on the next working day. These meetings will be informal meetings for the purpose of more prolonged discussion of issues and topics selected by the City Manager or Council. Workshops may be held jointly with advisory Boards and Commissions to the Council.

3. Special Meetings. Special Meetings may be called by the Mayor by written notice delivered to each member of the Council at least twenty-four hours before the time specified for the proposed meeting. Special Meetings shall also be called by the Mayor upon the written request of any three members of the Council. The notice of such Special Meetings shall state the Subjects to be considered, and no subjects other than those specified in the notice shall be considered.

### C. Executive Sessions.

1. General. The Council may hold Executive Sessions from which the public may be excluded, for the purposes set forth in RCW 42.30.110 and RCW 42.30.140. Before convening an Executive Session, the Presiding Officer shall announce the purpose of the session, the anticipated time when the session will be concluded and shall state whether action by Council is expected following the Executive Session. Should the session require more time, a public announcement shall be made that the session is being extended.
2. Confidentiality. Councilmembers should shall keep confidential all written materials and verbal information provided to them during Executive Sessions unless otherwise agreed by a majority of Council. Confidentiality also includes information provided to Councilmembers outside of Executive Sessions when the information is considered to be exempt from disclosure by State law.
3. Ex parte Contact. If the Council, after Executive Session, has provided direction to City staff on proposed terms and conditions for City business, all contacts with any other party should be done by the designated City staff representative handling the issue. Councilmembers should obtain the permission of the City Manager prior to discussing the information with anyone other than other Councilmembers, the City Attorney, or City staff designated by the City Manager. Any Councilmember having any such contact or discussion needs to make full disclosure to the City Manager and/or Council in a timely manner.

- D. Meeting Place. Regular Council Meetings will be held at the George Gilbertson Board Room in the Snohomish School District Resource and Services Building at 1601 Avenue D or another public meeting facility as advertised. Workshops and Special Meetings will usually be held at the same location, but may be held at other appropriate locations, with proper notice.

**ACTION ITEM 5d**

E. Council Agenda.

1. Order of Business. No Legislative item shall be voted upon which is not on the agenda as approved by the Council at the meeting. The order of business for each Regular Meeting shall be as follows:

Regular Session (7:00 p.m. - 10:00 p.m.)

1. Call to Order
  2. Approve the Agenda Contents and Order
  3. Approve the Minutes of the Previous Meeting(s)
  4. Citizen Comments on items not on the agenda
  5. Proclamations or Presentations
  6. Public Hearings
  7. Action Items
  8. Discussion Items
  9. Consent Items
  10. Other Business/Information Items
  11. Councilmember Comments/Liaison Reports
  12. Manager's Comments
  13. Mayor's Comments
  14. Executive Session
  15. Reconvene Regular Session
  16. Adjourn
2. Consent Items. The City Manager in consultation with the Presiding Officer, shall place matters under the Consent Items which: (a) have been previously discussed by the Council, or (b) based on the information delivered to members of the Council by the administration, can be reviewed by a Councilmember without further explanation, or (c) are so routine or technical in nature that passage is likely. The motion to adopt Consent Items shall be non-debatable and have the effect of moving to adopt all items. Since adoption of any item under the Consent Items implies unanimous consent, any member of the Council shall have the right to remove any item. Therefore, under the item "Approve the Agenda Contents and Order", the Presiding Officer shall inquire if any Councilmembers wishes an item to be withdrawn from the Consent agenda. If any matter is withdrawn, the Presiding Officer shall place the item at an appropriate place on the agenda for deliberation at the current or a future Council Meeting.

## **ACTION ITEM 5d**

### **VI. Public Testimony.**

#### **A. Oral and Written Comments.**

1. **General.** Unless determined otherwise by a majority of Council, public comment will be allowed on all Council action items and discussion items. Time allotted shall not exceed three minutes. Any person may also speak under “Citizen Comments on items not on the Agenda” for no more than three minutes. Citizen comments regarding action and discussion items will be allowed following staff presentations and Council questions and prior to Council deliberations. Testimony given at a Public Hearing shall be limited to three minutes per person unless determined otherwise by the Presiding Officer with the concurrence of Council. Where a public hearing is scheduled (whether quasi-judicial or not) all public comment and testimony will be provided during the hearing so an adequate record can be made. Except for matters of procedure, public comment and/or testimony shall not be given during the general citizen comment portion of the agenda and will be reserved for the time of the hearing.
2. **Identification of Speakers.** Persons testifying or providing public comment should identify themselves for the record as to name, address, and organization.
3. **Time Limitations.** Individuals will be allowed three (3) uninterrupted minutes to speak. Providing that all individuals are allowed to speak at the hearing, if time permits another three (3) minutes may be allowed for added comment. At the discretion of the Presiding Officer, with the concurrence of Council, additional time for receipt of oral and written testimony may be allowed. The Mayor or his designee shall be the timekeeper.

At a quasi-judicial hearing, the burden of proof generally lies with the applicant of the action before the Council. During the public testimony portion of the meeting, the applicant and the applicant’s advisors will not be limited in presentation time and will have the opportunity for rebuttal to opposing testimony.

4. **Quasi-Judicial Items.** A quasi-judicial action is an action of the Council which determines the legal rights, duties, or privileges of specific individuals or properties, such as rezones or plat approvals.

The order of business for a quasi-judicial hearing shall be as follows:

- a. Appearance of Fairness Query
- b. Swearing in of all witnesses who intend to testify by the City Attorney
- c. Staff presentation
- d. Board or Commission recommendation

## **ACTION ITEM 5d**

- e. Applicant's statement
  - f. Council's questions of Staff, Commission, and Applicant
  - g. Citizens' testimony
  - h. Rebuttal by Applicant
  - i. Public testimony closed
  - j. Council deliberation
  - k. Council action
5. Workshops. The Council may take public comments at a Workshop meeting, but only at the discretion of the Presiding Officer and with the concurrence of Council, when appropriate and practical.
  6. Written Comments. Written materials may be submitted to the Council at the Regular Meeting at which an issue is to be considered. However the Council may not be able to consider such written comments at that time. In order for written comments to reach the Council for consideration prior to the meeting or hearing, they must be filed with the Clerk no later than 1 p.m. of the Thursday preceding the Regular Meeting for distribution to the Council with the regular agenda packet.

## **VII. Electronic Media and Technology, Councilmember Communications Outside of Meetings, Open Public Meetings (OPMA) and Public Records Act (PRA).**

- A. It is the policy of the City Council of the City of Snohomish to adhere to the Revised code of Washington (RCW) 42.30 regarding Open Public Meetings and RCW 42.56 regarding Public Records.
  1. All records, regardless of format, related to the conduct of City business reviewed, created or altered must be retained per the State of Washington Local Government Common Records Retention Schedule. (the CORE manual), pursuant to 42.56 RCW and 40.14 RCW, Preservation and Destruction of Public Records.
  2. Per state law, all documents, files, communications and messages created, reviewed or altered that are related to the conduct of City business, regardless of format, are property of the City. As a result, these documents, files, communications and messages are not private or confidential unless otherwise noted in the Revised Code of Washington. The City reserves the right to request, access, monitor, and disclose the contents of electronic messages and any record, regardless of format, related to the conduct of City business on City-issued or personal devices that Council members use. Council members should have no expectation of privacy in either sending or receiving electronic messages, or other information on the Internet, City network or other electronic media related to City Business whether done on their own personal device or on a City issued device. The City may review the public records for legal exemption

## **ACTION ITEM 5d**

or redaction pursuant to the Public Records Act RCW 42.56 or other applicable state or federal laws and may provide third party notice providing affected parties the opportunity to file for a court order to prevent or limit disclosure.

### 3. Email Accounts:

- a. For ease of public record retention and for ease of document search, councilmembers are strongly encouraged to utilize the City's assigned email account and information system for all City-related business.
- b. Subject to limited exceptions set forth in state law, e-mail accounts established through the City's information system for individual Councilmembers are considered public and subject to public disclosure laws.
- c. E-mails that are public records will be retained and archived according to City and State retention schedules.
- d. Non-City provided email accounts used by individual Councilmembers for the conduct of communicating City business will be subject to public disclosure laws. Councilmembers are responsible for preserving all City business records on their personal devices, systems and servers.

### 7. Text Messages:

Text Messages generated or received by individual Councilmembers for conducting City business on any personal device whether issued by the City or not, are subject to public disclosure laws and records retention schedules. Text messages must be retained and archived according to City and State retention schedules. Councilmembers are responsible for preserving all City business records on their personal devices, systems and servers.

### 8. Social Media:

The City of Snohomish utilizes social media sites to enhance and promote the economic development initiatives of the community and to facilitate discussion of City issues, operations and services. City of Snohomish social media sites and all content therein are subject to the State of Washington's public records laws. City and State records retention schedules apply to all social media content. Guidelines for Councilmember use of social media sites is as follows:

- a. All social media site entries should clearly indicate that any content posted is subject to public disclosure laws and records retention schedules

## **ACTION ITEM 5d**

- b. Unless the content is pre-authorized by the City Council, Councilmembers posting to any social media site, whether owned by the City or a private individual or organization social media sites, should be clear that the individual Councilmember is speaking for themselves and not on behalf of the City or the City Council.
  - c. Information that has the potential to compromise the safety or security of the public or public systems should not be posted to social media sites.
  - d. Anything that may be construed as harassment or disparagement of others based on race, national origin, sex, sexual orientation, age, disability, or religious or political beliefs will not be tolerated. This includes, but is not limited to sending threatening messages, slurs, obscenities, sexually explicit images, cartoons or messages.
9. City issued cell phones and other devices:  
Cell phones and other devices, issued by the City, to individual Councilmembers will archive all text messages and retain the records according to records retention schedules. All texting of matters relating to City business will be done on City issued devices.
10. Non-City issued Cell phones and other devices.  
Non-City issued cell phones and other devices, used by individual Councilmembers, for texting or receiving texts relating to City business, will require archiving of text messages and retention of records according to records retention schedules.
11. Records Requests/Inspection/Monitoring.
- a. All Council members are required to work collaboratively with the City Clerk's Office for access to a personal or City-issued electronic device when responding to a public records request.
  - b. The City needs to be able to respond to proper requests resulting from public records request and legal proceedings that call for electronically-stored evidence. Therefore, the City must, and does, maintain the right and the ability to access City provided electronics and City email accounts and to inspect and review any and all data recorded in those applications and files. Because the City reserves the right to obtain access to all electronic mail messages left on or transmitted over these applications, Councilmembers should not assume that such messages are private and confidential or that the City or its designated representatives will not have a need to access and review this information.

**ACTION ITEM 5d**

- c. The City reserves the right to regularly monitor electronic mail messages, information and all documents. The City will inspect the contents of computers or electronic mail in the course of an investigation.

12. Executive Session.

It is recommended that Councilmembers have no electronic communications during executive sessions.

- B. The following is a list of prohibited uses of City communication applications or devices:

1. Transmitting any material or messages in violation of Federal, State, Local law, Ordinance, Regulation or City policy.
2. Distributing sensitive or confidential information, per RCW 42.23.070, Code of Ethics for Municipal Officers, Prohibited Acts.
3. Distributing unauthorized broadcast messages, soliciting or proselytizing others for commercial ventures, religious or political causes, or other non-job related matters except as provided elsewhere in this policy.
4. Accessing or distributing offensive or pornographic materials.
5. Using City-provided electronic media and devices for personal use, to accomplish personal gain, or to manage a personal business.
6. Downloading or distributing copyrighted materials not owned by the City, including software, photographs, or any other media except when authorized by the City Manager or Information Services Manager as it pertains to work related uses.
7. Developing or distributing programs that are designed to infiltrate computer systems internally or externally (viruses) or intentionally disrupting network traffic or crashing the network and connected systems.
8. Accessing or downloading any resource for which there is a fee without prior appropriate City Council authorization / approval and authorized by the City Manager or Information Services Manager.
9. Representing yourself as another user or employee, forging electronic mail messages, unauthorized access of others' files with no substantial business purpose, or vandalizing the data of another user.

## **ACTION ITEM 5d**

10. Attempting to access any system, which Council member is not authorized to access (hacking).
11. Giving your user name and password to anyone, except the Information Services Manager or designee for any purpose.
12. Inappropriate use, which is deemed by the City Council Policy or City Policies to be a violation of the intended purpose of any electronic media.

### C. Councilmember Communications.

1. All written communications, including letters and electronic messages, responding to citizens should be distributed to all other Councilmembers and the City Clerk. However, to prevent a violation of the Open Public Meetings Act and a “serial Council meeting” the Council members should not reply “all” or have communications with more than two other members of the Council body.
2. The use of City letterhead by individual Councilmembers for communications to constituents or to other governmental entities shall not be allowed unless approved by Council majority.
3. Within the text of correspondence from Councilmembers to constituents, governmental entities, and community organizations, the Councilmember should not characterize or attempt to describe the views and actions of other Councilmembers in order to ensure that those Councilmembers have an opportunity to characterize their own views and actions.
4. The substance of phone calls by the Mayor to citizens or to officers of other governmental entities should be shared via email or other communication method whenever these phone discussions involve issues of significance for the Council as a whole. However, to prevent a violation of the Open Public Meetings Act and a “serial Council meeting” the Council members should not reply “all” or have communications with more than two other members of the Council body.
5. Letters to the editor for publication in newspapers, magazines and electronic or Internet-based publications submitted by individual Councilmembers should not represent the Councilmember’s personal views as those of the City or the City Council unless specifically directed to do so by the City Council.

VIII. **Periodic Review**. It is the intent of the City Council that Council procedures be periodically reviewed as needed, but no less than every two years. Therefore Council procedures shall be reviewed in the month of January of every even numbered year, and may be amended at any other time that the Council shall choose.

**ACTION ITEM 5d**

IX. **Effect/Waiver of Rules.** These rules of procedure are adopted for the sole benefit of the members of the City Council to assist in the orderly conduct of Council business. These rules of procedure do not grant right or privileges to members of the public or third parties. Failure of the City Council to adhere to these rules shall not result in any liability to the City, its officers, agents, and employees, nor shall failure to adhere to these rules result in invalidation of any Council act. The City Council may, by a majority vote, determine to temporarily waive any of the provisions herein. These rules shall be effective upon the date of adoption as set forth below.

**PASSED** by the City Council and **APPROVED** by the Mayor this \_\_\_\_\_ day of \_\_\_\_\_, 2016.

CITY OF SNOHOMISH

\_\_\_\_\_  
Karen Guzak, Mayor

ATTEST:

\_\_\_\_\_  
Pat Adams, City Clerk

APPROVED AS TO FORM:

\_\_\_\_\_  
Grant Weed, City Attorney

**ACTION ITEM 5d**

## **ACTION ITEM 5e**

**Date:** February 2, 2016  
**To:** City Council  
**From:** Jennifer Olson, Finance Director  
**Subject:** **Adopt Ordinance 2299 - Amending Snohomish Municipal Code Relating to the Imposition of Fees**

---

The purpose of this agenda item is for City Council consideration and adoption of proposed Ordinance 2299 (See Attachment) which will update the related Snohomish Municipal Codes (SMC) that currently refer to a specific fee amount within the SMC to language that will refer all fees that are imposed to be found within a fee schedule to periodically be updated by City Council Resolution.

**Background:** As part of the City Council 2015 annual goals, staff was directed to review all fees for goods, services, functions and programs provided by the City. Examples of services include business licensing, land use applications and permits, park fees and other charges imposed. On January 19, 2016, staff reviewed all fees, proposed new fee changes and presented a new fee schedule format that consolidated all fees into a comprehensive fee schedule.

Ordinance 2299, first reviewed by City Council on January 19, 2016, identifies the Snohomish Municipal Code chapters that require amendments to reflect the reference to a fee schedule rather than a specific fee within the code.

**STRATEGIC PLAN REFERENCE:** This action is related to all Strategic Plan initiatives.

**RECOMMENDATION:** That the City Council **ADOPT Ordinance 2299, amending Snohomish City Codes that reference a fee amount to reference a fee schedule approved by City Council Resolution.**

**ATTACHMENT:** Proposed Ordinance 2299

**ACTION ITEM 5e**

**CITY OF SNOHOMISH  
Snohomish, Washington**

**DRAFT ORDINANCE 2299**

**AN ORDINANCE OF THE CITY OF SNOHOMISH, WASHINGTON, AUTHORIZING CODE SECTIONS RELATING TO IMPOSITION OF FEES FOR GOODS, SERVICES AND FUNCTIONS PROVIDED BY THE CITY AND AMENDING SNOHOMISH MUNICIPAL CODE CHAPTER 3.45 ENTITLED “FINANCE CHARGES” AND CHAPTER 5.70 ENTITLED “WAYFINDING SIGNS” AND SECTIONS 3.16.080 ENTITLED “LATE PAYMENT FEE”, 3.18.060 ENTITLED “LATE PAYMENT FEE”, 3.20.010 ENTITLED “APPLICATION FEE”, 5.08.060 ENTITLED “APPLICATION”, 5.10.085 ENTITLED “CLEANING/DAMAGE DEPOSIT”, 5.36.030 ENTITLED “APPLICATION FOR PERMIT AND LICENSE”, 5.36.050 ENTITLED “LICENSE FEES”, 5.53.040 ENTITLED “TAX PAYMENTS”, 5.60.030 ENTITLED “ADULT CABARET, ADULT DRIVE-IN THEATER, ADULT MOTION PICTURE THEATER LICENSES”, 5.60.040 ENTITLED “ADULT MOTION PICTURE THEATER OR ADULT DRIVE-IN THEATER MANAGER, PROJECTIONIST, USHER AND SECURITY PERSONNEL LICENSES”, 5.60.050 ENTITLED “ADULT CABARET MANAGER, ASSISTANT MANAGER, SECURITY PERSONNEL AND ENTERTAINER LICENSES”, 5.62.030 ENTITLED “ADULT PANORAM LICENSE”, 5.62.040 ENTITLED “ADULT PANORAM MANAGER AND ASSISTANT MANAGER LICENSES”, 7.08.040 ENTITLED “DANGEROUS DOGS AND POTENTIALLY DANGEROUS DOGS CERTIFICATE OF REGISTRATION REQUIRED PREREQUISITES”, 9.04.170 ENTITLED “FINGERPRINTING”, 9.04.175 ENTITLED “BACKGROUND CHECKS”, 9.04.180 ENTITLED “FALSE FIRE ALARM RESPONSE”, 11.08.300 ENTITLED “IMMOBILIZATION FEE”, 11.12.050 ENTITLED “PERMIT FEE”, 12.52.030 ENTITLED “FUNCTIONS OF THE DISTRICT”, 13.04.155 ENTITLED “SCHEDULING PARK SPACES AND FACILITIES”, 14.300.070 ENTITLED “SCHEDULE OF PARK IMPACT FEES”, 15.04.143 ENTITLED “DEFERRAL OF CONNECTION FEE AND CAPITAL FACILITIES CHARGE”, 20.04.060 ENTITLED “LICENSE – APPLICATION – CONTENTS – INSPECTION FEE”, 20.04.070 ENTITLED “LICENSE – FEE”, 20.04.100 ENTITLED “LICENSE – TRANSFERABILITY” PROVIDING FOR SEVERABILITY AND EFFECTIVE DATE**

**WHEREAS**, the City Council finds a Fee Schedule to list all fees charged by the City is beneficial to avoid confusion; and

**WHEREAS**, it is appropriate that fees be amended by resolution of the City Council from time to time as the need arises; and

**WHEREAS**, a Fee Schedule describing the various fees is a much more efficient process for establishing fees then citing the fees in City Code,

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

## **ACTION ITEM 5e**

Section 1. SMC Section 3.16.080 entitled “Late Payment Fee” is hereby amended as follows:

As to all taxes due under this chapter, beginning with tax to be paid for the month of October, 1996, if said tax is not paid on or before the date specified in the various sections of this chapter, a late payment penalty shall accrue and be added to the tax due as follows:

If any tax is not paid within 45 days of its due date, a penalty shall be added ~~equal to five percent (5%) of the tax, with a minimum penalty of \$2.00~~ and the City Council shall set the fee under this section by resolution.

Section 2. SMC Section 3.18.060 entitled “Late Payment Fee” is hereby amended as follows:

As to all taxes due under this chapter, beginning with the tax to be paid on the 20th day of the month following the effective date of imposition of a tax on admissions, if said tax is not collected and remitted by said 20th day, a late payment penalty shall accrue, be fixed, levied and added to the tax collection due from the business as follows:

If any tax is not collected and remitted within forty-five (45) days of its due date, a penalty shall be added ~~equal to five percent (5%) of the tax, with a minimum penalty of TWO DOLLARS (\$2)~~ and the City Council shall set the fee under this section by resolution.

Section 3. SMC Section 3.20.010 entitled “Application Fee” is hereby amended as follows:

The application fee for applications under the Open Space Taxation Act shall be  ~~fifty dollars (\$50) plus one dollar (\$1) per acre, or any part thereof, as specified by the applicant in his or her application~~  set by resolution of the City Council.

Section 4. A new SMC Chapter 3.45 entitled “Finance Charges” is hereby enacted to read as follows:

- 3.45.010 Audio Tape**
- 3.45.020 Copying fees**
- 3.45.030 CD/DVD**
- 3.45.040 Non-Sufficient Funds Fee**
- 3.45.050 Staff Charge-out Rates**

### **3.45.010 Audio Tape**

Any person that requests an audio tape copy from the City shall pay the fee as set by resolution of the City Council.

### **3.45.020 Copying fees**

Any person that requests copies from the City shall pay the appropriate fees as set by resolution of the City Council. Copying fees for public records requests are charged in accordance with state law.

### **3.45.030 CD/DVD**

## **ACTION ITEM 5e**

Any person that requests a CD/DVD copy from the City shall pay the fee as set by resolution of the City Council.

### **3.45.040 Returned Check Fee**

Any check that is paid to the City and returned for non-sufficient funds (“NSF”) shall pay the fee as set by resolution of the City Council.

### **3.45.050 Staff Charge-out Rates**

Other reimbursements required by City shall be set by resolution of the City Council.

Section 5. SMC Section 5.08.060 entitled “Application” is hereby amended as follows (all other provisions of Section 5.08.060 remain in effect and unchanged):

A. An applicant for an initial franchise shall submit to the City a written application on a form provided by the City, at the time and place specified by the City for accepting applications, and accompanied by the designated application fee. An application fee ~~in the amount of \$20,000~~ set by resolution of the City Council shall accompany the application to cover costs associated with processing the application, including, without limitation, costs of administrative review, financial, legal, and technical evaluation of the applicant, notice and publication requirements, and document preparation expenses. In the event such costs exceed the application fee, the applicant shall pay the difference to the City within thirty (30) days following receipt of an itemized statement of such costs. Conversely, if such costs are less than the application fee, the City shall refund the difference to the applicant.

...

Section 6. SMC Section 5.10.020 entitled “Permit and Contract requirements” is hereby amended as follows (all other provisions of Section 5.10.020 remain in effect and unchanged):

...

C. When a special event will be an exercise of rights protected by the First and Fourteenth Amendments to the United States Constitution, the application shall be processed promptly, without charging a fee for political or religious activities or imposing terms or conditions that infringe constitutional freedoms, and in a manner that respects the liberty of applicants and the public.

D. All permit applications shall be accompanied by an application fee to be set by resolution of the City Council; unless otherwise noted in this chapter.

Section 7. SMC Section 5.10.085 entitled “Cleaning/Damage Deposit” is hereby amended as follows:

For an event not protected by the First and Fourteenth Amendments to the United States Constitution, an applicant may be required to submit to the City a cleaning/damage deposit of \$200 for each scheduled day of the event, two weeks prior to the starting of the event. The amount of the deposit shall be set by resolution of the City Council. The deposit shall be refunded to applicant if, upon inspection, all is in order, or a prorated portion thereof as may be necessary to reimburse the City for loss or cleaning costs. The

**ACTION ITEM 5e**

City reserves the right to retain the entire deposit if cleanup is not completed satisfactorily in the time frame as specified in the special events contract

Section 8. SMC Section 5.36.030 entitled “Application for Permit and License” is hereby amended as follows (all other provisions of Section 5.36.030 remain in effect and unchanged):

...

(I) At time of filing the application, pay the City Clerk a fee of ~~twenty-five dollars (\$25)~~ set by resolution of the City Council to cover cost of investigation of applicant;

...

Section 9. SMC Section 5.36.050, entitled “License Fees” is hereby amended as follows:

License fees to be charged such applicants shall be ~~at the rate of fifteen dollars (\$15) per year, ten dollars (\$10) per month, or two dollars (\$2) per day~~ set by resolution of the City Council and no portion thereof shall be refunded in the event of cancellation thereof as hereinafter provided.

Section 10. SMC Section 5.60.030 entitled “Adult Cabaret, Adult Drive-In Theater, Adult Motion Picture Theater Licenses” is hereby amended as follows (all other provisions of Section 5.60.030 remain in effect and unchanged):

...

(C) A nonrefundable application fee, ~~of \$700.00~~ set by resolution of the City Council must be paid at the time of filing an application in order to defray the costs of processing the application. The annual renewal fee shall be ~~\$500.00~~ set by resolution of the City Council.

...

Section 11. SMC Section 5.60.040 entitled “Adult Motion Picture Theater or Adult Drive-In Theater Manager, Projectionist, Usher and Security Personnel Licenses” is hereby amended as follows (all other provisions of Section 5.60.040 remain in effect and unchanged):

(A) No person shall work as a manager, assistant manager, projectionist, usher or security personnel at an adult drive-in theater or adult motion picture theater without a manager, assistant manager, projectionist, usher or security personnel license from the City. Each applicant for a license shall complete an application on forms provided by the City containing the information identified below. A nonrefundable application fee, ~~of \$100.00~~ set by resolution of the City Council, shall accompany the application for a manager or assistant manager. A nonrefundable fee, ~~of \$25.00~~ set by resolution of the City Council shall accompany the application for a projectionist, usher or security personnel. A copy of the application shall be provided to the Police Department for its review, investigation and recommendation. All applications shall be signed by the applicant and certified to be true under penalty of perjury. Each license application shall require the following information:

...

**ACTION ITEM 5e**

(D) A license issued under this section shall be valid for one year and must be annually renewed. The annual renewal fee for a manager or assistant manager shall be ~~\$75.00~~ set by resolution of the City Council. The annual renewal fee for a projectionist, usher or security personnel shall be ~~\$20.00~~ set by set by resolution of the City Council.

Section 12. SMC Section 5.60.050 entitled “Adult Cabaret Manager, Assistant Manager, Security Personnel and Entertainer Licenses” is hereby amended as follows:

(A) No person shall work as a manager, assistant manager, security personnel or adult entertainer at an adult cabaret without an entertainer's, managers, or security personnel's license from the City. Each applicant for a manager's, security personnel's or entertainer's license shall complete an application on forms provided by the City containing the information identified below. A nonrefundable application fee, ~~of \$100.00~~ as set by resolution of the City Council, shall accompany the application. A copy of the application shall be provided to the Police Department for its review, investigation and recommendation. All applications shall be signed by the applicant and certified to be true under penalty of perjury. The license application shall require the following information:

...

(E) A license issued under this section shall be valid for one year and must be annually renewed. The annual renewal fee for a manager, assistant manager, adult entertainer or for security personnel shall be ~~\$75.00~~ set by resolution of the City Council.

Section 13. SMC Section 5.62.030 entitled “Adult Panoram License” is hereby amended as follows (all other provisions of Section 5.62.030 remain in effect and unchanged):

...

(C) A nonrefundable application fee, ~~of \$700.00~~ set by resolution of the City Council, must be paid at the time of filing an application in order to defray the costs of processing the application. The annual renewal fee shall be ~~\$500.00~~ set by resolution of the City Council.

...

Section 14. SMC Section 5.62.040 entitled “Adult Panoram Manager and Assistant Manager Licenses” is hereby amended as follows (all other provisions of Section 5.62.040 remain in effect and unchanged):

...

(D) A license issued under this section shall be valid for one year and must be annually renewed. The annual renewal fee for a manager or assistant manager shall be ~~\$75.00~~ set by resolution of the City Council.

Section 15. A new SMC Chapter 5.70 entitled “Wayfinding Signs” is hereby enacted to read as follows:

## **ACTION ITEM 5e**

### **5.70.010 Fees**

Any business that requests placement of a downtown wayfinding sign shall pay a fee as set by resolution of the City Council for the first year. The annual renewal fee shall be set by resolution of the City Council.

Section 16. SMC Section 7.08.040 entitled “Dangerous Dogs and Potentially Dangerous Dogs Certificate of Registration Required Prerequisites” is hereby amended as follows (all other provisions of Section 7.08.040 remain in effect and unchanged):

...

(B) The City of Snohomish shall issue a certificate of registration to the owner of a dangerous dog or potentially dangerous dog upon payment of a ~~one hundred dollar (\$100.00)~~ registration fee, set by resolution of the City Council, if the owner presents to the City of Snohomish sufficient evidence of:

...

Section 17. A new SMC Section 9.04.170 entitled “Fingerprinting” is hereby enacted to read as follows:

Any person that requires fingerprinting shall pay the appropriate fee as set by resolution of the City Council. The fee shall cover two cards.

Section 18. A new SMC Section 9.04.175 entitled “Background Checks” is hereby enacted to read as follows:

Any person that requires a background check shall pay the fee set by resolution of the City Council.

Section 19. A new SMC Section 9.04.180 entitled “False Fire Alarm Response” is hereby enacted to read as follows:

Any person that causes a response to a false fire alarm shall pay the appropriate fee as set by resolution of the City Council.

Section 20. SMC Section 11.08.300 entitled “Immobilization Fee” is hereby amended as follows:

Any vehicle immobilized shall be assessed an ~~fifty dollar~~ immobilization fee as set by resolution of the City Council, said fee to be in addition to any other penalty assessed pursuant to this chapter.

Section 21. SMC Section 11.12.050 entitled “Permit Fee” is hereby amended as follows:

The fee for special permits shall be ~~\$50.00 per permit per vehicle~~ set by resolution of the City Council. Permits may be issued for any reasonable period of time not exceeding one year. The fee shall be collected by the City Treasurer as a condition of the issuance of any permit.

Section 22. SMC Section 12.12.180 entitled “Variances” is hereby amended as follows (all other provisions of Section 12.12.180 remain in effect and unchanged):

**ACTION ITEM 5e**

The land use hearing examiner shall have authority to grant variances from any and all provisions of this ordinance and any standards adopted hereunder. All applications for a variance shall be in writing to the City Clerk and shall be accompanied by a ~~\$500.00 application fee set by resolution of the City Council~~. The applicant shall be given ten (10) days' notice of the date on which the land use hearing examiner shall consider the variance. The land use hearing examiner may grant a variance only upon a finding that all of the following facts and conditions exist:

...

Section 23. SMC Section 12.20.160 entitled "Permit Fee Schedule" is hereby amended as follows:

Every applicant for a permit to do work regulated by this code shall, at the time of making such application, pay a permit fee ~~in accordance with the following schedule: set by resolution of the City Council~~

~~A. For all work consisting of patching and minor repairing of a sidewalk or driveway which does not involve the removal of the existing improvement: none;~~

~~B. For all work consisting of reconstruction of a sidewalk or driveway requiring removal and replacement of all or a portion of the existing improvement, and all new construction of a sidewalk or driveway where one did not previously exist: five dollars.~~

Section 24. SMC Section 12.40.020 entitled "Building Moving – License Fee" is hereby amended as follows:

The license fee for the removal of buildings in, upon, or along any of the places mentioned in Section 12.40.010 hereof, shall be ~~the sum of five dollars per day or part thereof, and for each day or part of a day said building is upon any of said places therein mentioned.~~ set by resolution of the City Council

Section 25. SMC Section 13.04.155 entitled "Scheduling Park Spaces and Facilities" is hereby amended to read as follows (all other provisions of Section 13.04.155 remain in effect and unchanged):

...

E. Any fees associated with park or park shelter usage shall be set by resolution of the City Council.

Section xx. SMC Section 14.290.040 entitled "Establishment of Impact Fees" is hereby amended as follows:

<b>Development</b>	<b>Per Dwelling Impact Fee</b>
Single-Family Dwelling	\$896 change
Studio or one-bedroom	\$0

**ACTION ITEM 5e**

multifamily dwelling  
Multifamily dwelling \$0  
with two or more  
bedrooms

The impact fee shall be set by resolution of the City Council

Section 26. SMC Section 14.300.070 entitled “Schedule of Park Impact Fees” is hereby amended as follows:

The impact fee shall be ~~as follows:~~ set by resolution of the City Council

Land Use Activity	Fee
Single Family Dwelling Unit	\$4,150 per unit
Multi Family Dwelling Unit	\$3,600 per unit

Section 27. SMC Section 15.04.143 entitled “Deferral of Connection Fee and Capital Facilities Charge” is hereby amended as follows:

An owner or owners of a lot or parcel for which one or more new utility connections or one or more larger water meters are required or requested may apply to the City for deferral of the Utility Connection Fee and the Utility Capital Facility Charge for a maximum period of one year from the date of issuance of associated permits. A deferral shall be subject to execution of an agreement with the City to pay a surcharge added to his/her combined utility billing calculated as follows:

The surcharge shall be the sum of the Utility Connection Fee and the Utility Capital Facility Charge increased by an interest factor determined by the City to reflect the City’s cost of borrowed money for the term of the deferral plus an administrative fee ~~of one hundred dollars (\$100)~~ set by resolution of the City Council. Interest shall be calculated for and compounded at two month intervals until the obligation is fully paid. All unpaid charges and interest shall be due with the utility billing following the close of twelve month deferral term.

Said agreement shall be memorialized in writing in a form approved by the City Attorney and shall authorize the City to record a lien against the lot or parcel for which the surcharge is due. Upon execution of the agreement and recording a lien against the lot or parcel, the owner or owners shall receive a deferral equal to the full amount of the Utility Connection Fee and the Utility Capital Facility Charge. If timely payment is not received with the first utility billing twelve months after permit issuance, water service to the property may be shut off without notice until the final payment is remitted and/or the City may foreclose on the lien.

Payment of all other charges due for applicable utility connection(s), including, but not limited to, applicable Project Development Fees pursuant to SMC 15.04.126, shall be made at the time of permit issuance.

Section 28. SMC Section 20.04.060, entitled “License – Application –Contents – Inspection Fee” is hereby amended as follows:

**ACTION ITEM 5e**

Every application for a license to operate a trailer camp in the City shall be in writing upon a form provided by the City for that purpose and shall state the name and mailing address of the applicant, a description of the property whereon and wherein it is proposed to conduct such a trailer camp, the name and address of the person who will be manager of and responsible for same, and all other information as required by the application form, which application shall be filed with the City Clerk not less than ten days before the trailer campground is to be made ready for use, and shall be accompanied by an inspection fee of ~~fifteen dollars~~ set by resolution of the City Council, for which the City Treasurer shall issue a receipt to the applicant.

Section 29. SMC Section 20.04.070 entitled “License – Fee” is hereby amended as follows:

The fee for a trailer camp license shall ~~be and is hereby fixed in amount of one dollar per annum for each trailer that said camp is equipped to accommodate, with a minimum license fee hereby fixed in amount of twenty five dollars per annum~~ set by resolution of the City Council.

Section 30. SMC Section 20.04.100 entitled “License – Transferability” is hereby amended as follows:

A trailer camp license may be transferred to a transferee approved by the City Council upon payment of a ~~five dollar transfer fee~~ set by resolution of the City Council.

Section 31. Severability. If any section, subsection, paragraph, sentence, clause, or phrase of this ordinance or its application to any person or circumstance be declared unconstitutional or otherwise invalid for any reason, or should any portion of this ordinance be preempted by state or federal law or regulation, such a decision or preemption shall not affect the validity or constitutionality of the remaining portions of this ordinance or its application to any other persons or circumstances.

Section 32. Effective Date. This ordinance shall be effective five days after adoption and publication by summary.

**ADOPTED** by the City Council and **APPROVED** by the Mayor this \_\_\_\_ day of \_\_\_\_\_, 2016.

CITY OF SNOHOMISH

By \_\_\_\_\_  
MAYOR KAREN GUZAK

ATTEST:

APPROVED AS TO FORM:

By \_\_\_\_\_  
PAT ADAMS, CITY CLERK

By \_\_\_\_\_  
GRANT K. WEED, CITY ATTORNEY

**ACTION ITEM 5f**

**Date:** February 2, 2016  
**To:** City Council  
**From:** Jennifer Olson, Finance Director  
**Subject:** **Resolution 1340 – Adoption of Fee Schedule**

---

The purpose of this agenda item is for City Council approval of Resolution 1340 (See Attachment A) which will update the City of Snohomish Fee Schedule.

**Background:** As part of the City Council 2015 annual goals, staff was directed to review all fees for goods, services, functions and programs provided by the City. Examples of services include business licensing, land use applications and permits, park fees and other charges imposed.

On January 19, 2016, staff reviewed all fees, proposed new fee changes and presented Resolution 1340 containing a new fee schedule format that consolidated all fees into a comprehensive fee schedule.

**STRATEGIC PLAN REFERENCE:** This action is related to all Strategic Plan initiatives.

**RECOMMENDATION:** That the City Council **APPROVE Resolution 1340 updating the City of Snohomish Fee Schedule.**

**ATTACHMENT:** Resolution 1340

**ACTION ITEM 5f**

**CITY OF SNOHOMISH  
Snohomish, Washington**

**DRAFT RESOLUTION 1340**

**A RESOLUTION OF THE CITY OF SNOHOMISH, WASHINGTON  
AMENDING CERTAIN SECTIONS OF THE MASTER FEE SCHEDULE  
AND READOPTING EXISTING UNCHANGED SECTIONS AND  
REPEALING RESOLUTION 1274 AND RESOLUTION 1282 AND  
RESOLUTION 1285**

**WHEREAS**, by approval of Resolution 1274 on June 21, 2011, the City Council adopted a Fee Schedule that consolidated fees, previously enacted fees and other charges through approval of separate resolutions; and

**WHEREAS**, by approval of Resolution 1282, the City Council established new water and sewer connection fees, utility capital facility charges, and project development fees, which are not incorporated in the current Fee Schedule; and

**WHEREAS**, by approval of Resolution 1285, the City Council consolidated development fees, previously enacted fees and other charges through approval of separate resolutions; and

**WHEREAS**, it is appropriate that the Fee Schedule be amended from time to time as the need arises; and

**WHEREAS**, the Fee Schedule format has been further consolidated and revised in a format that is easy to search for fees identified in the Snohomish City Code

**NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF SNOHOMISH, WASHINGTON:**

**Section 1. Adoption of Fee Schedule.** The fees and rates set forth by the City of Snohomish Master Fee Schedule, attached hereto as Exhibit A, are hereby adopted and shall be in effect until modified by action of the City Council.

**Section 2. Repeal of Previous Resolutions.** Resolution 1274 and Resolution 1282 and Resolution 1285 are hereby repealed.

**Section 3. Publication.** This Resolution shall be available at [www.snohomishwa.gov](http://www.snohomishwa.gov)

**Section 4. Severability.** If any portion of this Resolution, or of the Fee Schedule hereby adopted, is declared unconstitutional or otherwise unlawful, the same shall not affect the balance of the Resolution or the Fee Schedule, and the remainder of this Resolution and the Fee Schedule shall remain in full force and effect.

**ACTION ITEM 5f**

**PASSED** by the City Council and **APPROVED** by the Mayor this \_\_\_\_ day of February, 2016.

CITY OF SNOHOMISH

By \_\_\_\_\_  
Karen Guzak, Mayor

Attest:

Approved as to form:

By \_\_\_\_\_  
Pat Adams, City Clerk

By \_\_\_\_\_  
Grant K. Weed, City Attorney



# CITY OF SNOHOMISH

*Founded 1859, Incorporated 1890*

116 UNION AVENUE SNOHOMISH, WASHINGTON 98290 TEL (360) 568-3115 FAX (360) 568-1375

## **Fee Schedule**

### **Exhibit A to Resolution 1340 - Adopted February 2, 2016**

Section 1	General Provisions .....	2
Section 2	Fee Schedule by SMC.....	3-6

## **ACTION ITEM 5f**

### **City of Snohomish Fee Schedule Section 1: General Provisions**

- 1.1 Definitions: For the purpose of this resolution and the administration of fees, rates, and charges, the following definitions shall apply:
- a. “Associate” user is a group that has shown responsible facility usage for at least three facility use events, has a group coordinator that has shown a record of responsible cleanup and lockup, and provides a level of cleanup above and beyond the condition of the facility prior to the event (such as extra mopping, dusting, wiping).
  - b. “Permit Fee” means the total sum of the fees specified herein for a specified scope of work. For example, where the Fee Schedule specifies a base fee and a fee for specific equipment, fixtures, or decisions, the permit fee shall be the sum of those applicable fees.

**City of Snohomish Fee Schedule  
Section 2: Fee Schedule by SMC**

<b>SMC</b>	<b>FEE TYPE</b>	<b>PROPOSED FEE</b>	<b>DESCRIPTION/DETAIL</b>
<b>CHAPTER 3</b>	<b>FINANCE</b>		
3.16.080	Occupation Tax Late Fee	5% of Tax	Minimum late fee \$2.00
3.18.060	Admissions Tax Late Fee	5% of Tax	Minimum late fee \$2.00
3.20.010	Open Space Application Fee	\$50 plus \$1/per acre	
3.45.010	Audio Tape	\$5	
	Copying - Public Records Request	Fee As Per RCW	
	Copying (per 8 1/2" x 11" page) - B/W	\$0.15	
	Copying (per 8 1/2" x 11" page) - Color	\$0.35	
	Copying (per 8 1/2" x 14" page) - B/W	\$0.40	
	Copying (per 8 1/2" x 14" page) - Color	\$1	
	Copying (per 11" x 17" page) - B/W	\$1	
	Copying (per 11" x 17" page) - Color	\$1	
	Copying (per 16" x 16" page) - B/W	\$3	
	Copying (per 16" x 16" page) - Color	\$5	
	Copying (per 24" x 36" page) - B/W	\$7	
	Copying (per 24" x 36" page) - Color	\$10	
	Copying (per 36" x 48" page) - B/W	\$15	
	Copying (per 36" x 48" page) - Color	\$18	
	Copying (per 42" x 48" page) - B/W	Actual	
	Copying (per 42" x 48" page) - Color	Actual	
3.45.030	CD/DVD	\$55	Includes time & material costs
3.45.040	NSF Fee	\$45	For checks over \$5,000 - additional bank charges will be applied
	City Manager	\$95	
	City Clerk	\$60	
	Economic Development Manager	\$65	
	Office/Clerical	\$30	
	Finance Director	\$75	
	Accounting	\$55	
	Planning Director	\$70	

**ACTION ITEM 5f**

<b>SMC</b>	<b>FEE TYPE</b>	<b>PROPOSED FEE</b>	<b>DESCRIPTION/DETAIL</b>	
<b>3.45.050</b>	Associate Planner	\$45		
	Permit Coordinator	\$35		
	Building Official/Fire Marshall	\$60		
	Snohomish Fire District	\$75		
	Public Works Director	\$80		
	City Engineer	\$65		
	Sr. Utilities Engineer	\$60		
	Project Engineer/Project Manager	\$60		
	Field Engineering Technician	\$45		
	Division Lead	\$45		
	Plant Operator	\$45		
	Information Service Technician	\$55		
	<b>CHAPTER 5</b>	<b>BUSINESS REGULATION-LICENSING</b>		
		0 - 4 employees	\$25	
	5 - 8 employees	\$55		
	9 - 10 employees	\$100		
	11 - 15 employees	\$125	only residential fees increase by #/empl	
	16 - 20 employees	\$150		
	21 - 30 employees	\$200		
	31 - 40 employees	\$250		
	41 or more employees	\$425		
	Non-resident	\$25		
	Farmers' Market Vendor	\$25		
	Non-profit Business License	\$0		
	Annual Renewal	same as new		
	Special Event	\$5		
	License Transfer	\$10	Transfer license from one location to another within the city	
	Monthly Late Fee	\$10	Monthly late fee each month after license expires	

**ACTION ITEM 5f**

<b>SMC</b>	<b>FEE TYPE</b>	<b>PROPOSED FEE</b>	<b>DESCRIPTION/DETAIL</b>
5.02.070	PBLA - Retail		
	Mall Space(s)	\$25	
	<=150 sf	\$25	
	151 sf to 500 sf	\$50	
	501 sf to 1,000 sf	\$100	
	1,001 sf to 1,500 sf	\$150	
	1,501 sf to 2,000 sf	\$200	
	>=2,0001 sf	\$250	
	PBLA - Monthly Late Fee	\$15	PBLA - Monthly late fee each month after license expires
	PBLA - Non Retail		
<=500 sf	\$25		
501 sf to 1,000 sf	\$50		
1,001 sf to 1,500 sf	\$75		
1,501 sf to 2,000 sf	\$100		
>=2,0001 sf	\$125		
PBLA - Monthly Late Fee	\$15	PBLA - Monthly late fee each month after license expires	
Financial Institutions	\$250		
Hotels, Motels, and Bed & Breakfasts	\$12.50 per rm		
Franchise Application Fee	Actual Costs		
Franchise -Reimbursement	Actual Costs	Actual expenses for sale/transfer/control change/use of ROW	
Cable TV Franchise application	\$20,000	Plus any additional actual costs over \$20,000 initial fee	
Special Event Permit	\$0		
Special Event-Policing Services	Actual Costs	Pass-through As Per SCSO DSA Fee Schedule	
Special Event - Cleaning/Damage Deposit	\$200	Special event deposit shall be refunded after inspection and may be prorated as appropriate	
5.10.085			

**ACTION ITEM 5f**

<b>SMC</b>	<b>FEE TYPE</b>	<b>PROPOSED FEE</b>	<b>DESCRIPTION/DETAIL</b>
5.36.030	Solicitors or Canvassers - Investigation Fee	\$25	
5.36.050	Solicitors or Canvassers - License	\$15/year \$10/month \$2/day	
5.44	Taxicab	\$25	Plus standard Business License and proof of insurance required
5.60.030	Adult Business - New Application	\$700 Plus	Per employee fee - \$100/manager \$25/each employee
5.60.040			
5.60.050	Adult-Business- Renewal	\$500 Plus	Per employee fee - \$75/manager \$20/each employee
5.62.030			
5.62.040			
5.70.010	Downtown wayfinding sign-First Year	\$150	
	Downtown Wayfinding-Renewal	\$75	
	Downtown kiosk	\$0	
<b>CHAPTER 7</b>	<b>ANIMAL CONTROL</b>		
7.08.040	Dangerous dog registration	\$100	
	Tag-Annual-Altered dog	\$10	
	Tag-Lifetime-Altered dog	\$25	
7.12.010	Tag-Senior-Altered dog	\$0	9+years old
	Tag-Unaltered dog	\$36	
	Tag-Service dog	\$0	Certification required
	Tag-Police dog	\$0	
	Replacement Dog Tag	\$1	
7.12.020	Kennel License - private	\$125	Kennel License private kennel or cattery
	Kennel License - commercial	\$175	Kennel License commercial kennel or cattery
7.12.030	Animal Impound	\$50	
<b>CHAPTER 8</b>	<b>HEALTH &amp; SANITATION</b>		
8.12.040	Solid Waste Collection	as per resolution	

**ACTION ITEM 5f**

<b>SMC</b>	<b>FEE TYPE</b>	<b>PROPOSED FEE</b>	<b>DESCRIPTION/DETAIL</b>
<b>CHAPTER 9</b>	<b>PUBLIC PEACE &amp; SAFETY</b>		
9.04.170	Fingerprinting (2 Cards)	\$15	
9.04.175	Background check by WA State Patrol	Actual Costs	Pass-through As Per WASP Fee Schedule
	<b>Concealed Pistol Permits</b>		
	Original	\$52.50	
9.41.050	Renewal	\$32	
	Late Renewal	\$42	
	Replacement of lost or damaged permit	\$10	
<b>CHAPTER 11</b>	<b>TRAFFIC</b>		
11.06.030	Motorized Scooter Ticket	\$50/\$80/\$250	Escalating first, second, third and future penalty amounts
	Parking Ticket	\$50.00 or 1/2 if paid w/in 24 hrs	
11.08.210	Parking Ticket - Blocked Alley	\$50.00 or 1/2 if paid w/in 24 hrs	
	Parking Ticket - Parked in Handicap Space	\$250	
11.08.300	Immobilization	\$50	
11.12.050	Truck Special Permit	\$50	Per permit
11.36.030	Abandoned Vehicles	\$250 plus	Fee plus actual cost of removal of unauthorized or abandoned
<b>CHAPTER 12</b>	<b>STREETS &amp; SIDEWALKS</b>		
	Application-Base Fee	\$90	Per Hour - 2 hours Field Engineering Tech
	Open street	\$60 for 1st 50 ft/\$0.50 per ft over 50 ft	
	Moling	\$60 for 1st 50 ft/\$0.50 per ft over 50 ft	Variation may be considered for long projects such as natural gas lines
12.12.010	Vertical boring	\$30	Per boring

**ACTION ITEM 5f**

<b>SMC</b>	<b>FEE TYPE</b>	<b>PROPOSED FEE</b>	<b>DESCRIPTION/DETAIL</b>
12.12.130	Fence	\$10	Plus Building Permit fees
	Retaining Wall	\$60 for 1st 50 ft/\$0.50 per ft over 50 ft	Plus Building Permit fees
	Re-submittal Fee	\$45	Per Hour - 1 hour of Field Engineering Tech
	Utility extension request review	\$135	Per Hour - 3 hours of Field Engineering Tech
	Landscaping Review	\$90	Per Hour - 2 hours Field Engineering Tech
	Driveway/curb-cut	\$45	Per Hour - 1 hour of Field Engineering Tech
12.12.160	Debris and Spilled Loads	actual costs	
12.12.180	Application-Variance Request	\$500	
12.20.160	Sidewalk Construction or Alteration	\$60 for 1st 50 ft/\$0.50 per ft over 50 ft	Plus Building Permit fees
	Sidewalk Use	\$2 per sq ft	Use of sidewalk for commercial or business purposes plus Application base fee
12.40.020	Building Moving	\$5	Per Day
12.48.010	Street Vacation-Petition	\$1,000	Street vacation fee comparisons: Lake Stevens - \$1,000; Arlington - \$1,058; Monroe - \$940.
<b>CHAPTER 13</b>	<b>PARKS</b>		
	Ferguson Park picnic shelter	\$45	staff cost to manage
	Hill Park small picnic shelter (gazebo)	\$45	staff cost to manage
	Hill Park large picnic shelter	\$65	staff cost to manage
	Pilehuck Field 1, with or without lights per hour	\$10	change from 3 hour increments to per hour - actual lighting cost
	Pilehuck Field 2, (tackle football permitted) per hour	\$8	change from 3 hour increments to per hour reservation fee - split fields
	Pilehuck Field 3, (tackle football permitted) per hour	\$8	change from 3 hour increments to per hour reservation fee - split fields

**ACTION ITEM 5f**

SMC	FEE TYPE	PROPOSED FEE	DESCRIPTION/DETAIL
13.04.155	League application fee - youth, 1-25 games/practices	\$50	additional Staff time it takes to process applications and schedule
	League application fee - adult, 1-25 games/practices	\$75	additional Staff time it takes to process applications and schedule
	League application fee - youth, 26-50 games/practices	\$75	additional Staff time it takes to process applications and schedule
	League application fee - adult, 26-50 games/practices	\$100	additional Staff time it takes to process applications and schedule
	Tournament application fee - youth (non-refundable)	\$100	additional Staff time it takes to process applications and schedule
	Tournament application fee - adult (non-refundable)	\$125	
	Field or Court Hourly Rental-Non League	\$10	Baseball field, basketball court, volleyball, or tennis court - per hour
	Carnegie Education Center Associate User	\$5	Per Hour
	Carnegie Education Center Associate User	\$30	Per Day
	<b>CHAPTER 14</b>	<b>LAND USE DEVELOPMENT</b>	
	Home Occupation	\$25	
	<b>PRE-APPLICATION</b>		
	Preliminary Short Plat (2-4 lots) without PRD	\$2,000 base fee + \$75 per lot and tract	Assumes 28 hours of review & coordination plus administrative/notification costs. SEPA and critical area reviews, if required, are additional.
	Short Plat Construction Review and Inspection	\$800 base fee + \$50 per lot and tract	Assumes 16 hours of plan review and inspection plus administrative costs.
	Final Short Plat	\$1,000	Assumes 14 hours of review.

**ACTION ITEM 5f**

SMC	FEE TYPE	PROPOSED FEE	DESCRIPTION/DETAIL
	Preliminary Plat without PRD	\$2,750 base fee + \$50 per lot + \$3,000 Hearing Examiner deposit	Assumes 50 hours of review & coordination plus administrative/notification costs. SEPA review and critical area review, if required, are additional.
	Plat Construction Review and Inspection	5-29 lots: \$2,500 base fee + \$75 per lot; 30+ lots: \$2,500 base fee + \$100 per lot	Assumes 50-200 hours for review, coordination, and inspection
	Final Plat	\$1,500	Assumes 20 hours of review plus administrative costs.
	Boundary Line Adjustment	\$1,000	Assumes 12 hours of review plus administrative costs.
	Planned Residential Development (with or without subdivision - 4 or fewer dwelling units)	\$2,000 + \$2,500 Hearing Examiner deposit	Assumes 26 hours of review plus administrative costs. SEPA and critical area reviews are additional.
	Planned Residential Development (without subdivision - 5 or more dwelling units)	\$2,000 base fee + \$75 per dwelling unit + \$3,000 Hearing Examiner deposit	Assumes 50 hours of review plus administrative costs. SEPA and critical area reviews are additional.
	Administrative Development Plan (SEPA exempt)	\$800	Assumes 11 hours of review plus administrative costs. Critical area review, if required, is additional.
	Administrative Development Plan (subject to SEPA)	\$2,200	Assumes 27 hours of review plus administrative costs. SEPA review and critical area review, if required, are separate.

**ACTION ITEM 5f**

SMC	FEE TYPE	PROPOSED FEE	DESCRIPTION/DETAIL
14.10.010	Recorded Development Plan (SEPA exempt)	\$1,600 base fee + \$2,500 Hearing Examiner deposit	Assumes 20 hours of review plus administrative costs. Critical area review, if required, is additional.
	Recorded Development Plan (subject to SEPA)	\$2,600 base fee + \$3,000 Hearing Examiner deposit	Assumes 35 hours of review plus administrative costs. SEPA review and critical area review, if required, are separate.
	<b>DESIGN REVIEW</b>		
	Landscape Plan Review	\$0	
	Environmental (SEPA) Review (DNS/MDNS)	\$650	Assumes 6 hours of review plus administrative costs.
	Environmental (SEPA) Review (Environmental Impact Statement)	\$2,500 + actual consultant costs	Assumes 40 hours of review.
	Shoreline Substantial Development Permit - Administrative	N/A	No current provision for administrative review
	Shoreline Substantial Development Permit (Hearing Examiner)	\$3,200 + \$3,500 Hearing Examiner Deposit	Assumes 40 hours of review plus administrative costs. SEPA review and critical area review, if required, are separate.
	Minor Variance	\$400	Assumes 5 hours of review.
	Major Variance	\$2,000 + \$2,000 Hearing Examiner deposit	Assumes 25 hours of review plus administrative costs.
Critical Area Variance	\$2,000 + \$2,500 Hearing Examiner deposit	Assumes 25 hours of review plus administrative costs. SEPA review, if required, and critical area review are separate.	
Conditional Use Permit	\$3,000 + \$3,000 Hearing Examiner deposit	Assumes 40 hours of review plus administrative costs. SEPA review and critical area review, if required, are separate.	

**ACTION ITEM 5f**

<b>SMC</b>	<b>FEE TYPE</b>	<b>PROPOSED FEE</b>	<b>DESCRIPTION/DETAIL</b>
	Site Civil Permit (non-subdivision)	0.2% of engineer's construction cost estimate (\$1,500 minimum).	Based on data for a range of projects.
	Tier 1 Wireless Communications Facility (WCF) Permit	Pending	
	Tier 2 WCF Permit	Pending	
	Tier 3 WCF Permit (Administrative)	Pending	
	Tier 3 WCF Permit (Hearing Examiner)	Pending	
	Critical Areas Review	\$200 + \$1,200 consultant deposit	Assumes 3 hours of coordination
	Radio Frequency Engineering Review	\$200 + \$1,200 consultant deposit	Assumes 3 hours of coordination
	Appeal of Administrative Decision, Interpretation or SEPA Determination	\$500	Fee does not cover City costs.
<b>14.290.040</b>	School Impact Fee-Multi-Family/Studio/1 BR	\$0	Based on School District CFP
	School Impact Fee-Multi-Family/2+BR	\$0	Based on School District CFP
	School Impact Fee-Single Family	\$0	Based on School District CFP
<b>14.295.090</b>	Traffic Impact Fee	\$1,422	Per net new PM peak-hour trip
	Park Impact Fee-SFR	\$4,150	per SFR unit
<b>14.300.070</b>	Park Impact Fee-MF	\$3,600	per MF unit
<b>CHAPTER 15</b>	<b>SEWER, WATER &amp; STORMWATER</b>		
	Water Service Only Connection Fee 5/8"	\$1,381	
	Water Service Only Connection Fee 1"	\$3,453	
	Water Service Only Connection Fee 1-1/2"	\$6,905	
	Water Service Only Connection Fee 2"	\$11,048	
	Water Service Only Connection Fee 3"	\$22,096	

**ACTION ITEM 5f**

SMC	FEE TYPE	PROPOSED FEE	DESCRIPTION/DETAIL
15.04.120	Water Service Only Connection Fee 4"	\$34,525	
	Water Service Only Connection Fee 6"	\$69,050	
	Water Service Only Connection Fee 8"	\$110,480	
	Wastewater Service Connection Fee 5/8"	\$6,340	
	Wastewater Service Connection Fee 1"	\$15,850	
	Wastewater Service Connection Fee 1-1/2"	\$31,700	
	Wastewater Service Connection Fee 2"	\$50,720	
	Wastewater Service Connection Fee 3"	\$101,440	
	Wastewater Service Connection Fee 4"	\$158,500	
	Wastewater Service Connection Fee 6"	\$317,000	
Wastewater Service Connection Fee 8"	\$507,200		
15.04.125	Capital Facility Charge for water service only 5/8"	\$3,001	
	Capital Facility Charge for water service only 1"	\$7,503	
	Capital Facility Charge for water service only 1-1/2"	\$15,005	
	Capital Facility Charge for water service only 2"	\$24,008	
	Capital Facility Charge for water service only 3"	\$48,016	
	Capital Facility Charge for water service only 4"	\$75,025	
	Capital Facility Charge for water service only 6"	\$150,050	
	Capital Facility Charge for water service only 8"	\$240,080	
	Capital Facility Charge for wastewater service 5/8"	\$2,975	
	Capital Facility Charge for wastewater service 1"	\$7,438	
Capital Facility Charge for wastewater service 1-1/2"	\$14,875		
Capital Facility Charge for wastewater service 2"	\$23,800		

**ACTION ITEM 5f**

<b>SMC</b>	<b>FEE TYPE</b>	<b>PROPOSED FEE</b>	<b>DESCRIPTION/DETAIL</b>
	Capital Facility Charge for wastewater service 3"	\$47,600	
	Capital Facility Charge for wastewater service 4"	\$74,375	
	Capital Facility Charge for wastewater service 6"	\$148,750	
	Capital Facility Charge for wastewater service 8"	\$238,000	
	Special Development for 5/8" Trunkline	\$8,288	Project Development Fee in Special Development Area for the Cemetery Creek Wastewater Trunkline 5/8"
	Special Development for 1" Trunkline	\$21,217	Project Development Fee in Special Development Area for the Cemetery Creek Wastewater Trunkline 1"
	Special Development for 1-1/2" Trunkline	\$47,739	Project Development Fee in Special Development Area for the Cemetery Creek Wastewater Trunkline 1-1/2"
	Special Development for 2" Trunkline	\$84,869	Project Development Fee in Special Development Area for the Cemetery Creek Wastewater Trunkline 2"
	Special Development for 3" Trunkline	\$190,956	Project Development Fee in Special Development Area for the Cemetery Creek Wastewater Trunkline 3"
	Special Development for 4" Trunkline	\$339,476	Project Development Fee in Special Development Area for the Cemetery Creek Wastewater Trunkline 4"
	Special Development for 6" Trunkline	\$763,822	Project Development Fee in Special Development Area for the Cemetery Creek Wastewater Trunkline 6"
	Special Development for 8" Trunkline	\$1,357,906	Project Development Fee in Special Development Area for the Cemetery Creek Wastewater Trunkline 8"
<b>15.04.126</b>			

**ACTION ITEM 5f**

SMC	FEE TYPE	PROPOSED FEE	DESCRIPTION/DETAIL
	For Meters Larger than 8"	TBD	Charge shall be based on the proportional change in the sectional area of the meter size in relation to the sectional area of a 5/8" meter
	City Installation from Main to Meter Base Permit Fee (Water Meter, Sewer)	\$50	
	Drop-In Only Base Permit Fee (Water Meter, Sewer)	\$50	
	City Installation from Main to Meter Inspection Fee (Side Sewer)	\$75	
	Drop-In Only Inspection Fee (Side Sewer)	\$75	
	City Installation from Main to Meter Installation Fee 5/8"	\$2,491	
	City Installation from Main to Meter Installation Fee 1"	\$3,770	
	City Installation from Main to Meter Installation Fee 1-1/2"	\$3,924	
	City Installation from Main to Meter Installation Fee 2"	\$5,599	
15.04.035	City Installation from Main to Meter Installation Fee 3"	Actual Costs	
	City Installation from Main to Meter Installation Fee 4"	Actual Costs	
	City Installation from Main to Meter Installation Fee 6"	Actual Costs	
	City Installation from Main to Meter Installation Fee 8"	Actual Costs	
	Drop-In Installation Fee 5/8"	\$476	
	Drop-In Installation Fee 1"	\$559	
	Drop-In Installation Fee 1-1/2"	\$844	
	Drop-In Installation Fee 2"	\$1,852	

**ACTION ITEM 5f**

<b>SMC</b>	<b>FEE TYPE</b>	<b>PROPOSED FEE</b>	<b>DESCRIPTION/DETAIL</b>
	Drop-In Installation Fee 3"	\$2,548	
	Drop-In Installation Fee 4"	\$4,208	
	Drop-In Installation Fee 6"	\$6,492	
	Drop-In Installation Fee 8"	\$10,254	
15.04.110	Rates for water, wastewater, and stormwater	as per resolution	
15.13.100	Deferral Administrative Fee	\$100	
15.04.143	<b>BUILDINGS &amp; CONSTRUCTION</b>		
	Appeals of Orders, Decisions or Determinations of the Building/Fire Official	\$500	
	Building Permit	Valuation Based	Based on valuation per Schedule A
	Building Plan Review -Permit Fee x	\$0.75	
	Building Investigative Fee-Permit Fee x	\$2	Work without a permit and/or inspection
	Certificate of Occupancy	\$50	
	Change of Use Permit	\$50	
	Consultation inspection (per hour)	\$50	
	Demolition - commercial	\$200	
	Demolition - garage, shed, etc.	\$20	
	Demolition - residential	\$100	
	Fence Permit	\$50	
	Foundation Only Permit	\$500	
	Fire Alarm & Sprinkler System Permit	Valuation Based	
19.04	Fire Alarm & Sprinkler Permit-Plan review (per hour)	\$75	
	Fire Alarm & Sprinkler Permit-Inspection (per hour)	\$75	
	Fireworks Stand Inspection	\$75	Building Official and/or Fire Marshall per hour rate
	Fireworks Stand Inspection-Sno Co Fire District	\$75	Per Hour

**ACTION ITEM 5f**

<b>SMC</b>	<b>FEE TYPE</b>	<b>PROPOSED FEE</b>	<b>DESCRIPTION/DETAIL</b>
	After-Hours Inspection	\$50	Per Hour. After hours at 3 hr minimum charge
	Foundation permit only	\$500	
	Pre-move inspection (building relocation)	\$50	
	Mobile Home Permit-Foundation	\$500	
	Mobile Home Inspection of marriage lines	\$50	
	Re-Roof Permit	Valuation Based	Residential or Commercial
	Sign Permit Base	\$50	Includes land use review
	<b>Mechanical</b>		
	Base Permit Fee-Residential	\$50	
	Inspections after hours	\$150	Per Hour. After hours at 3 hr minimum charge
	Investigative fee-Permit fee x	\$2	work without permits/inspections
	Plan Review-Permit fee x	\$0.75	
	Re-inspection	\$100	Each inspection
	Consultation inspection	\$50	Per Hour
	Absorption systems 3HP<100k	\$30	
	Absorption systems 3HP>100k	\$40	
	Absorption systems 15HP>500k	\$50	
	Absorption systems 30HP>1 mil	\$70	
	Air conditioning unit<100k (electric)	\$30	
	Air conditioning unit>100k (electric)	\$40	
	Air conditioning unit>500k (electric)	\$50	
	Air conditioning unit<100k (gas)	\$30	
	Air conditioning unit>100k (gas)	\$40	
	Air conditioning unit>500k (gas)	\$50	
	Air handling units<10,000cfm	\$15	
	Air handling units>10,000cfm	\$30	
	Boiler<100k (electric)	\$30	
	Boiler>100k (electric)	\$40	
	Boiler>500k (electric)	\$50	

**ACTION ITEM 5f**

SMC	FEE TYPE	PROPOSED FEE	DESCRIPTION/DETAIL
19.04	Boiler > 1 mil (electric)	\$70	
	Boiler < 100k (gas)	\$30	
	Boiler > 100k (gas)	\$40	
	Boiler > 500k (gas)	\$50	
	Boiler > 1 mil (gas)	\$70	
	Clothes Dryer and vent	\$15	
	Commercial hood and duct w/fire suppression	Valuation Based	
	Compressor 3HP < 100k	\$30	
	Compressor 3HP > 100k	\$40	
	Compressor 15HP > 500k	\$50	
	Compressor 30HP > 1 mil	\$70	
	Condensers	\$30	
	Ductwork (drawings required)	\$30	
	Evaporative cooler	\$30	
	Exhaust fans and ducts	\$15	
	Expansion tank	\$15	
	Fireplace/insert/stove	\$30	
	Furnace – forced air < 100k	\$30	
	Furnace – forced air > 100k	\$40	
	Gas piping – base 5 outlets	\$10	
	Gas piping - additional outlet (ea)	\$2	
	Heat exchangers	\$30	
	Heat pump	\$30	
	Heaters – suspended gas	\$30	
	Heaters – unit gas	\$30	
Heaters – wall gas	\$30		
Hot water heat coils	\$30		
Medical gas piping: 1 – 5 outlets	\$65		
Medical gas piping-Additional outlets (each)	\$7.50		
Medical Gas Piping-Plan review-Permit fee x	\$0.75		

**ACTION ITEM 5f**

<b>SMC</b>	<b>FEE TYPE</b>	<b>PROPOSED FEE</b>	<b>DESCRIPTION/DETAIL</b>
	Other Appliances/Equipment (no established fee)	\$30	
	Pellet stove	\$30	
	Range/cook top - gas fired	\$30	
	Range hood /residential	\$15	
	Range hood/commercial	Valuation Based	
	Refrigeration unit <100k	\$30	
	Refrigeration unit >100k	\$40	
	Refrigeration unit >500k	\$50	
	Re-inspection fee	\$100	
	Water heater –gas fired	\$30	
	Wood stove	\$50	
	<b>Plumbing</b>		
	Base permit fee	\$50	
	After Hours Inspection	\$150	Three hour minimum charge
	Investigation Fee-permit fee x	\$2.00	Work without a permit and/or inspection
	Plan review-Permit fee x	\$0.75	
	Re-inspection (per inspection)	\$100	
	Consultation inspection (per hour)	\$50	
	Cross Connection/Pre-Treatment insp (per hr)	\$50	
	Backflow assembly	\$50	
	Bathub/shower combination	\$15	
	Building main waste	\$30	
	Clothes washer	\$15	
	Condensate drain	\$15	
	Dishwasher - commercial	\$20	
	Dishwasher – residential	\$15	
	Drinking fountain/water cooler	\$15	
	Fixture Count for Water Meter Sizing	\$50	
	Floor drain/floor sink	\$15	
	Food disposal – commercial	\$15	

**ACTION ITEM 5f**

CITY OF SNOHOMISH - FEE SCHEDULE - ADOPTED PER RESOLUTION XXXX - FEBRUARY XX, 2016			
SMC	FEE TYPE	PROPOSED FEE	DESCRIPTION/DETAIL
19.04	Footing drains	\$15	
	Grease interceptor – exterior	\$350	
	Grease trap – interior	\$150	
	Hose bib	\$15	
	Ice maker	\$15	
	Indirect waste receptor	\$15	
	Irrigation System: 1 – 25 heads	\$15	
	Irrigation System: 25+ heads	\$30	
	Kitchen sink – commercial	\$20	
	Kitchen sink and disposal – residential	\$15	
	Laundry trap/mop sink	\$15	
	Lavatory	\$15	
	Rainwater systems (per drain inside building)	\$15	
	Reclaimed water systems	\$50	
	Roof drains	\$15	
	Shower (only)	\$15	
	Sink – bar, service, etc.	\$15	
	Specialty fixture	\$15	
	Swimming pool, spa, hot tub	Valuation Based	
	Toilet	\$15	
Trailer park unit sewer (each)	\$30		
Trap primer	\$15		
Urinal	\$15		
Water filter system	\$15		
Water heater	\$15		
Water service line from meter to building	\$15		

**ACTION ITEM 5f**

SMC	FEE TYPE	PROPOSED FEE	DESCRIPTION/DETAIL
	Valuations		
	\$1 to \$500	\$23.50	
	\$501 to \$2,000	\$23.50 for the first \$500 + \$3.05 for each additional \$100, or fraction thereof	
	\$2,001 to \$25,000	\$69.25 for the first \$2,000 + \$14 for each additional \$1,000 or fraction thereof	
	\$25,001 to \$50,000	\$391.25 for the first \$25,000 + \$10.10 for each addl \$1,000 or fraction thereof	
	\$50,001 to \$100,000	\$643.75 for the first \$50,000 + \$7 for each addl \$1,000, or fraction thereof	
19.04.200	\$100,001 to \$500,000	\$993.75 for the first \$100,000 plus \$5.60 for each additional \$1,000 of fraction thereof	
	\$500,001 to \$1,000,000	\$3,233.75 for the first \$500,000 plus \$4.75 for each additional \$1,000 or fraction thereof	

**ACTION ITEM 5f**

SMC	FEE TYPE	PROPOSED FEE	DESCRIPTION/DETAIL
	\$1,000,001 and up	\$5,608.75 for the first \$1,000,000 plus \$3.65 for each addl \$1,000 or fraction thereof	
<b>CHAPTER 20</b>	<b>HOUSE TRAILERS</b>		
20.04.060	Trailer Camp Inspection	\$15	
20.04.070	Trailer Camp License	\$25	\$1.00 per trailer or \$25 minimum license
20.04.100	Trailer Camp Transfer	\$5	

**ACTION ITEM 5f**

## **DISCUSSION ITEM 6**

**Date:** February 2, 2016  
**To:** City Council  
**From:** Jennifer Olson, Finance Director  
**Subject:** **Solid Waste – 2016 Rates**

---

The purpose of this agenda item is for a City Council discussion regarding 2016 solid waste rates. Rates and the annual rate adjustment process are guided by the current contract between the City of Snohomish and Rabanco, LTD. d/b/a Allied Waste of Lynnwood aka Republic.

As per section 40.0 of the contract (See Attachment A) rates are set according to the Refuse Rate Index or RRI, a weighted index based on three indices, as of September 30 of each year:

- CPI for Urban Wage Earners and Clerical Workers, weight of 42%.
- Employment Cost Index for Service-Providing Industries, weight of 50%.
- Energy Information Agency West Costs Retail On-Highway Diesel Price, weight of 8%.

Republic has notified the City of Snohomish of 2016 solid waste rates according to the RRI (See Attachment B). This is the final year of the current contract. Solid Waste rates effective April 1, 2016 will see a 0% increase and remain the same for the remainder of the contract which expires on March 31, 2017. Staff has reviewed the RRI calculation by Republic and has confirmed the 0% change result.

At the January 19, 2016 City Council meeting, information about the upcoming solid waste contract expiration was discussed. The City is conducting a solid waste survey of residents and businesses owners to solicit customer feedback on solid waste collection and customer service issues.

**STRATEGIC PLAN REFERENCE:** (From the Plan’s Vision Statement) *“High quality and sustainable City services.”*

**RECOMMENDATION:** That the City Council **DISCUSS** the 2016 solid waste rates.

### **ATTACHMENTS:**

- A. Current Solid Waste Contract with Allied Waste
- B. Republic Memo Regarding 2016 Rates and RRI Information

ATTACHMENT A

**CONTRACT  
FOR  
COMPREHENSIVE GARBAGE, REFUSE,  
RECYCLABLES, AND YARD WASTE  
COLLECTION  
FOR  
THE CITY OF SNOHOMISH**

**THIS CONTRACT** (“Contract”) is made and entered into by and between the **CITY OF SNOHOMISH**, a Washington municipal corporation (“City”), and **RABANCO, LTD. d/b/a ALLIED WASTE OF LYNNWOOD**, a Washington corporation (“Contractor”).

**WHEREAS**, it is necessary and in the public interest to enter into a contract for the collection and disposal of Garbage, Recyclables, and Yard Waste; and

**WHEREAS**, the City has entered into a contract with Contractor for the period March 1, 2003 through March 31, 2008 for the collection and disposal of Garbage and Refuse; and

**WHEREAS**, the City has amended the contract extending the period from April 1, 2008 through March 31, 2011; and

**WHEREAS**, the City and Contractor desire to enter into this new Contract to provide for Garbage and Refuse collection and disposal services in order to serve its citizens in the best possible and economically feasible manner;

**NOW THEREFORE**, it is hereby agreed and covenanted by and between the parties as follows:

**1.0 Term of Contract**

Commencing on April 1, 2011, the rights, privileges, and collection license herein granted shall be considered as a continuing six (6) year license. Contractor agrees and covenants to continue the collection and disposal of all Garbage, recycling, and yard waste beyond the termination date of this Contract, at the option of the City, for any increment up to three years, upon the same terms and conditions as contained in the contract. The Contractor and the City may mutually agree to extend this Contract. The terms and conditions as applicable to the initial term shall apply to the extended terms except for the pricing, which shall be as provided in the pricing Attachment to this Contract, and such other changes as

## **DISCUSSION ITEM 6**

may be mutually agreed upon by the City and the Contractor. Absent either the timely written request from either party, or the timely written response from the other party agreeing to extend the term of this Contract, the Contract shall extend on schedule.

### **2.0 Scope of Work**

The Contract Service Area for City Garbage, recycling, and yard waste collection shall be the entire incorporated area of the City. The work to be performed by the Contractor within the service area under this Contract consists of the complete collection and disposal of the Garbage and proper handling of recycling and compostable yard waste and food waste. The Contractor shall be compensated for such services in accordance with the Refuse rate structure provided in Attachment A.

### **3.0 Definitions**

Capitalized terms used in this Contract and not otherwise defined shall have the following meanings:

- 3.1 City: The word "City" means the City of Snohomish, Snohomish County, Washington. As used in the Contract, it includes the official of the City holding the office of City Manager or its designated representative.
- 3.2 City Service Area: The term "City Service Area" means the portion of the City subject to this Contract for services and includes the entire incorporated area of the City as it exists as of April 1, 2011 and as it may be subsequently expanded by annexations during the term or extended term of this Contract.
- 3.3 Commercial Customer: The term "Commercial Customer" means non-residential customers including businesses, institutions, governmental agencies, and all other users of commercial-type Garbage collection services.
- 3.4 Contractor: The word "Contractor" means Rabanco, Ltd. d/b/a Allied Waste of Lynnwood.
- 3.5 Curb or Curbside: The words "Curb" or "Curbside" mean on the homeowners' property, within five (5) feet of the Public Street or Private Road without blocking sidewalks, driveways, or on-street parking. If extraordinary circumstances preclude such a location, Curbside shall be considered a placement suitable to the resident, convenient to the Contractor's equipment, and mutually agreed to by the City and Contractor.
- 3.6 Detachable Container: The term "Detachable Container" means a watertight metal or plastic container equipped with a tight-fitting cover, capable of being mechanically unloaded into a collection vehicle, and that

## **DISCUSSION ITEM 6**

is not less than one (1) cubic yard or greater than eight (8) cubic yards in capacity.

- 3.7 Documented Complaints: The term “Documented Complaints” means those complaints brought to the Contractor’s attention for missed collections, failure to deliver carts or containers on the agreed-upon date, failure to clean-up material spilled by the Contractor’s employees, collections performed outside the allowed hours, and other similar complaints to the City.
- 3.8 Drop-box Container: The term “Drop-box Container” means an all-metal container with ten (10) cubic yards or more capacity that is loaded onto a specialized collection vehicle, transported to a disposal or recycling site, emptied, and transported back to the customer’s site.
- 3.9 Excluded Waste: The term “Excluded Waste” means any material waste, substance, or pollutant containing any hazardous waste, toxic substance, waste or pollutant, contaminant, pollutant, infectious waste, medical waste, or radioactive waste, each as defined by applicable federal, state, or local laws or regulations.
- 3.10 Foodwaste: The word “Foodwaste” means all compostable pre- and post-consumer food scraps, such as whole or partial pieces of produce, meats, bones, seafood, cheese, bread, cereals, coffee grounds and egg shells, and food-soiled paper such as paper napkins, paper towels, paper plates, coffee filters, paper take-out boxes, pizza boxes, paper milk cartons, or other paper products accepted by the Contractor’s selected composting site. Foodwaste shall not include plastics, diapers, cat litter, liquid wastes, pet wastes, or other materials prohibited by the selected composting facility.
- 3.11 Garbage: The word “Garbage” means all putrescible and nonputrescible solid and semi-solid wastes, including, but not limited to, rubbish, ashes, industrial wastes, swill, demolition and construction wastes, and discarded commodities that are placed by customers of the Contractor in appropriate bins, bags, cans, or other receptacles for collection and disposal by the Contractor. The term Garbage shall not include Excluded Waste, Hazardous Wastes, Special Wastes, Source-separated Recyclables, Foodwaste, or Yard Waste.
- 3.12 Garbage Can: The term “Garbage Can” means a City-approved container that is a water-tight galvanized sheet-metal or plastic container not exceeding four (4) cubic feet or thirty-two (32) gallons in capacity; weighing not over fifteen (15) pounds when empty or sixty (60) pounds when full; fitted with two (2) sturdy handles, one on each side; and fitted with a tight cover equipped with a handle. All containers shall be rodent and insect proof and kept in sanitary conditions at all times.

## **DISCUSSION ITEM 6**

- 3.13 Garbage Cart: The term “Garbage Cart” means a Contractor-provided 32-, 64- or 96-gallon wheeled cart suitable for household collection, storage, and Curbside placement of Garbage. Garbage Carts shall be rodent and insect proof and kept in sanitary condition at all times.
- 3.14 Hazardous Waste: The term “Hazardous Waste” means any substance that is:  
defined as hazardous by 40 C.F.R. Part 261 and regulated as hazardous waste by the United States Environmental Protection Agency under Subtitle C of the Resource Conservation and Recovery Act (“RCRA”) of 1976, 42 U.S.C. § 6901 et seq., as amended by the Hazardous and Solid Waste Amendments (“HSWA”) of 1984; the Toxic Substances Control Act, 15 U.S.C. § 2601 et seq.; or any other federal statute or regulation governing the treatment, storage, handling, or disposal of waste imposing special handling or disposal requirements similar to those required by Subtitle C of RCRA.
- Hazardous Waste also includes any substance defined as dangerous or extremely hazardous by Chapter 173-303 WAC and regulated as dangerous waste or extremely hazardous waste by the Washington State Department of Ecology under the State Hazardous Waste Management Act, Chapter 70.105 RCW, or any other Washington State statute or regulation governing the treatment, storage, handling, or disposal of wastes and imposing special handling requirements similar to those required by Chapter 70.105 RCW.
- Any substance that after the effective date of this Contract comes within the scope of this definition as determined by the City and the Contractor. Likewise, any substance that after the effective date of this Contract ceases to fall within this definition as determined by the City shall not be deemed to be Hazardous Waste.
- 3.15 Mini-can: The term “Mini-can” means a water-tight galvanized sheet-metal or plastic container not exceeding twenty gallons in capacity or thirty pounds in weight when full; fitted with two sturdy handles, one on each side; and fitted with a tight cover equipped with a handle.
- 3.16 Mixed Paper: The term “Mixed Paper” means magazines, junk mail, phone books, bond or ledger grade paper, cardboard, paperboard packaging, and other fiber-based materials meeting industry standards. Tissue paper, paper towels, food-contaminated paper, or paper packaging combined with plastic, wax, or foil are excluded from the definition of Mixed Paper.
- 3.17 Multifamily Complex: The term “Multifamily Complex” means a property

## **DISCUSSION ITEM 6**

where a structure provides living space for five or more unique family units for the calculation of solid waste and recycling rates.

- 3.18 Organics: The term “Organics” means compostable material, such as yard waste and foodwaste.
- 3.19 Private Road: The term “Private Road” means a privately owned and maintained way that allows for access by a service truck and that serves multiple Residences.
- 3.20 Public Street: The term “Public Street” means a public right-of-way used for public travel, including public alleys.
- 3.21 Recyclables: The word “Recyclables” means aluminum cans; corrugated cardboard; glass containers; Mixed Paper; newspaper; plastic containers that have contained non-hazardous products; polycoated cartons; Scrap Metals; tin cans; and such other materials that the City determines to be recyclable.
- 3.22 Recycling Cart: The term “Recycling Cart” means a Contractor-provided 64- or 96-gallon wheeled cart suitable for household collection, storage, and Curbside placement of Source-separated Recyclables.
- 3.23 Recycling Container: The term “Recycling Container” means a Contractor-provided Recycling Bin, Cart or Detachable Container suitable for on-site collection, storage, and placement of Source-separated Recyclables at Multifamily Complexes.
- 3.24 Refuse: The term “Refuse” means non-hazardous waste generated in the City.
- 3.25 Residence: The word “Residence” means a living space individually rented, leased, or owned.
- 3.26 Rubbish: Rubbish for residential clients means recyclable and/or yard waste material (see SMC 8.12.020 (C)).
- 3.27 Scrap Metals: The term “Scrap Metals” means ferrous and non-ferrous metals, including small appliances, not to exceed two (2) feet in any direction and thirty-five (35) pounds in weight per piece.
- 3.28 Single-family Residence: The term “Single-family Residence” means a structure where a unique family unit resides for the calculation of solid waste and recycling rates on a Public Street or Private Road.
- 3.29 Snohomish County Disposal System: The term “Snohomish County

## **DISCUSSION ITEM 6**

Disposal System” means the areas owned, leased, or controlled by the Snohomish County Solid Waste Division, Snohomish County, Washington for the disposal of Garbage, or such other site as may be authorized by the current Snohomish County Comprehensive Solid Waste Management Plan.

- 3.30 Source-separated: The term “Source-separated” means certain recyclable materials that are separated from Garbage by the generator for recycling or reuse, including, but not limited to Recyclables, Yard Waste, and other materials.
- 3.31 Special Waste: The term “Special Waste” means polychlorinated biphenyl (“PCB”) wastes, industrial process wastes, asbestos containing materials, petroleum contaminated soils, treated/de-characterized wastes, incinerator ash, medical wastes, demolition debris, and other materials requiring special handling in accordance with applicable federal, state, county, or local laws or regulations.
- 3.32 Surety: The term “Surety” means the surety on the performance bond required pursuant to Section 32.0 of this Contract.
- 3.33 WUTC: The term “WUTC” means the Washington Utilities and Transportation Commission.
- 3.34 Yard Waste: The term “Yard Waste” means leaves, grass, and clippings of woody, as well as fleshy plants. Unflocked whole holiday trees are acceptable. Materials larger than four (4) inches in diameter or four (4) feet in length are excluded. Bundles of Yard Waste up to two (2) feet by two (2) feet by four (4) feet in dimension shall be allowed and shall be secured by degradable string or twine, not nylon or other synthetic materials. Kraft paper bags may be used to contain Yard Waste.
- 3.35 Yard Waste Cart: The term “Yard Waste Cart” means a Contractor-provided 64- or 96-gallon wheeled cart provided to subscribing customers for the purpose of containing and collecting Yard Waste, and where applicable, Foodwaste.

### **4.0 Independent Contractor**

The Contractor and the City understand and expressly agree that the Contractor is an independent contractor in the performance of each and every part of this Contract. The Contract expressly represents, warrants, and agrees that his status as an independent contractor in the performance of the work and services required under this Contract is consistent with and meets the six-part independent contractor test set forth in RCW 51.08.195 or as hereafter amended. The Contractor, as an independent contractor, assumes the entire responsibility for carrying out and accomplishing the services required under this Contract. The

## **DISCUSSION ITEM 6**

Contractor and its employees shall make no claim of City employment nor shall claim any related employment benefits, social security, and/or retirement benefits.

The Consultant shall be solely responsible for paying all taxes, deductions, and assessments, including but not limited to federal income tax, FICA, social security tax, assessments for unemployment and industrial injury, and other deductions from income which may be required by law or assessed as a result of this Contract.

### **5.0 Annexation**

When additional areas are added to the City through annexation, the Contractor shall, upon ten (10) days written notice from the City, make collections in such newly annexed areas in accordance with all terms and conditions of this Contract and at the rates then in effect within the City. Contractor expressly waives its rights to claim any compensation at a higher rate than in effect within the City for newly-annexed properties. Provided, however, that newly-annexed areas, which are already serviced by a franchisee other than the Contractor, may not be subject to the provisions of this Contract for a period of years from the date of annexation as provided by RCW 35.13.280. At the end of such time period the City shall give Contractor the same notice as specified above.

### **6.0 Unimproved Private Roads and Alleys**

Residences located in an area that does not allow safe access, turn-around, or clearance for service vehicles will be provided service if materials are set out adjacent to a Public Street.

If the Contractor believes that there is a probability of Private Road damage, the Contractor shall inform the respective customers and will require a damage waiver agreement (previously approved by the City), or the residents may opt to set out containers adjacent to a Public Street.

### **7.0 Non-Curbside Service for Disabled or Impaired Persons**

The Contractor shall offer carry-out service for Garbage, Recyclables, and Yard Waste to households lacking the ability to place containers at the Curb, at no additional charge. Disabled or impaired residents may apply to the City to receive reduced rates for Garbage service. Customers shall apply on a form made available by the City. If the City finds the customer is qualified for reduced rates and no one else in the household can manage the cart to the curb, it shall notify the Contractor. Reduced Garbage rates apply only to services outlined in Attachment A. Customers requiring service in excess of this level cannot qualify for the rate reduction.

### **8.0 Collection Schedule**

All residential (single-family and duplex) and mobile home parks are to be picked up once a week, collection to begin no earlier than 6:30 a.m. and no later than 6:30 p.m. All commercial collection shall be made between the hours of 6:30

## **DISCUSSION ITEM 6**

a.m. and 6:30 p.m. The Contractor shall make efforts to reduce the effects of noise during early morning collections on complaints from the City or residents. A variance to the collection hours will be sought and City shall grant reasonable request if Contractor determines safety is threatened by the above-stated hours.

### **9.0 Inclement Weather**

When weather conditions are such that continued operation would result in danger to the Contractor's staff, area residents or property, the Contractor shall collect only in areas that do not pose a danger. The Contractor shall notify the City of its collection plan for each day inclement weather is experienced as soon as practical that day.

The Contractor shall collect Garbage, Recyclables, and Yard Waste from customers with interrupted service on the following Saturday. However, if such conditions continue for a second consecutive collection day or more, or on the following Saturday when collection has been scheduled, the Contractor shall, on the first day that regular service to a customer resumes, collect reasonable accumulated volumes of materials equal to what would have been collected on the missed collection day(s) from customers at no extra charge. Following notification to the City, the Contractor will be provided temporary authorization to perform collection services after 7:00 p.m. in order to finish collection routes.

Weather policies shall be included in program information provided to customers. On each inclement weather day, the Contractor shall release notices to the local radio and television stations (e.g., KPLU, KIRO, KOMO, and KUOW radio stations) notifying residents of the modification to the collection schedule. Additionally, information will be posted daily on the company website. When time allows, the Contractor shall utilize its reverse auto-call system to inform customers of delays and/or cancellations of service.

### **10.0 Holidays**

The Contractor shall observe the same holiday schedule as do Snohomish County Transfer Stations (i.e., New Years Day, Thanksgiving Day, and Christmas Day). When the day of regular collection is a Snohomish County Transfer Station holiday, the Contractor may reschedule the remainder of the week of regular collection to the next succeeding workday, which shall include Saturdays. The Contractor may not collect Residential Garbage, Recyclables, or Yard Waste earlier than the regular collection day due to a holiday. Commercial collections may be made one day early only with the consent of the Commercial Customer.

### **11.0 Employee Conduct**

The Contractor's employees collecting Garbage, Recyclables and Yard Waste shall at all times be courteous, refrain from loud, inappropriate, or obscene language, exercise due care, perform their work without delay, minimize noise, and avoid damage to public or private property. If on private property, employees shall follow the regular pedestrian walkways and paths, returning to the street

## **DISCUSSION ITEM 6**

after replacing empty containers. Employees shall not trespass or loiter, cross flower beds, hedges, or property of adjoining premises, or meddle with property that does not concern them or their task at hand. While performing work under the Contract, employees shall wear a professional and presentable uniform with a company emblem visible to the average observer.

If any person employed by the Contractor to perform collection services is, in the reasonable opinion of the City, incompetent, disorderly, or otherwise unsatisfactory, the City shall promptly document the incompetent, disorderly, or unsatisfactory conduct in writing and transmit the documentation to the Contractor with a demand that such conduct be corrected. The Contractor shall investigate any written complaint from the City regarding any unsatisfactory performance by any of its workers. If the offending conduct is repeated, the City may require that the person be removed from all performance of additional work under this Contract. Removal shall be addressed by the Contractor immediately.

### **12.0 Spillage**

All loads collected by the Contractor shall be completely contained in collection vehicles at all times, except when material is actually being loaded or unloaded. Hoppers on all collection vehicles shall be cleared frequently to prevent the occurrence of unnecessary blowing or spillage. Any spillage of materials that occurs during collection shall be immediately cleaned up by the Contractor at its expense.

All vehicles used in the performance of this Contract shall be required to carry and regularly maintain spill kits. At a minimum, spill kits shall include absorbent pads or granules, containment booms, storm drain covers, sweepers and other similar materials sufficient to contain, control, and for minor events, appropriately clean-up, blowing materials, litter, leaks and spillage of vehicle fluids and leachate. Spill kits shall also include employee spill containment instructions and procedures as well as a regularly updated list of emergency contacts. The Contractor shall develop spill response procedures for review and approval by the City before initiating any work under this Contract. All drivers shall be provided with annual training on the use of spill kits and associated containment and notification procedures.

### **13.0 Missed Collections**

If Garbage, Recyclables, or Yard Waste are set out inappropriately, improperly prepared or contaminated with Excluded Waste, the Contractor shall place in a prominent location a notification tag that identifies the specific problem(s) and reason(s) for rejecting the materials for collection.

The failure of the Contractor to collect Garbage, Recyclables, or Yard Waste that has been set out by a customer in the proper manner and that does not include Excluded Waste shall be considered a missed pick-up, and the Contractor shall collect the materials from the customer before the end of the next business day.

## **DISCUSSION ITEM 6**

The Contractor shall maintain a written record of all calls related to missed pick-ups and the response provided by the Contractor. Such records shall be made available for inspection upon request by the City and shall be included in monthly reports.

If the Contractor is requested by the customer to make a return trip due to no fault of the Contractor, the Contractor shall be permitted to charge the customer an additional fee for this service, provided the Contractor notifies the customer of this charge in advance.

If the Contractor fails to provide a special pick-up of any materials that do not include Excluded Waste within twenty-four (24) hours of notification by the City, this may cause the work to be done by City employees. The actual direct or indirect cost for each such pick-up shall be billed to the Contractor, or alternately, the City may deduct such cost from the payment due the Contractor.

### **14.0 Collection Equipment**

All vehicles, facilities, equipment, and property used in the performance of this Contract shall be provided by the Contractor. The City may request that the Contractor provide a list of all vehicles, including the make, model, year and other relevant information.

In collecting Garbage, Recyclables, Yard Waste and other waste under this Contract, the Contractor shall use all metal, watertight, completely enclosed "packer" type bodies that are designed and manufactured for the collection of solid waste and are capable of serving Detachable Containers.

The number and type of collection vehicles furnished by the Contractor shall be sufficient for the collection of any Garbage, Recyclables, Yard Waste and other waste. If there is any doubt by the Contractor whether his proposed equipment is satisfactory or not, he shall secure prior written approval from the City.

### **15.0 Method of Disposal**

The Contractor shall deliver, at its cost, Garbage, or other waste to a disposal site operated by Snohomish County and part of the Snohomish County System defined as, "all facilities for Solid Waste Handling owned or operated or contracted for, by Snohomish County" or its other successors do as long as consistent with the requirements of the "Interlocal Agreement Between Snohomish County And Its Cities And Towns Regarding Solid Waste Management." The Contractor shall obtain written permission from the City for use of other disposal sites as shall be approved by or meet the solid waste requirements of the Department of Ecology. The Contractor shall not use any solid waste disposal site which the City would be prohibited from using were the City to collect and dispose of solid waste or Refuse with its own employees. The Contractor shall at all times keep the City advised of the disposal sites being used by the Contractor.

## **DISCUSSION ITEM 6**

### **16.0 Equipment Cleaning Facilities**

The Contractor shall provide adequate cleaning facilities for its equipment, approved as to type and location by the City and the Snohomish County Health Department. All cleaning shall be done on a paved area which is curbed to prevent draining to surrounding areas and which is provided with an approved catch basin which is connected to a sanitary sewer system, septic tank or holding tank acceptable to the City. These facilities shall be used for all washing and steam cleaning of equipment and be kept in a clean and sanitary condition.

### **17.0 Painting and Cleanliness of Vehicles and Equipment; Location of Containers**

Collection vehicles shall be painted, numbered, shall have the Contractor's name, and number of the vehicle painted in letters of contrasting color at least four inches high on each side of each vehicle. No advertising shall be permitted other than the name of the Contractor. All vehicles shall be kept in a clean and sanitary condition, and all collection vehicles shall be cleaned at least once a week. Repainting of all vehicles shall be done as needed to maintain an acceptable appearance, or within a mutually agreeable time after written notification by the City. All Detachable Containers furnished by the Contractor shall be either painted or galvanized, shall display the Contractor's name and telephone number and shall be kept in a clean and sanitary condition. Such containers as are provided by the Contractor to food establishments shall be steam cleaned by the Contractor as frequently as necessary to maintain them in a sanitary condition. A mutually agreeable location for containers shall be determined by customer, City and Contractor, except that the City may designate such location at the time of site development approval. The Contractor shall return containers to such locations.

### **18.0 Mandatory Collection and Enforcement Responsibilities**

Subscription to Garbage, Recycling and Yard Waste collection service is mandatory for all City residences and businesses. The City will be responsible for informing residents and businesses of their service level options and their responsibility to subscribe for collection service. If a customer has not subscribed for collection services, the City will notify the customer of the City's mandatory collection ordinance and that they will continue to receive a bill whether or not service is utilized. If the customer refuses to subscribe for service, the City will inform the Contractor, who will establish once per week service at the thirty-two gallon can rate for residential customers and at the sixty-four gallon rate for commercial customers.

### **19.0 Same Day Collection**

Garbage, Recyclables, and Yard Waste collection shall occur on the same regularly scheduled day of the week for Single-family Residence customers. The collection of Garbage, Recyclables, and Yard Waste from Multifamily Complexes and Commercial Customers need not be scheduled on the same day.

### **20.0 Routing, Notification and Approval**

The Contractor shall indicate, on a map acceptable to the City, the day of the week Garbage will be collected from each residential and commercial area. The

## **DISCUSSION ITEM 6**

Contractor may change the day of collection by giving written notice to the City not less than fourteen (14) calendar days prior to the effective date of the proposed change. Upon City approval the Contractor will provide affected customers with at least seven (7) calendar days notice of pending changes in collection day. The City must approve the proposed change and the form of notice to the customer.

### **21.0 Reports and Maps**

The Contractor shall furnish a written annual report at the end of each calendar year to the City showing the number of loads of Garbage, Recyclables, Yard Waste and other waste hauled from within the City to the disposal site during the year, the approximate number of cubic yards per load, and the total number of cubic yards and number of tons of Garbage, Refuse or other waste hauled to the disposal site each month.

### **22.0 Annual City Centralized Community Cleanup**

The Contractor shall provide one (1) Annual City Centralized Community Cleanup and (1) Autumn Fall Leaf program. The Contractor and the City will negotiate a separate agreement (not to exceed \$40,000 per year) to insure that the Contractor is able to recover all direct costs (for example, disposal of additional tons, additional labor, additional fuel, etc.) as a result of the Annual Cleanup. If the previous year's direct costs reach \$35,000 or more, the City and Contractor will review the parameters of the cleanup event and either modify the event or raise the dollar ceiling. The separate Annual City Centralized Community Cleanup Agreement must be agreed to and signed at least sixty (60) calendar days prior to the scheduled Annual City Centralized Community Cleanup. At least two months prior to the event and via billing insert, the City shall make known the Contractor's bulky item collection service prior to the cleanup event.

### **23.0 Requirement to Recycle and Compost**

The Contractor shall recycle or compost all Source-separated Recyclables and Yard Waste collected, unless express prior written permission to do otherwise is provided by the City. The Contractor shall operate its material recovery facility in a manner to ensure that processed Recyclables destined for market have no greater outthrows, prohibited materials or contamination than allowed under current industry standards. For the purposes of evaluating this performance requirement, "industry standards" shall be the current specifications issued by the Institute of Scrap Recycling Industries: Scrap Specifications Circular 2004 Guidelines for Nonferrous Scrap, Ferrous Scrap, Glass Cullet, Paper Stock and Plastic Scrap," or successor circular or guidelines. The disposal of contaminants separated during processing is acceptable to the extent that it is unavoidable and consistent with industry standards, provided that under no circumstances shall the disposal of residuals exceed five percent by weight of the total monthly quantity collected of either Source-Separated Recyclables or Yard Waste unless the Contractor can establish that such excess contaminants are the result of special circumstances beyond the Contractor's control, processing of materials may result

## **DISCUSSION ITEM 6**

in damage to Contractor's equipment and/or are caused solely by the actions of generators. Disposal of contaminants shall be tracked by the Contractor as to the weight and percentage of materials collected on a monthly basis and included in the monthly reports.

The City shall be provided access to the Contractor's processing facilities with 24-hours notice for the purposes of periodically monitoring the facilities' performance under this Section. Monitoring may include, but not be limited to, breaking selected bales and measuring outthrows and prohibitives by weight, taking samples of processed glass and metals, reviewing actual markets and use of processed materials, and other activities to ensure that Contractor performance under this Contract and that misdirected Recyclables and contamination are minimized. All such investigations shall be done in strict compliance with Contractor's safety policies.

Obvious contaminants included with either Source-separated Recyclables or Yard Waste shall not be collected, and shall be left in the customer's container with a prominently displayed notification tag explaining the reason for rejection.

### **24.0 Communication**

The parties agree that they will establish acceptable procedures for communication of necessary information. Each party agrees to designate a key employee or officer who will be the responsible contact person for that party with respect to implementation of the contract and communication of information necessary for the performance of the contract. Each party agrees to follow the procedures established between the parties for regular, effective communication of information between the parties.

### **25.0 Special Agreement**

The Contractor agrees to remove and dispose of Garbage and Recyclables from the Snohomish Fire Stations, City Hall, City Shop, all City Parks, Averill Field, City Library, Wastewater Treatment Plant, First Street restrooms, Snohomish Senior Center, and Police Station, without charge to the City.

The City shall provide to the Contractor a mutually agreed location of approximately 5,000 square feet (50 feet by 100 feet) of City property for the storage and mobilization of containers during the Contract term. The Contractor may request in writing to conduct other operations at the site, such as building containers or recycling services. The Contractor shall not collect and/or store Hazardous Waste, Special Waste, toxic material, solid waste, Garbage, Recyclable material, and/or Yard Waste, and/or conduct any transfer operation of such material at the site. Containers stored at the site must be cleaned prior to placement.

### **26.0 Low Income Senior Citizen and Low Income Handicapped Customers**

Low income senior citizens and low income handicapped residents may apply to

## **DISCUSSION ITEM 6**

the City to receive reduced rates for Garbage service. Customers shall apply on a form made available by the City. If the City finds he/she is qualified for reduced rates, it shall notify the Contractor. Reduced Garbage rates apply only to services outlined in Attachment A. Customers requiring service in excess of this level cannot qualify for the rate reduction.

### **27.0 Payment of Contractor (if City is billing customers)**

Within ten (10) working days after the first of the month, the Contractor shall submit an itemized invoice (not to include the City's public utility tax) to the City for services rendered for the prior month of service. After submittal of such invoices the City shall, on or about the 10th day of the next month, remit to the Contractor payments of an amount equal to such invoices, adjustments and/or claims less any sums that have been deducted as provided in this Contract.

The Contractor shall provide a detailed listing billing register of the accounts being billed, including the account's monthly service level and any extra charges.

### **28.0 Permits and Damage to Utilities**

The Contractor shall obtain and pay for any and all City and other County, State, or Federal permits and/or licenses legally required in order to provide the Garbage and Refuse collection and disposal services required under this Contract.

The Contractor shall be obligated to protect all public and private utilities whether occupying street, public, or private property. If such utilities are damaged by reason of the Contractor's operations under this Contract, the Contractor shall repair or replace same, or failing to do this promptly, the City shall cause repair and replacement to be made and the cost of doing so shall be billed to Contractor monthly, or alternately the City may deduct such cost from the payment due the Contractor.

### **29.0 Container Requirements and Ownership**

#### **29.1 Mini-cans and Garbage Cans**

Both Residential and Commercial Customers may elect to use customer-owned Mini-cans or Garbage Cans, or may choose to use Contractor-owned Carts for Garbage collection service. In all cases, customers will be directed to have at least one rigid container as their primary Garbage container. Plastic bags may be used for overflow volumes of Garbage, but not as a customer's primary container.

If a customer uses its own Mini-can or Garbage Can, Contractor crews shall be expected to handle the containers in such a way as to minimize undue damage. The Contractor shall be responsible for unnecessary or unreasonable damage to customer-owned containers caused by the Contractor.

#### **29.2 Garbage, Recyclables and Yard Waste Carts**

Garbage, Recyclables, and Yard Waste Carts used by customers shall be restricted to Contractor-issued 32-, 64- and 96-gallon Recyclables Carts;

## **DISCUSSION ITEM 6**

and only Contractor-issued 96-gallon Yard Waste Carts.

### 29.3 **Detachable and Drop-box Containers**

The Contractor shall furnish and install 1-, 2-, 3-, 4-, 6- and 8-cubic yard Detachable Containers, and 10-, 20-, 30- and 40-cubic yard uncompacted Drop-box Containers to any customer who requires their use for storage and collection of Garbage.

Customers may elect to own or secure containers from other sources, and shall not be subject to discrimination by the Contractor in collection services on that account. However, containers owned or secured by customers must be capable of being serviced by front load or Drop-box Container collection vehicles to be eligible for collection. The Contractor is not required to service customer containers that are not compatible with the Contractor's equipment.

If a particular customer repeatedly damages a container due to negligence or intentional misuse, the Contractor shall forward in writing the customer's name and address to the City. The City shall then attempt to resolve the problem. If the problem continues, the City will take corrective action with the customer.

### 29.4 **Recycling Carts**

The Contractor shall provide Recycling Carts to new customers within the City Service Area, including new residences and annexation areas as well as replacement Carts to existing customers who request them because of loss, theft, or damage.

### 29.5 **Ownership**

On the termination of this Contract for any reason, all Contractor-supplied Garbage Carts, Recycling Carts and Yard Waste Carts, Detachable Containers, and roll-off boxes purchased or obtained by the Contractor shall remain the property of the Contractor.

## 30.0 **Liability Insurance**

### 30.1 **Liability Insurance Types and Coverage Amounts**

The Contractor shall provide and maintain in full force and effect during the entire term of the Contract or any renewal or extension thereof a policy of Contractor's General Liability and Automobile Liability Insurance providing for limits of not less than one million dollars (\$1,000,000) per occurrence for all damages arising out of bodily injuries to or death of one person, and subject to that limit for each person, a total limit of not less than five million dollars (\$5,000,000) per occurrence for all damages arising out of bodily injuries to or death of two or more persons in any one accident; and regular Contractor's Property Damage Liability insurance providing for a limit of not less than one million dollars (\$1,000,000) per occurrence for all damages arising out of the injury to or destruction of

## DISCUSSION ITEM 6

property in any one accident, and subject to that limit per accident. The Contractor shall, before commencing work under this Contract, file with the City certificates of insurance coverage to be kept in force continuously during this Contract in a form acceptable to the City. Said certificates shall name the City, its officers, elected officials, agents and/or employees as an additional named insured with respect to all coverages except workers' compensation.

30.2 Notice of Cancellation

In the event that the Contractor receives notice (written, electronic, or otherwise) that any of the above required insurance coverage is being cancelled and/or terminated, the Contractor shall immediately (within forty-eight (48) hours) provide written notification of such cancellation/termination to the City.

30.3 Acceptability of Insurers

Insurance to be provided by Contractor shall be with a Bests rating of no less than A:VII, or if not rated by Bests, with minimum surpluses the equivalent of Bests' VII rating.

30.4 Verification of Coverage

In signing this Contract, the Contractor acknowledges and represents that required insurance is active and current. Further, throughout the term of this Contract, the Contractor shall provide the City with proof of insurance upon request by the City.

30.5 Insurance shall be Primary

The Contractor's insurance coverage shall be primary insurance as respect to 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.

30.6 No Limitation

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

30.7 Occurrence Basis

Unless approved by the City all insurance policies shall be written on an "Occurrence" policy as opposed to a "Claims-made" policy. The City may require an extended reporting endorsement on any approved "Claims-made" policy.

30.8 Workers' Compensation

During the term of this Contract and any extension thereof, the Contractor shall maintain workers' compensation coverage and limits in accordance with and as required by the Workers' Compensation Act of Washington.

## **DISCUSSION ITEM 6**

### **31.0 Indemnification and Hold Harmless**

- 31.1 The Contractor shall at all times indemnify and hold harmless and defend the City, its elected officials, officers, employees, agents, and representatives, from and against any and all lawsuits, damages, costs, charges, expenses, judgments, and liabilities, including attorney's fees (including reasonable attorney's fees in establishing indemnification), collectively referred to herein as "losses" to the extent arising out of negligent acts, errors, or omissions of the Contractor in performance of Contractor's services under this Contract. The term "claims" as used herein shall mean all claims, lawsuits, causes of action, and other legal actions and proceedings of whatsoever nature, involving bodily or personal injury or death of any person or damage to any property including, but not limited to, persons employed by the City, the Contractor, or other person and all property owned or claimed by the City, the Contractor, or affiliate of the Contractor, or any other person.
- 31.2 Should a court of competent jurisdiction determine that this Contract is subject to RCW 4.24.115, then, in the event of liability for damaging arising out of bodily injury to persons or damages to property caused by or resulting from the concurrent negligence of the Contractor and the City, its members, officers, employees, and agents, the Contractor's liability to the City, by way of indemnification, shall be only to the extent of the Contractor's negligence.
- 31.3 The Contractor specifically and expressly waives any immunity that may be granted it under the Washington State Industrial Insurance Act, Title 51 RCW, as provided in RCW 4.24.115. The indemnification obligation under this Contract shall not be limited in any way by any limitation on the amount or type of damages, compensation or benefits payable to or for any third party under workers compensation acts, disability benefits acts, or other employee benefits acts; provided the Contractor's waiver of immunity by the provisions of this paragraph extends only to claims against the Contractor by the City and does not include, or extend to, any claims by the Contractor's employees directly against Contractor. The obligations of Contractor under this subsection have been mutually negotiated by the parties hereto, and Contractor acknowledges that the City would not enter into this Contract without the waiver thereof of Contractor.
- 31.4 Nothing contained in this section or Contract shall be construed to create a liability or a right of indemnification by any third party.
- 31.5 The provisions of this section shall survive the expiration or termination of this Contract with respect to any event occurring prior to such expiration or termination.

## **DISCUSSION ITEM 6**

### **32.0 Performance Bond**

Within ten (10) calendar days of execution of this Contract by the parties, the Contractor shall furnish to the City a performance bond to be approved by the City Attorney, conditioned that the Contractor shall faithfully perform all the provisions and terms of the Contract and related documents, and shall pay all laborers, mechanics and subcontractors and material men, and all persons who shall supply such Contractor with provisions and supplies for the carrying on of such work. Said bond shall be signed by the Contractor and two or more good and sufficient Sureties or with Surety Company as Surety, and shall be in the amount of one hundred thousand dollars (\$100,000.00). Said bond shall be kept in full force and effect during the term of this Contract and extension thereof.

### **33.0 Force Majeure**

Neither party shall be liable to the other for any delay in, or failure of, performance of such obligations hereunder, except as may be specifically provided herein, where performance of such obligations are prevented or delayed by acts of God, fire, explosion, strike, lock out, accident, flood, earthquake, epidemic, war, riot, rebellion, restraints or injunctions, or other legal processes from which a party affected cannot reasonably relieve themselves by security or action.

### **34.0 Contractor to Make Examination**

The Contractor shall make his own examination, investigation, and research regarding the proper method of doing the work, and all conditions affecting the work to be done, and the labor, equipment, and materials needed thereon, and the quantity of the work to be performed. The Contractor agrees that he has satisfied himself by his own investigation and research regarding all of such conditions and that his conclusion to enter into this Contract is based upon such investigation and research, and that he shall make no claim against the City because of any of the estimates, statements or interpretations made by any officer or agent of the City which may prove to be in any respect erroneous.

### **35.0 Company Name**

The Contractor shall not use a firm name containing the words "Snohomish," "City," or any words implying municipal ownership.

### **36.0 Excluded Waste**

Notwithstanding any other provision of this Contract: (a) except as otherwise required by applicable law, the Contractor shall have no obligation to inspect any material collected pursuant to this Contract; (b) if Excluded Waste is discovered before the Contractor collects it, the Contractor may refuse to collect the entire container of waste; (c) if any Excluded Waste is not discovered by the Contractor before it is collected, the Contractor may, in its sole discretion, remove, transport and dispose of such Excluded Waste at a location authorized to accept such Excluded Waste in accordance with all applicable local, State and/or Federal laws

## **DISCUSSION ITEM 6**

and/or regulations and charge the customer, depositor or generator of such Excluded Waste all direct and indirect cost incurred due to removal, remediation, handling, transportation, delivery and disposal of such Excluded Waste; and (d) title to and liability for any Excluded Waste shall remain with the customer, generator or depositor and shall at no time pass to the Contractor.

### **37.0 Emergency Response**

Contractor shall provide the City use of the Contractor's labor and equipment for assistance in the event of a City disaster or emergency declaration, provided such labor and equipment is available. The Contractor and City commit to developing an agreement on terms, conditions, and compensation for disaster or emergency services, not to be less than the rates in Attachment A.

Contractor shall keep full and complete records and documentation of all costs incurred in connection with disaster or emergency response, and include such information in the monthly reports required under Section 21.0. The Contractor shall maintain such records and documentation in accordance with the City's prior approval and any standards established by the Federal Emergency Management Agency, and at the City's request, shall assist the City in developing any reports or applications necessary to seek assistance related to a federally-declared disaster.

### **38.0 Responsibility of Participants**

#### **38.1 Contractor's Responsibilities**

The Contractor shall be responsible for:

- Collecting Garbage in the City Service Area and delivering the Garbage to the Snohomish County Disposal System.
- Collecting, processing and marketing Recyclables and Yard Waste collected by the Contractor in the City Service Area.
- Providing cart and container assembly, maintenance, stickering/labeling and re-stickering/labeling and delivery services listed or required in this Contract.
- Performing secondary (City shall provide primary support) customer service. Entering data, such as changes, returns, misses, and other flow of operation details. The City will communicate data by the end of the next business day via email, telephone, fax, or other electronic means. If a customer calls the Contractor instead of the City, the Contractor will assist the customer in resolution of the issue. In order to best serve the Customer, those who call the Contractor regarding rates will be referred to the City.
- Procuring all equipment and bearing all start-up, operating, and maintenance costs for collection and processing or disposal of Garbage, Recyclables, and Yard Waste, including proper safety equipment and insurance for vehicles and workers.
- Providing and supervising all labor to accomplish the scope of services required under this Contract, including labor to collect

## **DISCUSSION ITEM 6**

- materials, maintain equipment, and provide customer service functions.
- Operating a maintenance facility to house and service collection equipment and acquiring all necessary land use, building, operating, and business permits and licenses.
  - Submitting all informational materials for public release to the City for review and approval prior to release.
  - Complying with all applicable laws.
  - Meeting all non-discrimination and OSHA/WISHA standards, and all environmental standards and regulations.
  - Providing a safe working environment and comprehensive liability insurance coverage as set forth in 30.0, and providing proof of this insurance to the City annually.
  - Providing a valid Contractor's performance bond in accordance with Section 32.0, and providing proof of this bond to the City annually.
  - Securing the prior written approval of the City and Surety before assigning or pledging money, or assigning, subcontracting, or delegating duties.
  - Providing route maps to the City indicating the day of week for each service.
  - Submitting collection day changes to the City for review and approval prior to notice being provided to customers and the change taking place.
  - Submitting prompt notices to the media regarding modifications to the collection schedule due to inclement weather.
  - Maintaining containers, vehicles and facilities in a clean, properly labeled and sanitary condition.
  - Meeting all City reporting, inspection and review requirements.
  - Providing operating and safety training for all personnel, including spill response training for all drivers.
  - Notifying the City of intended changes in management not less than sixty (60) calendar days prior to the date of change. New management shall also attend an introductory meeting scheduled by the City during the sixty (60) calendar day notification period. Exception shall be made for termination for cause or voluntary termination in which case Contractor shall notify the City as soon as is possible.
  - Complying with all terms, obligations, duties and conditions of this Contract.

### 38.2 City's Responsibilities

The City shall be responsible for:

- Overall project administration and final approval of Contractor services and activities.

**DISCUSSION ITEM 6**

- Reviewing and approving Contractor compensation adjustments due to changes in County disposal fees or price indices.
- Directing and overseeing public education and outreach with the cooperation and assistance of the Contractor.
- Billing, receiving and posting customer payments and deposits. Primary customer service functions including answering telephone calls and e-mails, providing information on services, establishing Commercial and Drop-box Container customer accounts, and providing appropriate customer support.
- Provide Contractor Customer information changes and updates by the end of the next business day following receipt of the new information.
- Monitoring and evaluating collection operations with the cooperation and assistance of the Contractor.
- Providing outreach materials and programs, and assistance with distribution and outreach as required in this Contract.
- Reviewing and approving all assignment, pledging, subcontracting or delegation of money or duties.
- Reviewing and approving collection days and route changes.
- Reviewing and approving holiday schedule changes.
- Reviewing and approving all written or other informational materials used by the Contractor.
- Conducting performance reviews of the Contractor with the Contractor's cooperation and assistance.
- Holding periodic operations meetings with the Contractor, as necessary.

**39.0 Liquidated Damages As To Certain Types of Breach of Service**

As a breach of the service provided by this Contract would cause serious and substantial damage to the City and its citizens, and the nature of this Contract would render it impracticable or extremely difficult to fix the actual damage sustained by the City by such breach, it is agreed that in case of breach of service, the City may elect to collect liquidated damages and not as a penalty, the amounts set forth below, such sums being agreed to as the amount which the City will be damaged by the breach of such service. An election to seek such remedies shall not be construed as a waiver of any other legal remedies at law or in equity the City may have as to any subsequent breach of service under this Contract.

Truck beginning residential collection  
prior to 6:30 a.m. or later than 6:30 p.m. .... \$25 per truck per day

In areas 300 feet from residential section operating  
between the hours of 6:30 p.m. and 6:30 a.m. ....\$25 per occurrence

Failure to collect misses within 24 hours of

**DISCUSSION ITEM 6**

notification to Contractor.....\$15 each, not to exceed 10 complaints per truck per day

Repetition of complaints on a route after notification including, but not limited to, replacing lids or detachable containers in designated locations, spilling, not closing gate, crossing planted areas, or similar violations.....\$5 each, not to exceed 10 complaints per truck per day

Failure of Contractor to provide special make-up collections as defined in Section 13.0.....\$25 each pick-up

The above shall be billed to the Contractor, or deducted from any payment due to the Contractor, at the City's discretion.

**40.0 Refuse Rates and Modification of Rates (Solid and Yard Waste)**

**40.1 Refuse Rates**

Contractor shall be compensated for Garbage and Refuse collection and disposal services provided pursuant to this Contract in accordance with the Refuse rates described and provided in Attachment A, which is incorporated herein by this reference. These rates shall be adjusted during the term of this Contract or any extension thereof in accordance with this Section.

Contractor shall communicate with industrial and commercial users with respect to number and size of containers and frequency of service. The Contractor shall directly negotiate and bill customers for Garbage and Refuse collection and disposal services related to temporary construction services and services greater than 8 yards.

Rates shall recognize that housing structures with two or more units including condominiums may opt-out of the Yard Waste program, upon successful petition to the City for a variance.

**40.2 Refuse Rate Index**

The Refuse Rate Index ("RRI") will be a weighted index based on the following three indices:

- The Consumer Price Index for Urban Wage Earners and Clerical Workers for the Seattle-Tacoma-Bremerton Area, all items, not seasonally adjusted, or successor indices, which will have a weight of 42%.

## DISCUSSION ITEM 6

- The Employment Cost Index for Service-Providing Industries (National), Series ID CIU201S0000000001 (B,H), for private industry, not seasonally adjusted, which will have a weight of 50%.
- The Energy Information Agency West Coast Retail On-Highway Diesel Price, which will have a weight of 8%.

The Refuse Rate Index, for the Contract year beginning in April 2012, and for each subsequent contract year, will be calculated by taking the weighted average, based on the weights above, of the percentage difference between the three indices September 30<sup>th</sup> values and the corresponding values for the prior year, and adding the result to 1.0. The resulting amount shall be termed the “adjustment factor.”

Adjustments to the Contractor’s collection service charge shall be made in units of one cent (\$0.01). Fractions less than one cent (\$0.01) shall not be considered when making adjustments. At no time shall the total adjustment factor be less than 0.0 and no time greater than 5.0.

The Contractor shall submit to the City for review and approval a rate adjustment statement, calculating the new rates for the next year in which an RRI adjustment is scheduled, on or by January 15 of each year, starting January 15<sup>th</sup>, 2012. The City shall have twenty (20) calendar days to approve or disapprove the new rates; provided, however, that the City may not disapprove an RRI increase unless the Rate Adjustment Statement contains errors of calculations. On City approval, the new rates shall take effect on April 1 of that year, and customers shall be notified by February 15<sup>th</sup> prior to the new rate. Should ratepayers not receive notification by February 15<sup>th</sup>, due to missed deadlines by the Contractor or rate disapproval by the City, implementation of the new rates shall be delayed by one month without opportunity for recovery of lost revenue.

### 40.3 Disposal Fee Adjustments

Periodic adjustments may be made to Contractor collection rates to reflect increases or decreases in disposal fees for solid waste fees. The City and Contractor agree to negotiate in good faith any change in collection rates resulting from increases or decreases in disposal fees for solid waste. The Contractor shall notify the City of any changes to the solid waste fees within 15 (fifteen) business days of notification from the processors. Should rate payers not receive at least forty-five (45) days notice due to short notification time to the City by the Contractor, implementation of the new rates shall be delayed until proper notice can be provided without opportunity for recovery of additional costs or lost revenue.

### 40.4 Changes in Disposal or Yard Waste Processing Sites

Should the Contractor be required by the City or other governmental

## **DISCUSSION ITEM 6**

authority to use disposal or Yard Waste processing sites other than those being used at the initiation of this Contract, the Contractor shall submit a detailed proposal for the adjustment of the rates to reflect any additional cost or savings to the Contractor. The City and Contractor agree to negotiate in good faith any changes to the rates to offset these costs or savings.

### **40.5 Other Modifications**

The Contractor shall not adjust or modify rates due to employee wage increases, the value of Recyclables, Garbage collection service level shifts, and/or other changes affecting the collection system other than provided for under Section 39.

The Contractor or City shall be allowed to request in writing a rate adjustment limited to the following changes in the operating environment and limited to the actual direct costs incurred to the Contractor. The Contractor shall make every effort to keep the City apprised in writing when changes to any of the following items may impact Snohomish service rates. All rate adjustments under these provisions shall be respective of the previous adjustments for RRI and shall not result in a duplication of increase to the City.

40.5.1 Changes in Federal, State, County, or Local Tax Rates.

40.5.2 Once during the term of the Contract, but not effective before the end of the second Contract year, the Contractor and the City can request a rate adjustment due to changes in the average container weight of the City of Snohomish customers.

40.5.3 Federal or State regulatory changes that require changes to collection, processing, or transport operations that result in either an increase/decrease to direct costs.

### **40.6 Change in Law**

Changes in federal, State, or local laws or regulations or a continuing force majeure that result in a detrimental change in circumstances or a material hardship for the Contractor in performing this Contract may be the subject of a request by the Contractor for a rate adjustment, subject to review and approval by the City, at the City's reasonable discretion. If the City requires review of financial or other proprietary information in conducting its rate review, at the request of the Contractor, the City shall retain a third-party to review such information at the Contractor's expense, and may take any other steps it deems appropriate to protect the confidential nature of Contractor's documents and preserve the Contractor's ongoing ability to remain competitive.

The City may, from time to time, impose utility or other taxes that shall be

## **DISCUSSION ITEM 6**

assessed and payable as directed by City ordinance. If new City, County, or State taxes are imposed or the rates of existing taxes are changed after the execution date of this Contract, and the impact of these changes results in increased or decreased Contractor costs, the Contractor and City will enter into good faith negotiations to determine whether compensation adjustments are appropriate, and if so, determine the amount and the method of adjustment.

### **41.0 Discrimination Prohibited And Compliance With Equal Opportunity Laws**

The Contractor agrees to comply with applicable equal opportunity employment laws and regulations and not discriminate against customers, employees, or applicants for employment or for services because of race, creed, color, religion, national origin, marital status, sex, sexual orientation, age or handicap except for a bona fide occupational qualification with regard, but not limited to, the following: employment upgrading; demotion or transfer; recruitment or any recruitment advertising; layoff or terminations; rates of pay or other forms of compensation; selection for training, and providing services under this Contract. The Contractor further agrees to maintain (as appropriate) notices, posted in conspicuous places, setting forth the provisions of this nondiscrimination clause.

### **42.0 Local Improvements**

The City reserves the right to construct any improvement or to permit any such construction in any street or alley in such a manner as the City may direct, which may have the effect for a time of preventing the Contractor from traveling his accustomed route or routes for collection. The Contractor shall, however by whatever approved method the Contractor elects, continue to collect the Garbage and Refuse to the same reasonable extent as though no interference existed upon the streets or alleys formerly traversed. This shall be done without extra costs for the City.

### **43.0 Disputes/Arbitration**

#### **43.1 Minor Disputes**

Minor disputes between the City and Contractor involving sums of less than \$1,000.00 shall be resolved by being submitted to the City's Utility Hearing Examiner whose decision shall be final and binding.

#### **43.2 Other Disputes**

All other disputes between the parties to this Contract shall be resolved by binding arbitration. Unless otherwise agreed between the parties, the binding arbitration shall be through the American Arbitration Association and pursuant to its rules. Either party may submit a dispute to arbitration by written notice to the other stating the nature of the dispute and making the demand for arbitration. The party prevailing in any dispute resolution proceeding, as determined by the arbitrator or arbitrators, shall be entitled to be compensated by the other party for reasonable attorney's fees and costs of dispute resolution, including the costs of arbitration.

## **DISCUSSION ITEM 6**

### **44.0 Non-Assignability of Contract**

This Contract or any interest therein or part thereof, shall not be assigned, whether by operation of law or otherwise, nor shall any part thereof be subcontracted, without prior written consent of the City first having been obtained, which consent shall not unreasonably be withheld.

### **45.0 Junk or Salvage**

All junk or salvage of any kind or nature authorized by the City to be collected by the Contractor shall become its property and the Contractor agrees to make proper provision for the disposition of any such junk or salvage as the case may be.

### **46.0 Contractor to Maintain Accurate Records**

Contractor agrees to and covenants to keep at all times accurate and complete records and accounts in writing, including route books indicating the collection from residential, commercial and industrial customers, as dictated by good accounting practices, and to allow the City, or its duly authorized representative or agent, reasonable and adequate access to any and all of said records, data, copies or duplicates thereof, without charge. The Contractor shall preserve and make available all such books of account and records for a period of three (3) years after final payment under this Agreement. In the event that any audit or inspection identifies any discrepancy in such financial records, the Contractor shall provide the City with appropriate clarification and/or financial adjustments within thirty (30) calendar days of notification of the discrepancy.

### **47.0 Termination**

The City reserves the right to cancel or terminate this Contract at any time in case Contractor fails or neglects to perform or adhere to any provision, term, and/or condition of this Contract, or fails to abide by any of the conditions or covenants herein contained. Provided, however, that the City shall give the Contractor written notice of any alleged breach of this Contract, and unless the default is not capable of being cured, give the Contractor 10 days to cure the default.

### **48.0 Extent of Contract/Modification**

This Contract, together with attachments or addenda, represents the entire and integrated Contract between the parties and supersedes all prior negotiations, representations, or agreements, contracts either written or oral. This Contract may be amended, modified or added to only by written instrument properly signed by both parties.

### **49.0 Severability**

If a court of competent jurisdiction holds any part, term or provision of this Contract to be illegal or invalid, in whole or in part, the validity of the remaining provisions shall not be affected, and the parties' rights and obligations shall be construed and enforced as if the Contract did not contain the particular provision held to be invalid.

If any provision of this Contract is in direct conflict with any statutory provision

## **DISCUSSION ITEM 6**

of the State of Washington, that provision which may conflict shall be deemed inoperative and null and void insofar as it may conflict, and shall be deemed modified to conform to such statutory provision.

### **50.0 Nonwaiver**

A waiver by either party hereto of a breach by the other party hereto of any covenant or condition of this Contract shall not impair the right of the party not in default to avail itself of any subsequent breach thereof. Leniency, delay or failure of either party to insist upon strict performance of any agreement, covenant or condition of this Contract, or to exercise any right herein given in any one or more instances, shall not be construed as a waiver or relinquishment of any such agreement, covenant, condition or right.

### **51.0 Compliance with Law**

The Contractor shall comply with all federal, state, and local laws and ordinances applicable to work and services to be done under this Contract.

### **52.0 Governing Law and Venue**

This Contract shall be interpreted and construed in accordance with the laws of Washington. Venue for any litigation commenced relating to this Contract shall be in Snohomish County Superior Court.

### **53.0 Fair Meaning**

The terms of this Contract shall be given their fair meaning and shall not be construed in favor of or against either party hereto because of authorship. This Contract shall be deemed to have been drafted by both of the parties.

### **54.0 Counterparts**

This Contract may be executed in one or more counterparts, each of which shall be deemed an original, but all of which shall constitute one and the same Contract.

### **55.0 Authority to Bind Parties and Enter Into Contract**

The undersigned represent that they have full authority to enter into this Contract and to bind the parties for and on behalf of the legal entities set forth below.

**DISCUSSION ITEM 6**

**RABANCO, LTD. d/b/a ALLIED WASTE OF LYNNWOOD**      **CITY OF SNOHOMISH**

By   
Peter Keller, Vice President

By \_\_\_\_\_  
Larry Bauman, City Manager

Date 22 MAR 11

Date \_\_\_\_\_

ATTEST:

APPROVED AS TO FORM:

By \_\_\_\_\_  
Torchie Corey, City Clerk

By \_\_\_\_\_  
Grant K. Weed, City Attorney

**DISCUSSION ITEM 6**

**Attachment A**

**Solid Waste and Recycling Rates.**

<b>Service Type</b>	<b><u>RESIDENTIAL</u></b> <b>Frequency</b>	<b>21.0 Monthly Rate</b>
1 Mini Can	Monthly	9.88
1 Mini Can – Senior Citizen	Monthly	4.94
Mini Can	Weekly	11.21
Mini Can – Senior Citizen	Weekly	5.60
1 Can	Weekly	13.96
1 Can – Senior Citizen	Weekly	6.99
2 Cans	Weekly	20.12
2 Cans – Senior Citizen	Weekly	10.06
3 Cans	Weekly	26.22
4 Cans	Weekly	30.53
5 Cans	Weekly	36.24
6 Cans	Weekly	42.86
Each Additional Can	Weekly	6.03
1 - 64 gallon Toter	Weekly	24.55
2 - 64 gallon Toters	Weekly	35.46
Bags, Cans, Boxes	Per Occurrence	5.99
Return Trip	Per Occurrence	10.68
Oversize Can	Per Occurrence	22.52

<b>Service Type</b>	<b><u>MULTIFAMILY AND COMMERCIAL</u></b> <b>Frequency</b>	<b>Monthly Rate</b>
1 Can	Weekly	17.25
2 Cans	Weekly	34.90
3 Cans	Weekly	52.50
4 Cans	Weekly	70.09
5 Cans	Weekly	87.68
1 64 Gal Toter	Weekly	33.05
1 90 Gal Toter	Weekly	54.57
Extra Bag	Weekly	2.65
1.00 Yard	Weekly	85.56

*dm*  
*22 MAR 11*

**DISCUSSION ITEM 6**

<b>Service Type</b>	<b>Frequency</b>	<b>Monthly Rate</b>
1.25 Yard	Weekly	97.29
1.50 Yard	Weekly	117.54
2.00 Yard	Weekly	144.34
3.00 Yard	Weekly	194.14
4.00 Yard	Weekly	234.96
6.00 Yard	Weekly	309.47
8.00 Yard	Weekly	383.98
4.00 Yard Compactor	Weekly	742.78
Distance	Per Occurrence	No Charge
Gate	Per Occurrence	No Charge
Bags	Per Occurrence	2.65
Boxes	Per Occurrence	2.65
Cans	Per Occurrence	2.65

<b><u>RECYCLING</u></b>		
<b>Service Type</b>	<b>Frequency</b>	<b>Monthly Rate</b>
Residential Co-Mingled	Weekly	6.03
Yard Waste	Spring Summer – Weekly	9.11
	Winter – Bi-Weekly	
Yard Waste – Extra Cart	Spring Summer – Weekly	6.21
	Winter – Bi-Weekly	
Multifamily	Weekly	5.88

Commercial and multifamily customers requiring increased frequency of collections beyond those provided in the above rates shall be charged under the following formula:

Formula: The Service’s Weekly Rate x the Frequency of Collection x .94

Example: A One-Yard container picked up three (3) times per week:  
 $\$85.56 \times 3 \times .94 = \$241.98$

*dm*  
22/02/11

## **DISCUSSION ITEM 6**

### ATTACHMENT B

To: **Jeff Borgida and Janet Prichard**  
From: **Rick Waldren**  
Date: **January 12, 2016**  
Subject: **City of Snohomish April 1, 2016 Rate Increase**

---

**RRI is negative for this calculation; per contract the adjustment must be between 0% and 5%. No change to rates.**

Attached is an analysis of the estimated April 1, 2016 Snohomish rate increase.

The estimated rates on the attached schedules were calculated as follows:

1. Column A contains the current rates, which became effective April 1, 2015.
2. Column B contains figures, which represent the average weight (in pounds) per service level.
3. Column C contains the disposal portion of the rate using \$105.00 per ton
4. Column D is a calculation of the service portion of each rate, column A less column C.
5. Column E is the current increase of 0% RRI calculation  
(see calculation of this rate on the RRI )  
Increase is applied only to the service portion of the rates
6. Column F contains the final rates, the sum of columns C, D and E.
7. Column G reflects the percent increase in the total rate

# **DISCUSSION ITEM 6**

2016 Rates

## **Rate Schedule - Allocation of Tipping and Non-Tipping Charges Attachment A and B**

	<b>A</b> Actual Rates Effective 4/1/2015	<b>B</b> Pounds per Month	<b>C</b> Disposal portion at \$105.00 per Ton	<b>D</b> Service Portion of Rate	<b>E</b> RRI Increase 0.000%	<b>F</b> Final Rate Effective 4/1/2016	<b>G</b> % of Increase
<b><u>Residential Service</u></b>							
15 gal can	11.38	50.88	2.67	8.71	0.00	11.38	0.00%
1 can	13.91	101.76	5.34	8.57	0.00	13.91	0.00%
2 cans	20.04	146.53	7.69	12.35	0.00	20.04	0.00%
3 cans	26.12	190.12	9.98	16.14	0.00	26.12	0.00%
4 cans	30.31	235.75	12.38	17.93	0.00	30.31	0.00%
5 cans	35.98	279.95	14.70	21.28	0.00	35.98	0.00%
6 cans	42.60	324.18	17.02	25.58	0.00	42.60	0.00%
Additional cans over 6	6.17	16.50	0.87	5.30	0.00	6.17	0.00%
1 can once a month	10.20	23.48	1.23	8.96	0.00	10.20	0.00%
1 32 gal toter (including rent)	16.18	78.15	4.10	12.08	0.00	16.18	0.00%
1 64 gal toter (including rent)	24.61	156.30	8.21	16.40	0.00	24.61	0.00%
1 90 gal toter (including rent)	34.59	234.45	12.31	22.28	0.00	34.59	0.00%
2 64 gal toter (including rent)	35.22	265.70	13.95	21.27	0.00	35.22	0.00%
Extras - Bag, boxes	6.15	3.83	0.20	5.94	0.00	6.15	0.00%
Oversize Can	23.59			23.59	0.00	23.59	0.00%
Return trips	11.19			11.19	0.00	11.19	0.00%
Drive in	8.55			8.55	0.00	8.55	0.00%
Overhead / Sunken	1.73			1.73	0.00	1.73	0.00%
<b><u>Residential Service - Senior Rates</u></b>							
15 gal can	5.69					5.69	0.00%
1 can	6.96					6.96	0.00%
2 cans	10.02					10.02	0.00%
1 can once a month	5.10					5.10	0.00%
Extras - Bag, boxes	3.07					3.07	0.00%
<b><u>Recycling - See Note 1</u></b>							
Single-Family (See Note 1)	6.31			6.31	0.00	6.31	0.00%
Multi-Family (See Note 1)	6.16			6.16	0.00	6.16	0.00%
Yardwaste (See Note 2)	9.27	95.76	2.27	7.00	0.00	9.27	0.00%
Yardwaste- extra can (See Note 2)	6.24	95.76	2.27	3.97	0.00	6.24	0.00%
<b><u>Commercial Service</u></b>							
1 can	17.35	101.76	5.34	12.00	0.00	17.35	0.00%
2 cans	35.52	146.53	7.69	27.83	0.00	35.52	0.00%
3 cans	53.65	190.12	9.98	43.67	0.00	53.65	0.00%
4 cans	71.74	235.75	12.38	59.36	0.00	71.74	0.00%
5 cans	89.86	279.95	14.70	75.16	0.00	89.86	0.00%
64 gal toter	33.51	156.30	8.21	25.30	0.00	33.51	0.00%
96 gal toter	55.27	265.70	13.95	41.32	0.00	55.27	0.00%
Extras - Bag, boxes	2.65	3.83	0.20	2.45	0.00	2.65	0.00%
1.00 Yard (1 pickup per week)	85.08	642.01	33.71	51.38	0.00	85.08	0.00%
1.25 Yard (1 pickup per week)	96.24	802.51	42.13	54.11	0.00	96.24	0.00%
1.50 Yard (1 pickup per week)	116.32	963.01	50.56	65.76	0.00	116.32	0.00%
2 Yard (1 pickup per week)	142.12	1,284.02	67.41	74.71	0.00	142.12	0.00%
3 Yard (1 pickup per week)	189.75	1,926.03	101.12	88.63	0.00	189.75	0.00%
4 Yard (1 pickup per week)	227.98	2,568.04	134.82	93.16	0.00	227.98	0.00%
6 Yard (1 pickup per week)	298.82	3,587.06	188.32	110.50	0.00	298.82	0.00%
8 Yard (1 pickup per week)	369.68	4,606.08	241.82	127.86	0.00	369.68	0.00%
4 Yd Comp (1 pickup per week)	714.57	8,988.14	471.88	242.69	0.00	714.57	0.00%

\*If container is picked up multiple times per week, add 94% of rate to 1x Week\*

**DISCUSSION ITEM 6**

**Refuse Rate Index**

Consumer Price Index - Urban Wage Earners and Clerical Workers	
<b>2014</b>	<b>2015</b>
244.289	246.307
2.018 YOY Change	
<b>0.826% YOY %</b>	
42.0% Weight	
0.347% YOY Adj %	

Employment Cost Index	
<b>2014</b>	<b>2015</b>
122.300	124.500
2.200 YOY Change	
<b>1.799% YOY %</b>	
50.0% Weight	
0.899% YOY Adj %	

West Coast No 2 Diesel Ultra Low Sulfur (0-15 ppm) Retail Sales by All Sellers (Cents per Gallon)	
<b>2014</b>	<b>2015</b>
4.004	2.721
(1.283) YOY Change	
<b>-32.043% YOY %</b>	
8.0% Weight	
-2.563% YOY Adj %	

Refuse Rate Index	
<b>2014</b>	<b>2015</b>
-1.317% Weighted Average	
100.000% Base of 1.0	
-	<b>0.98683</b> RRI Adjustment Factor

Per contract adjustment factor can not be less than 0 or greater than 5%

## Databases, Tables & Calculators by Subject

FONT SIZE:

Change Output Options: From:  To:  **GO**

include graphs  include annual averages

[More Formatting Options](#)

Data extracted on: January 12, 2016 (12:58:28 PM)

### Employment Cost Index

**Series Id:** CIU201S0000000001 (8)  
 Not seasonally adjusted  
**Series Title:** Total compensation for Private industry workers in Service-providing industries, Index  
**Ownership:** Private industry workers  
**Component:** Total compensation  
**Occupation:** All workers  
**Industry:** Service providing  
**Subcategory:** All workers  
**Area:** United States (National)  
**Periodicity:** Index number

#### Download:

[xlsx](#)

Year	Qtr1	Qtr2	Qtr3	Qtr4
2005	98.3	98.9	99.5	100.0
2006	101.0	101.8	102.7	103.4
2007	104.3	105.2	106.1	106.7
2008	107.7	108.5	109.1	109.4
2009	109.8	110.1	110.5	110.8
2010	111.6	112.1	112.6	113.0
2011	113.8	114.6	115.0	115.3
2012	116.3	117.0	117.3	117.6
2013	118.4	119.1	119.6	120.0
2014	120.4	121.6	122.3	122.8
2015	123.8	123.8	124.5	

8 : See Footnote 8 on [www.bls.gov/ect/cimapnote.htm](http://www.bls.gov/ect/cimapnote.htm).

#### TOOLS

[Areas at a Glance](#)  
[Industries at a Glance](#)  
[Economic Releases](#)  
[Databases & Tables](#)  
[Maps](#)

#### CALCULATORS

[Inflation](#)  
[Location Quotient](#)  
[Injury And Illness](#)

#### HELP

[Help & Tutorials](#)  
[FAQs](#)  
[Glossary](#)  
[About BLS](#)  
[Contact Us](#)

#### INFO

[What's New](#)  
[Careers @ BLS](#)  
[Find It! DOL](#)  
[Join our Mailing Lists](#)  
[Linking & Copyright Info](#)

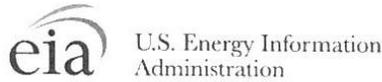
#### RESOURCES

[Inspector General \(OIG\)](#)  
[Budget and Performance](#)  
[No Fear Act](#)  
[USA gov](#)  
[Benefits gov](#)  
[Disability.gov](#)

[Freedom of Information Act](#) | [Privacy & Security Statement](#) | [Disclaimers](#) | [Customer Survey](#) | [Important Web Site Notices](#)

U.S. Bureau of Labor Statistics | Postal Square Building, 2 Massachusetts Avenue, NE Washington, DC 20212-0001  
[www.bls.gov](http://www.bls.gov) | Telephone: 1-202-691-5200 | TDD: 1-800-877-8339 | [Contact Us](#)

**DISCUSSION ITEM 6**



**PETROLEUM & OTHER LIQUIDS**

OVERVIEW DATA ANALYSIS & PROJECTIONS

GLOSSARY FAQs

Referring Pages:

- PADD 5 Gasoline and Diesel Retail Prices
- Retail Prices for Diesel (On-Highway) - All Types

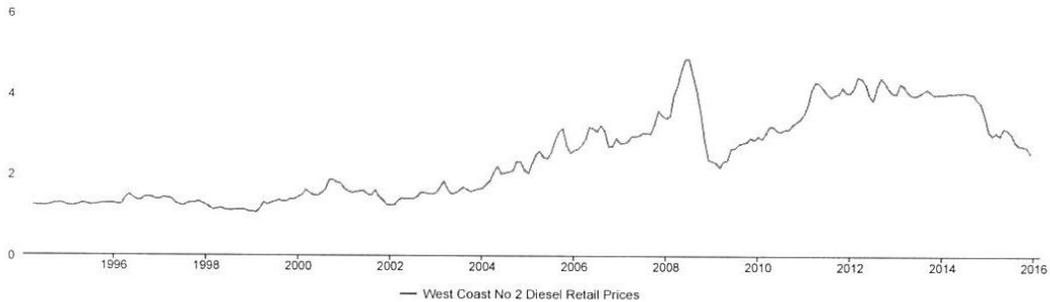
View History:  Weekly  Monthly  Annual

Download Data (XLS File)

**West Coast No 2 Diesel Retail Prices**

DOWNLOAD

Dollars per Gallon



Source: U.S. Energy Information Administration

Chart Tools

no analysis applied

This series is available through the EIA open data API and can be downloaded to Excel or embedded as an interactive chart or map on your website.

West Coast No 2 Diesel Retail Prices (Dollars per Gallon)												
Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
1994			NA	1.215	1.202	1.197	1.196	1.205	1.237	1.254	1.266	1.238
1995	1.201	1.190	1.199	1.231	1.260	1.239	1.216	1.221	1.236	1.254	1.257	1.258
1996	1.257	1.234	1.234	1.396	1.476	1.403	1.346	1.338	1.413	1.425	1.405	1.366
1997	1.363	1.411	1.386	1.378	1.275	1.228	1.199	1.248	1.281	1.275	1.308	1.262
1998	1.218	1.147	1.102	1.131	1.143	1.096	1.090	1.090	1.101	1.105	1.098	1.064
1999	1.053	1.038	1.127	1.286	1.231	1.282	1.309	1.348	1.313	1.319	1.372	1.368
2000	1.426	1.472	1.593	1.515	1.466	1.456	1.516	1.600	1.837	1.847	1.784	1.767
2001	1.620	1.563	1.528	1.546	1.563	1.574	1.494	1.461	1.587	1.434	1.349	1.231
2002	1.223	1.226	1.333	1.397	1.384	1.387	1.384	1.433	1.536	1.528	1.507	1.496
2003	1.534	1.679	1.816	1.613	1.501	1.527	1.583	1.666	1.612	1.568	1.591	1.629
2004	1.635	1.743	1.822	2.032	2.191	1.997	2.029	2.041	2.084	2.308	2.289	2.091
2005	2.019	2.259	2.462	2.557	2.413	2.382	2.513	2.821	3.051	3.122	2.707	2.517
2006	2.582	2.621	2.713	2.868	3.161	3.123	3.056	3.199	3.061	2.674	2.691	2.884
2007	2.762	2.768	2.806	2.933	2.929	2.954	3.022	3.014	3.002	3.241	3.572	3.450
2008	3.381	3.434	3.949	4.199	4.563	4.847	4.852	4.454	4.069	3.534	2.835	2.365
2009	2.321	2.279	2.166	2.322	2.340	2.630	2.640	2.735	2.777	2.795	2.900	2.851
2010	2.935	2.875	3.004	3.179	3.179	3.076	3.059	3.108	3.112	3.224	3.292	3.363
2011	3.492	3.731	4.099	4.285	4.249	4.134	4.012	3.915	3.975	4.001	4.153	4.034
2012	4.022	4.162	4.414	4.379	4.247	3.958	3.837	4.180	4.392	4.290	4.123	4.023
2013	4.007	4.258	4.193	4.048	3.972	3.958	3.997	4.057	4.119	4.046	3.975	3.997
2014	3.994	4.007	4.020	4.012	4.034	4.027	4.041	4.014	4.004	3.865	3.764	3.471
2015	3.075	2.968	3.041	2.956	3.147	3.110	3.017	2.815	2.721	2.708	2.677	2.532

[http://www.eia.gov/dnav/pet/hist/LeafHandler.ashx?n=pet&s=emd\\_epd2d\\_pte\\_r50\\_dpg&f...](http://www.eia.gov/dnav/pet/hist/LeafHandler.ashx?n=pet&s=emd_epd2d_pte_r50_dpg&f...) 1/12/2016

# DISCUSSION ITEM 6

**Table 23. Consumer Price Index for Urban Wage Earners and Clerical Workers (CPI-W): Selected areas, by expenditure category and commodity and service group-Continued**

(1982-84=100, unless otherwise noted)

Item and group	Monthly cities and pricing schedule 2 <sup>1</sup>					
	San Francisco-Oakland-San Jose, CA			Seattle-Tacoma-Bremerton, WA		
	Index	Percent change from—		Index	Percent change from—	
		Oct. 2015	Oct. 2014		Aug. 2015	Oct. 2014
<b>Expenditure category</b>						
All items .....	256.107	2.2	0.0	246.307	0.8	-0.5
All items (1967=100) <sup>2</sup> .....	779.868	-	-	730.547	-	-
Food and beverages .....	264.225	3.7	.3	258.113	2.1	.3
Food .....	265.418	3.8	.0	260.168	2.1	.3
Food at home .....	259.419	3.1	.0	248.224	1.8	.2
Food away from home .....	273.857	4.7	.1	283.703	2.5	.3
Alcoholic beverages .....	253.037	2.8	3.3	243.210	1.7	.2
Housing .....	299.862	5.2	1.0	269.015	4.8	.7
Shelter .....	332.204	5.7	1.3	298.767	5.2	.9
Rent of primary residence <sup>3</sup> .....	378.360	6.3	1.5	315.144	5.3	1.5
Owners' equivalent rent of residences <sup>3 4</sup> .....	303.423	5.4	1.1	306.046	5.1	1.2
Owners' equivalent rent of primary residence <sup>3 4</sup> .....	303.423	5.4	1.1	306.046	5.1	1.2
Fuels and utilities .....	351.178	3.8	-1.1	254.738	5.3	-4.4
Household energy .....	313.112	.8	-3.2	236.485	6.3	-3.3
Energy services <sup>5</sup> .....	313.907	1.1	-3.3	278.709	7.3	-3.3
Electricity <sup>3</sup> .....	322.260	2.6	-2.6	294.080	7.6	-3.3
Utility (piped) gas service <sup>3</sup> .....	272.204	-2.6	-4.9	191.452	5.5	.1
Household furnishings and operations .....	139.463	.8	-4	164.361	-5	.9
Apparel .....	120.068	2.1	4.3	148.485	2.4	3.2
Transportation .....	182.741	-7.7	-4.7	208.512	-9.4	-6.3
Private transportation .....	174.998	-7.7	-5.3	213.397	-10.0	-6.8
Motor fuel .....	208.989	-22.1	-15.6	266.170	-27.9	-19.4
Gasoline (all types) .....	208.154	-22.0	-15.7	271.450	-27.9	-19.6
Gasoline, unleaded regular <sup>5</sup> .....	208.232	-22.3	-15.9	294.648	-28.8	-20.2
Gasoline, unleaded midgrade <sup>5 6</sup> .....	193.511	-21.8	-15.7	213.230	-26.4	-18.9
Gasoline, unleaded premium <sup>5</sup> .....	197.514	-20.5	-14.6	249.676	-24.3	-17.4
Medical care .....	NA	-	-	378.260	.4	1.0
Recreation <sup>7</sup> .....	113.640	3.7	.3	95.642	.9	.3
Education and communication <sup>7</sup> .....	133.266	.7	.7	135.877	.7	.7
Other goods and services .....	418.647	1.8	1.1	404.535	-1.6	-8
<b>Commodity and service group</b>						
All items .....	256.107	2.2	.0	246.307	.8	-5
Commodities .....	188.607	-1.3	-1.4	191.402	-4.5	-2.6
Commodities less food and beverages .....	145.128	-5.3	-2.8	158.808	-8.4	-4.4
Nondurables less food and beverages .....	178.876	-7.7	-4.3	198.460	-12.3	-7.4
Durables .....	110.258	-9	-4	120.863	-1.9	.5
Services .....	322.951	4.4	.9	302.118	4.1	.8
<b>Special aggregate indexes</b>						
All items less medical care .....	249.305	2.1	.0	240.875	.9	-6
All items less shelter .....	226.128	.2	-8	226.905	-1.5	-1.3
Commodities less food .....	149.223	-4.8	-2.5	161.126	-8.0	-4.2
Nondurables .....	223.796	-1.4	-1.7	225.266	-5.2	-3.5
Nondurables less food .....	183.640	-6.8	-3.6	200.106	-11.4	-6.9
Services less rent of shelter <sup>4</sup> .....	287.348	2.4	.2	279.521	2.8	.6
Services less medical care services .....	314.905	4.5	.8	293.513	4.5	.7
Energy .....	249.202	-14.6	-11.2	255.550	-16.6	-12.3
All items less energy .....	259.733	3.7	.9	248.545	2.7	.7
All items less food and energy .....	259.214	3.6	1.1	245.285	2.8	.8

1 Areas on pricing schedule 1 (see Table 10) will appear next month.  
 2 Index on a November 1977=100 base in Miami.  
 3 This index series was calculated using a Laspeyres estimator. All other item stratum index series were calculated using a geometric means estimator.  
 4 Indexes on a December 1984=100 base  
 5 Special index based on a substantially smaller sample.

6 Indexes on a December 1993=100 base.  
 7 Indexes on a December 1997=100 base.  
 NA Data not adequate for publication.  
 - Data not available.  
 NOTE: Index applies to a month as a whole, not to any specific date.

## **DISCUSSION ITEM 6**

### **Employment Cost Index Original Data Value**

Series Id: CIU201S0000000001

#### **Not Seasonally Adjusted**

**compens** Total compensation

**ation:**

**sector:** Private industry

**periodicit** Index number

**y:**

**Industry**o Service-providing industries

**cc:**

**Years:** 2003 to 2015

<b>Year</b>	<b>Qtr1</b>	<b>Qtr2</b>	<b>Qtr3</b>	<b>Qtr4</b>	<b>Annual</b>
<b>2003</b>	91.7	92.5	93.6	94.0	
<b>2004</b>	95.1	96.1	96.8	97.3	
<b>2005</b>	98.3	98.9	99.5	100.0	
<b>2006</b>	101.0	101.8	102.7	103.4	
<b>2007</b>	104.3	105.2	106.1	106.7	
<b>2008</b>	107.7	108.5	109.1	109.4	
<b>2009</b>	109.8	110.1	110.5	110.8	
<b>2010</b>	111.6	112.1	112.6	113.0	
<b>2011</b>	113.8	114.6	115.0	115.3	
<b>2012</b>	116.3	117.0	117.3	117.6	
<b>2013</b>	118.4	119.1	119.6	120	
<b>2014</b>	120.4	121.6	122.3	122.8	
<b>2015</b>	123.8	123.8	124.5		

#### **West Coast No 2 Diesel Retail Prices (Dollars per Gallon)**

Sep-2010	3.112
Sep-2011	3.975
Sep-2012	4.392
Sep-2013	4.119
Sep-2014	4.004
Sep-2015	2.721

#### **CPI for Urban Wage Earners and Clerical Workers (CPI-W) Seattle-Tacoma-Bremerton**

Now only published EOM, not for September, used October instead

Oct-10	223.112
Oct-11	232.697
Oct-12	237.947
Oct-13	239.363
Oct-14	244.289
Oct-15	246.307

**CONSENT ITEM 7a****Schedule of Checks****for the Checks Issued Since the January 19, 2016 Meeting**

<i>Name</i>	<i>Check #</i>	<i>Invoice #</i>	<i>Check Date</i>	<i>Description</i>	<i>Amount</i>
<b>Angel Transport &amp; Towing</b>					
	58071	121515	1/15/16	Business License Overpayment	\$30.00
				Check Total	<b>\$30.00</b>
<b>Benjamin Asphalt, Inc.</b>					
	58072	010716	1/15/16	Business License Overpayment	\$100.00
				Check Total	<b>\$100.00</b>
<b>Concrete Creations Inc</b>					
	58073	121815	1/15/16	Business License Overpayment	\$30.00
				Check Total	<b>\$30.00</b>
<b>Mountain View Trailer Park</b>					
	58074	121515	1/15/16	Business License Overpayment	\$125.00
				Check Total	<b>\$125.00</b>
<b>Snohomish County Treasurer</b>					
	58075	CrimevictimsEDC	1/15/16	State Pass Thru December 2015	\$75.02
				Check Total	<b>\$75.02</b>
<b>Washington State Department of Licensing</b>					
	58076	SNP000023	1/15/16	Renewal CPL Briggs	\$18.00
	58076	SNP000024	1/15/16	Renewal CPL Plumbley	\$18.00
	58076	SNP000025	1/15/16	Original CPL Knutsen	\$18.00
	58076	SNP000027	1/15/16	Original CPL Whelen	\$18.00
	58076	SNP000028	1/15/16	Original CPL Pennington	\$18.00
	58076	SNP000029	1/15/16	Original CPL Mcfarland	\$18.00
	58076	SNP000031	1/15/16	Original CPL T Perman	\$18.00
	58076	SNP000030	1/15/16	Original CPL S Perman	\$18.00
	58076	SNP000032	1/15/16	Original CPL Miller	\$18.00
	58076	SNP000033	1/15/16	Renewal CPL Barish	\$18.00
	58076	SNP000034	1/15/16	Original CPL Nelson	\$18.00
	58076	SNP000035	1/15/16	Original CPL Dapceovich	\$18.00
	58076	SNP000036	1/15/16	Renewal CPL Bourgoin	\$18.00
	58076	SNP000037	1/15/16	Original CPL Taylor	\$18.00
	58076	SNP000038	1/15/16	Original CPL Leighty	\$18.00
	58076	SNP000039	1/15/16	Renewal CPL J Leighty	\$18.00
	58076	SNP000040	1/15/16	Original CPL Florian	\$18.00
	58076	SNP000041	1/15/16	Original CPL Kelly	\$18.00
	58076	SNP000042	1/15/16	Original CPL Wilson	\$18.00
	58076	SNP000043	1/15/16	Original CPL Jackson	\$18.00
				Check Total	<b>\$360.00</b>
<b>Washington State Treasurer</b>					
	58077	EDCSTGEN40	1/15/16	State Pass Thru December 2015	\$1,621.39
	58077	EDCSTGEN50	1/15/16	State Pass Thru December 2015	\$779.39
	58077	EDCSTGEN54	1/15/16	State Pass Thru December 2015	\$52.26
	58077	EDCHWYSAFETY	1/15/16	State Pass Thru December 2015	\$26.08
	58077	EDCDEATHINV	1/15/16	State Pass Thru December 2015	\$16.44
	58077	EDCJISACCT	1/15/16	State Pass Thru December 2015	\$126.11
	58077	EDCTRAUMA	1/15/16	State Pass Thru December 2015	\$38.31
	58077	EDCAUTOTHEFT	1/15/16	State Pass Thru December 2015	\$54.62
	58077	EDCTRAUMABRAIN	1/15/16	State Pass Thru December 2015	\$10.86
	58077	WSPHIWAYS SAFE	1/15/16	State Pass Thru December 2015	\$93.15
	58077	BLDGVCCHG	1/15/16	State Pass Thru December 2015	\$72.00
				Check Total	<b>\$2,890.61</b>
				Batch Total	<b>\$3,610.63</b>

**CONSENT ITEM 7a****Schedule of Checks****for the Checks Issued Since the January 19, 2016 Meeting**

<i>Name</i>	<i>Check #</i>	<i>Invoice #</i>	<i>Check Date</i>	<i>Description</i>	<i>Amount</i>
<b>Wilderson</b>					
	58078		1/26/16	Refund check	\$26.45
				Check Total	<b>\$26.45</b>
				Batch Total	<b>\$26.45</b>
<b>AAA Champion LLC</b>					
	58079	85	1/27/16	janitorial service-Jan 2016	\$1,852.93
				Check Total	<b>\$1,852.93</b>
<b>Ace Equipment Rentals</b>					
	58080	60804	1/27/16	trailer mount lift rental	\$329.12
				Check Total	<b>\$329.12</b>
<b>Daigger Scientific, Inc</b>					
	58081	PSI209892	1/27/16	carboy brush	\$58.46
				Check Total	<b>\$58.46</b>
<b>Alpha Courier Service</b>					
	58082	15228	1/27/16	wastewater lab courier service	\$72.60
				Check Total	<b>\$72.60</b>
<b>American Forest Management, Inc</b>					
	58083	86084	1/27/16	arborist work-City Hall	\$262.50
				Check Total	<b>\$262.50</b>
<b>Association of Washington Cities</b>					
	58084	39730	1/27/16	workers comp retro program service fee	\$4.51
	58084	39730	1/27/16	workers comp retro program service fee	\$26.32
	58084	39730	1/27/16	workers comp retro program service fee	\$48.50
	58084	39730	1/27/16	workers comp retro program service fee	\$24.48
	58084	39730	1/27/16	workers comp retro program service fee	\$26.77
	58084	39730	1/27/16	workers comp retro program service fee	\$129.99
	58084	39730	1/27/16	workers comp retro program service fee	\$251.49
	58084	39730	1/27/16	workers comp retro program service fee	\$183.57
	58084	39730	1/27/16	workers comp retro program service fee	\$82.15
	58084	39730	1/27/16	workers comp retro program service fee	\$919.48
	58084	39730	1/27/16	workers comp retro program service fee	\$858.28
	58084	39730	1/27/16	workers comp retro program service fee	\$589.91
	58084	39730	1/27/16	workers comp retro program service fee	\$196.97
	58084	39730	1/27/16	workers comp retro program service fee	\$66.09
	58084	39730	1/27/16	workers comp retro program service fee	\$64.86
	58084	39730	1/27/16	workers comp retro program service fee	\$897.49
	58084	39730	1/27/16	workers comp retro program service fee	\$389.99
	58084	39730	1/27/16	workers comp retro program service fee	\$64.84
	58084	39730	1/27/16	workers comp retro program service fee	\$428.91
	58084	39730	1/27/16	workers comp retro program service fee	\$661.36
	58084	39730	1/27/16	workers comp retro program service fee	\$64.84
	58084	39730	1/27/16	workers comp retro program service fee	\$392.46
	58084	39730	1/27/16	workers comp retro program service fee	\$690.21
	58084	39730	1/27/16	workers comp retro program service fee	\$53.90
	58084	39586	1/27/16	Drug/Alcohol Testing Fee	\$1,111.00
				Check Total	<b>\$8,228.37</b>
<b>Washington Tractor</b>					
	58085	906366	1/27/16	blade kit, guard kit	\$144.70
				Check Total	<b>\$144.70</b>

**CONSENT ITEM 7a*****Schedule of Checks******for the Checks Issued Since the January 19, 2016 Meeting***

<i>Name</i>	<i>Check #</i>	<i>Invoice #</i>	<i>Check Date</i>	<i>Description</i>	<i>Amount</i>
<b>Bay Valve Services</b>					
	58086	62356	1/27/16	field service troubleshoot valve	\$1,900.29
				Check Total	<b>\$1,900.29</b>
<b>Benchmark Document Solutions</b>					
	58087	10201	1/27/16	City Hall Fax Machine	\$19.18
				Check Total	<b>\$19.18</b>
<b>BHC Consultants</b>					
	58088	7376	1/27/16	WWTP Upgrades 13-48	\$3,422.45
				Check Total	<b>\$3,422.45</b>
<b>Bills Blueprint Inc.</b>					
	58089	522989	1/27/16	plan copies for PD	\$140.57
				Check Total	<b>\$140.57</b>
<b>Cascade Fence Co</b>					
	58090	12669	1/27/16	fence repair at City pit	\$271.50
				Check Total	<b>\$271.50</b>
<b>City of Everett</b>					
	58091	115003130	1/27/16	Animal Shelter Fees November 2015	\$775.00
				Check Total	<b>\$775.00</b>
<b>City of Everett Environmental Lab</b>					
	58092	115003219	1/27/16	lab analysis	\$329.40
				Check Total	<b>\$329.40</b>
<b>City of Everett Finance</b>					
	58093	115003220	1/27/16	Storm Water Sample Water Quality Testing	\$378.00
				Check Total	<b>\$378.00</b>
<b>City Of Everett Utilities</b>					
	58094	019546011116	1/27/16	3300 BLK Bickford Ave	\$2,531.39
	58094	010157011116	1/27/16	6600 109th Ave SE	\$30,480.17
	58094	010164011116	1/27/16	6400 118TH DR SE	\$448.21
	58094	016739011116	1/27/16	99th ST SE/5 line	\$808.06
	58094	017410011116	1/27/16	6203 107th Ave SE	\$924.60
				Check Total	<b>\$35,192.43</b>
<b>Dell Marketing LP</b>					
	58095	XJRCP72J9	1/27/16	Network switches	\$2,403.39
	58095	XJW72FF61	1/27/16	Backup tape library magazine	\$159.93
				Check Total	<b>\$2,563.32</b>
<b>Duane Leach</b>					
	58096	leachcentre0116	1/27/16	cert. reimburse-WWCPA, DOE, pesticide	\$78.00
				Check Total	<b>\$78.00</b>
<b>Evergreen District Court</b>					
	58097	December 2015	1/27/16	Court filing fees December 2015	\$1,768.20
				Check Total	<b>\$1,768.20</b>
<b>FCS Group</b>					
	58098	2448-21601019	1/27/16	Water Supply Alternative Study #4	\$612.50
				Check Total	<b>\$612.50</b>

**CONSENT ITEM 7a****Schedule of Checks****for the Checks Issued Since the January 19, 2016 Meeting**

<i>Name</i>	<i>Check #</i>	<i>Invoice #</i>	<i>Check Date</i>	<i>Description</i>	<i>Amount</i>
<b>Frontier</b>					
	58099	406075-1/16	1/27/16	City Manager Share City Hall Fax	\$8.80
	58099	406075-1/16	1/27/16	Human Resources Share City Hall	\$8.78
	58099	406075-1/16	1/27/16	Clerk Share City Hall Fax	\$8.78
	58099	406075-1/16	1/27/16	Building Inspection Share City Hall Fax	\$8.78
	58099	406075-1/16	1/27/16	Economic Development Share City Hall Fax	\$8.78
	58099	406075-1/16	1/27/16	Planning Share City Hall Fax	\$8.78
	58099	406075-1/16	1/27/16	Finance Share City Hall Fax	\$8.79
	58099	406075-1/16	1/27/16	IS Share City Hall Fax	\$8.78
	58099	406075-1/16	1/27/16	Engineering Share City Hall Fax	\$8.78
	58099	118075-1/16	1/27/16	Telemetry Auto Dialer	\$71.62
	58099	1214935-1/16	1/27/16	Fleet & Facilities Share Shop Fax	\$25.97
	58099	1214935-1/16	1/27/16	Water Share Shop Fax	\$13.00
	58099	1214935-1/16	1/27/16	Storm Share Shop Fax	\$13.00
	58099	1214935-1/16	1/27/16	Street Share Shop fax	\$13.00
	58099	1214935-1/16	1/27/16	Parks Share Shop fax	\$12.99
	58099	227125-1/16	1/27/16	CSO Alarm Dialer	\$63.04
	58099	413125-1/16	1/27/16	WWTP DSL	\$85.31
				Check Total	<b>\$376.98</b>
<b>Gray &amp; Osborne, Inc.</b>					
	58100	15586.00-05	1/27/16	Sewer System App (Phase I) 15-29	\$398.50
	58100	15410.00-12	1/27/16	Storm NPDES Permit Assistance 14-22	\$307.93
				Check Total	<b>\$706.43</b>
<b>Grainger Inc.</b>					
	58101	9933668098	1/27/16	ear plugs, gloves	\$57.12
	58101	9933668098	1/27/16	ear plugs, gloves	\$57.12
	58101	9933668098	1/27/16	ear plugs, gloves	\$57.12
	58101	9933668098	1/27/16	ear plugs, gloves	\$57.12
				Check Total	<b>\$228.48</b>
<b>Griffen Law Office</b>					
	58102	5721	1/27/16	Indigent Defens Service Conflict Counsel	\$425.00
				Check Total	<b>\$425.00</b>
<b>H.B. Jaeger</b>					
	58103	167876/1	1/27/16	cap	\$13.25
	58103	167751/1	1/27/16	gasket	\$74.81
				Check Total	<b>\$88.06</b>
<b>Home Depot - Parks</b>					
	58104	7010052	1/27/16	Ludwig house supplies	\$161.66
	58104	4010388	1/27/16	Ludwig house supplies	\$278.48
	58104	5071162	1/27/16	ax, nifty nabbers	\$99.75
				Check Total	<b>\$539.89</b>
<b>Home Depot - Shop</b>					
	58105	6570921	1/27/16	batteries, cleaners	\$42.30
				Check Total	<b>\$42.30</b>
<b>Home Depot - Water</b>					
	58106	6042221	1/27/16	batteries, screwdrivers, gloves	\$51.04
				Check Total	<b>\$51.04</b>

**CONSENT ITEM 7a*****Schedule of Checks******for the Checks Issued Since the January 19, 2016 Meeting***

<i>Name</i>	<i>Check #</i>	<i>Invoice #</i>	<i>Check Date</i>	<i>Description</i>	<i>Amount</i>
<b>Home Depot Waste Water Treatment</b>					
	58107	6010209	1/27/16	couplers, adapters, bushings	\$45.73
				Check Total	<b>\$45.73</b>
<b>IER Environmental Services, Inc</b>					
	58108	2015-2723	1/27/16	magnesium hydroxide	\$9,434.70
				Check Total	<b>\$9,434.70</b>
<b>Integra Telecom</b>					
	58109	13583258	1/27/16	City Hall Phones	\$2,004.16
	58109	13590099	1/27/16	Water Reservoir	\$61.63
				Check Total	<b>\$2,065.79</b>
<b>Wessel</b>					
	58110	wesseldoh	1/27/16	DOH cert renewal reimbursement	\$42.00
				Check Total	<b>\$42.00</b>
<b>J Thayer Company</b>					
	58111	1008556-0	1/27/16	calendars, desk pads	\$76.62
	58111	1008556-0	1/27/16	calendars, desk pads	\$38.58
				Check Total	<b>\$115.20</b>
<b>Lakeside Industries</b>					
	58112	6013561MB	1/27/16	asphalt	\$692.60
				Check Total	<b>\$692.60</b>
<b>Landaas, LLC</b>					
	58113	011916	1/27/16	Reimb 2015 Sunday Farmers Mkt Deposit	\$500.00
				Check Total	<b>\$500.00</b>
<b>McDaniel Do It Center - Parks</b>					
	58114	466931	1/27/16	tote	\$26.07
	58114	466917	1/27/16	storage box, hand held spreader	\$30.99
	58114	467226	1/27/16	fasteners	\$14.88
	58114	467317	1/27/16	tape ruler	\$16.31
	58114	467456	1/27/16	bolt cutter	\$47.86
				Check Total	<b>\$136.11</b>
<b>McDaniel Do It Center - Storm</b>					
	58115	467062	1/27/16	pvc cement, primer	\$12.49
	58115	467589	1/27/16	battery	\$8.69
				Check Total	<b>\$21.18</b>
<b>McDaniel Do It Center- Streets</b>					
	58116	466954	1/27/16	u bolt	\$4.98
	58116	466981	1/27/16	quikrete	\$17.39
	58116	466959	1/27/16	punch, cold chisel	\$13.58
	58116	467033	1/27/16	fasteners	\$7.05
	58116	467075	1/27/16	plastic pails	\$38.03
	58116	467250	1/27/16	quikrete	\$17.39
	58116	467251	1/27/16	concrete	\$6.51
	58116	467275	1/27/16	fasteners	\$11.96
				Check Total	<b>\$116.89</b>

**CONSENT ITEM 7a*****Schedule of Checks******for the Checks Issued Since the January 19, 2016 Meeting***

<i>Name</i>	<i>Check #</i>	<i>Invoice #</i>	<i>Check Date</i>	<i>Description</i>	<i>Amount</i>
<b>McDaniel Do It Center - Water</b>					
	58117	466925	1/27/16	drive socket, wrench, pruner	\$60.90
	58117	467394	1/27/16	barb el 1/4x1/4	\$1.73
	58117	467420	1/27/16	tap, barb el, fasteners	\$15.09
	58117	467366	1/27/16	concrete mix, ajax	\$23.87
	58117	467384	1/27/16	concrete mix	\$29.28
	58117	467368	1/27/16	speedlight square	\$9.78
				Check Total	<b>\$140.65</b>
<b>Microflex, Inc.</b>					
	58118	22210	1/27/16	Tax Audit Program	\$16.00
				Check Total	<b>\$16.00</b>
<b>Michael Lively</b>					
	58119	Oct-Dec 2015	1/27/16	LEOFF I Reimbursement	\$314.70
				Check Total	<b>\$314.70</b>
<b>Northwest Cascade Inc</b>					
	58120	2-1496859	1/27/16	sani can rental	\$91.50
				Check Total	<b>\$91.50</b>
<b>Owen Equipment Company</b>					
	58121	78408	1/27/16	pin kit, handle	\$82.89
	58121	78388	1/27/16	pipe extension	\$268.95
				Check Total	<b>\$351.84</b>
<b>Puget Sound Energy</b>					
	58122	9758901072016	1/27/16	50 Maple Ave	\$80.31
	58122	2836401072016	1/27/16	1610 Park Ave	\$37.63
	58122	6202401072016	1/27/16	50 Lincoln Ave	\$80.31
	58122	2857001072016	1/27/16	701 18th St	\$37.63
	58122	2924801072016	1/27/16	2100 Baird Ave	\$94.50
	58122	9703201072016	1/27/16	2000 Weaver Road	\$12.16
	58122	9467801072016	1/27/16	116 Union Ave	\$458.18
	58122	2878601072016	1/27/16	112 Union Ave	\$121.82
				Check Total	<b>\$922.54</b>
<b>Rh2 Engineering Inc.</b>					
	58123	64276	1/27/16	S Zone Reservoir PRV Design 15-23	\$8,202.46
				Check Total	<b>\$8,202.46</b>
<b>Ryan Deleuw</b>					
	58124	deLeuwpestilic	1/27/16	pesticide license renewal reimburse	\$33.00
				Check Total	<b>\$33.00</b>
<b>Snohomish County Fleet</b>					
	58125	I000404414	1/27/16	sign	\$85.88
				Check Total	<b>\$85.88</b>
<b>Snohomish County Public Defender Association</b>					
	58126	1447	1/27/16	Indigent Defense Services	\$8,937.49
				Check Total	<b>\$8,937.49</b>

**CONSENT ITEM 7a****Schedule of Checks****for the Checks Issued Since the January 19, 2016 Meeting**

<i>Name</i>	<i>Check #</i>	<i>Invoice #</i>	<i>Check Date</i>	<i>Description</i>	<i>Amount</i>
<b>Snohomish County Pud #1</b>					
	58127	107732147	1/27/16	#1000385041, 20 Avenue A, Street Lights	\$18.54
	58127	114359027	1/27/16	116 Union Ave, Street Lighting	\$63.00
	58127	114360015	1/27/16	#1000498870, 210 Ave D, 2nd&D Signal	\$62.37
	58127	117677402	1/27/16	#1000539338, 1801 1st, Shop Portable	\$160.75
	58127	124311537	1/27/16	#1000467578, 1301 1st, VIC	\$181.78
	58127	130928811	1/27/16	#1000125182, 230 Maple Ave, Police	\$1,170.80
	58127	130931098	1/27/16	#1000504619, 434 Ave D, 5th&D Signal	\$77.54
	58127	134219679	1/27/16	#1000301981, 201 Maple, 2nd&Maple Signal	\$69.06
	58127	134220475	1/27/16	121 Glen Ave, Street Lighting	\$8.30
	58127	134222419	1/27/16	#1000125557, 116 Union Ave, City Hall	\$749.70
	58127	137432621	1/27/16	116 Avenue B, Street Lighting	\$8.30
	58127	137432622	1/27/16	124 Avenue B, Street Lighting	\$8.30
	58127	140742158	1/27/16	#1000558695, 1029 1st, Public Restrooms	\$96.82
	58127	153891875	1/27/16	#1000580435, 400 2nd, Street Lighting	\$33.60
	58127	153893492	1/27/16	#1000430944, 112 Union, Engineering	\$101.10
	58127	153893843	1/27/16	#1000539313, 1010 2nd, Street Light	\$49.08
	58127	153894360	1/27/16	#1000561224, 1301 1st, 13th&D Signal	\$77.73
	58127	160288940	1/27/16	#1000531586, 2621 Bickford, South Signal	\$125.30
	58127	160291987	1/27/16	#1000579410, 1115 1st, Street Lighting	\$18.54
	58127	163501191	1/27/16	#1000531585, 2749 Bickford, N Signal	\$192.87
	58127	163504258	1/27/16	#1000125814, 1819 1st, CSO L/S	\$539.64
	58127	111044053	1/27/16	#1000524038, 1801 1st, Water Pole Bldg	\$294.67
	58127	124315484	1/27/16	#1000141397, 2015 2nd St, S Meter	\$3,357.77
	58127	134225714	1/27/16	#1000141396, 2015 2nd St, N Meter	\$6,467.62
	58127	147359147	1/27/16	#1000515696, 1627 Terrace, N Zone Tank	\$15.19
	58127	160294832	1/27/16	#1000381307, 2014 Terrace, Telemetry	\$19.66
	58127	140746610	1/27/16	#1000417350, 1930 Stone Ridge, L/S	\$61.94
	58127	160293313	1/27/16	#1000556519, 2181 Cady Dr, L/S	\$82.76
	58127	160295654	1/27/16	#1000528484, 2330 Baird, Clark Pond L/S	\$28.52
	58127	127620525	1/27/16	#1000201937, 1103 Maple, House	\$23.98
	58127	144062336	1/27/16	#1000125224, 101 Cedar, Carnegie	\$2,422.10
	58127	150644156	1/27/16	#1000122743, 2000 Ludwig, House	\$178.95
	58127	157087031	1/27/16	#1000137618, 1801 1st, Shop	\$1,323.55
				Check Total	<b>\$18,089.83</b>
<b>Snohomish County Sheriff's Office</b>					
	58128	I000403986	1/27/16	Law Enforcement Services January 2016	\$10,854.11
	58128	I000403986	1/27/16	Law Enforcement Services January 2016	\$180,427.53
	58128	I000403986	1/27/16	Law Enforcement Services January 2016	\$33,807.61
				Check Total	<b>\$225,089.25</b>
<b>Snohomish County Visitor Information Center</b>					
	58129	Sno2016	1/27/16	2016 Visitor Center Program	\$1,300.00
				Check Total	<b>\$1,300.00</b>
<b>Snohomish Auto Parts</b>					
	58130	436887	1/27/16	fuse	\$13.15
	58130	436886	1/27/16	fuse, spark plug, rotor	\$38.90
	58130	437018	1/27/16	smoke machine	\$1,184.83
	58130	437055	1/27/16	chain cable lube, grease	\$23.58
	58130	437212	1/27/16	floor mat	\$27.19
	58130	437344	1/27/16	filters	\$84.79
	58130	437299	1/27/16	filter	\$21.28
	58130	437276	1/27/16	impact socket	\$50.02
	58130	437274	1/27/16	filter, gasket	\$16.24
	58130	437719	1/27/16	impact socket	\$3.92
	58130	437843	1/27/16	lockwash, screw, stud	\$1.16
				Check Total	<b>\$1,465.06</b>

**CONSENT ITEM 7a*****Schedule of Checks******for the Checks Issued Since the January 19, 2016 Meeting***

<i>Name</i>	<i>Check #</i>	<i>Invoice #</i>	<i>Check Date</i>	<i>Description</i>	<i>Amount</i>
<b>Snohomish Co-Op</b>					
	58131	258387	1/27/16	diesel fuel	\$40.36
	58131	258428	1/27/16	unleaded fuel	\$74.71
	58131	258651	1/27/16	diesel fuel	\$64.61
	58131	258679	1/27/16	unleaded fuel	\$65.50
				Check Total	<b>\$245.18</b>
<b>Snopac</b>					
	58132	7976	1/27/16	ACCESS Assessment - Quarterly	\$429.28
	58132	7958	1/27/16	Dispatch Services	\$11,723.71
				Check Total	<b>\$12,152.99</b>
<b>Sonsray Machinery LLC</b>					
	58133	P12312-08	1/27/16	bearing, pin	\$256.52
				Check Total	<b>\$256.52</b>
<b>Sound Safety Products Co.</b>					
	58134	38615/1	1/27/16	partial uniforms-Galde	\$124.55
	58134	38615/1	1/27/16	partial uniforms-Galde	\$124.54
	58134	38613/1	1/27/16	safety boots-Galde	\$100.00
	58134	38613/1	1/27/16	safety boots-Galde	\$100.00
	58134	38612/1	1/27/16	partial uniforms and safety boots-Murphy	\$336.45
	58134	38834/1	1/27/16	partial uniforms and safety boots-Allen	\$471.80
				Check Total	<b>\$1,257.34</b>
<b>Sound Telecom</b>					
	58135	000006-372-381	1/27/16	monthly answering service January 2016	\$139.50
				Check Total	<b>\$139.50</b>
<b>Speedway Chevrolet</b>					
	58136	99178	1/27/16	valve, hose, harness	\$231.10
				Check Total	<b>\$231.10</b>
<b>Staples Advantage</b>					
	58137	3288878526	1/27/16	office supplies	\$40.57
				Check Total	<b>\$40.57</b>
<b>Strategies 360</b>					
	58138	772-17508	1/27/16	Focus Groups Qualitative Research	\$7,000.00
				Check Total	<b>\$7,000.00</b>
<b>Taylor Driving School</b>					
	58139	381	1/27/16	CDL training-Galde	\$1,560.00
	58139	381	1/27/16	CDL training-Galde	\$1,560.00
				Check Total	<b>\$3,120.00</b>
<b>Terry Gilfillan</b>					
	58140	Oct-Dec 2015	1/27/16	LEOFF I Reimbursement	\$314.70
				Check Total	<b>\$314.70</b>
<b>Sound Publishing</b>					
	58141	EDH675081	1/27/16	Legal Ad Ordinance 2295	\$337.12
	58141	7650299	1/27/16	City Council Agenda Publishing	\$1,485.00
	58141	EDH677185	1/27/16	Legal Ad Ord 2298	\$30.96
	58141	EDH677207	1/27/16	Legal Ad Public Hearing Surplus Property	\$27.52
				Check Total	<b>\$1,880.60</b>

**CONSENT ITEM 7a*****Schedule of Checks******for the Checks Issued Since the January 19, 2016 Meeting***

<i>Name</i>	<i>Check #</i>	<i>Invoice #</i>	<i>Check Date</i>	<i>Description</i>	<i>Amount</i>
<b>Tim Jackson</b>					
	58142	jackreimdoh	1/27/16	DOH cert renewal reimbursement	\$42.00
				Check Total	<b>\$42.00</b>
<b>Transformative Wave Technologies LLC</b>					
	58143	M200041	1/27/16	City Hall HVAC system monitoring system	\$272.00
				Check Total	<b>\$272.00</b>
<b>Uline</b>					
	58144	73554971	1/27/16	buckets	\$69.12
				Check Total	<b>\$69.12</b>
<b>Unum Life Insurance</b>					
	58145	220603027-1/16	1/27/16	retiree life insurance - January 2016	\$185.70
				Check Total	<b>\$185.70</b>
<b>UPS Store</b>					
	58146	148861	1/27/16	return postage	\$8.63
				Check Total	<b>\$8.63</b>
<b>Usa Bluebook Inc</b>					
	58147	837566	1/27/16	carboy w/ handle, carboy w/spigot	\$396.82
				Check Total	<b>\$396.82</b>
<b>US Bank CPS</b>					
	58148	036524	1/27/16	Duplication fees Public Record Request	\$28.40
	58148	91088	1/27/16	ice for lab	\$5.98
	58148	2883400	1/27/16	tenacious tape	\$14.22
	58148	7651441	1/27/16	tenacious tape	\$21.98
	58148	3531416	1/27/16	label maker tape, industrial pump	\$95.86
	58148	6369050	1/27/16	scanner	\$469.05
	58148	7876240	1/27/16	scanner product protection plan	\$30.57
	58148	889819951	1/27/16	WFOA Training - Federal Grant Req & Mgmt	\$250.00
	58148	12216	1/27/16	PSRC RPEC Parking	\$14.00
	58148	4347	1/27/16	milling cutters credit	\$-436.38
				Check Total	<b>\$493.68</b>
<b>US Health Works Medical Group WA, PS</b>					
	58149	0646166-WA	1/27/16	Exams and Vaccines Public Works	\$381.00
				Check Total	<b>\$381.00</b>
<b>U.S. Postmaster</b>					
	58150	010816-011416	1/27/16	Council Postage	\$57.70
	58150	010816-011416	1/27/16	City Manger Postage	\$7.46
	58150	010816-011416	1/27/16	Clerk Postage	\$0.97
	58150	010816-011416	1/27/16	Finance Postage	\$7.50
	58150	010816-011416	1/27/16	Police Postage	\$0.97
	58150	010816-011416	1/27/16	Planning Postage	\$4.37
	58150	010816-011416	1/27/16	Engineering Postage	\$1.42
	58150	010816-011416	1/27/16	Water Postage	\$5.82
	58150	011516-012116	1/27/16	Council Postage	\$11.80
	58150	011516-012116	1/27/16	City Manager Postage	\$1.94
	58150	011516-012116	1/27/16	Clerk Postage	\$103.27
	58150	011516-012116	1/27/16	Finance Postage	\$103.97
	58150	011516-012116	1/27/16	Police Postage	\$4.85
	58150	011516-012116	1/27/16	Planning Postage	\$0.49
	58150	011516-012116	1/27/16	Water Postage	\$1.94
				Check Total	<b>\$314.47</b>

**CONSENT ITEM 7a****Schedule of Checks****for the Checks Issued Since the January 19, 2016 Meeting**

<i>Name</i>	<i>Check #</i>	<i>Invoice #</i>	<i>Check Date</i>	<i>Description</i>	<i>Amount</i>
<b>Utilities Underground Location</b>					
	58151	5120199	1/27/16	locates-Dec. 2015	\$18.99
	58151	5120199	1/27/16	locates-Dec. 2015	\$18.99
	58151	5120199	1/27/16	locates-Dec. 2015	\$19.00
				Check Total	<b>\$56.98</b>
<b>Verizon Wireless</b>					
	58152	9758387703	1/27/16	Parks Cellular	\$163.84
	58152	9758387703	1/27/16	Streets Cellular	\$135.05
	58152	9758387703	1/27/16	Fleet Cellular	\$58.41
	58152	9758387703	1/27/16	Econ Cellular	\$57.58
	58152	9758387703	1/27/16	Bldg Insp Cellular	\$57.58
	58152	9758387703	1/27/16	Police Cellular	\$57.58
	58152	9758387703	1/27/16	Engrg Cellular	\$270.33
	58152	9758387703	1/27/16	Water Distribution Cellular	\$245.12
	58152	9758387703	1/27/16	WTP Cellular	\$205.19
	58152	9758387703	1/27/16	Collections Cellular	\$202.89
	58152	9758387703	1/27/16	Storm Cellular	\$117.06
	58152	9758387703	1/27/16	WWTP Cellular	\$172.74
	58152	9758387703	1/27/16	Utilities Manager Cellular	\$57.58
	58152	9758387703	1/27/16	City Mgr Cellular	\$57.58
	58152	9758604445	1/27/16	CSO Modem	\$21.42
				Check Total	<b>\$1,879.95</b>
<b>Washington Association of Building Officials</b>					
	58153	WABO2016	1/27/16	Pettit 2016 Membership Dues	\$95.00
				Check Total	<b>\$95.00</b>
<b>Wastewater Collection Personnel Association</b>					
	58154	JacksonWWCPA	1/27/16	annual cert WWCPA-Jackson	\$15.00
				Check Total	<b>\$15.00</b>
<b>Weed, Graafstra &amp; Associates, Inc. P.S.</b>					
	58155	180	1/27/16	Legal Fees - Litigation	\$780.00
	58155	203	1/27/16	Legal Fees	\$43.75
	58155	203	1/27/16	Legal Fees	\$463.75
	58155	203	1/27/16	Legal Fees	\$437.50
	58155	203	1/27/16	Legal Fees	\$17,713.25
	58155	41	1/27/16	Legal Fees - TBD	\$342.25
				Check Total	<b>\$19,780.50</b>
<b>Whistle Workwear</b>					
	58156	283377	1/27/16	partial uniforms-deLeuw	\$174.88
				Check Total	<b>\$174.88</b>
<b>Washington State Dept of Ecology</b>					
	58157	2016-WAR045543	1/27/16	2016 DOE NPDES Stormwater Permit	\$3,014.25
				Check Total	<b>\$3,014.25</b>
<b>Washington State Department of Enterprise Services</b>					
	58158	73143332	1/27/16	Business Cards - Zach Wilde	\$22.83
				Check Total	<b>\$22.83</b>
<b>Washington State Patrol</b>					
	58159	116004647	1/27/16	Fingerprint background fees Dec 2015	\$309.75
				Check Total	<b>\$309.75</b>
				Batch Total	<b>\$393,219.16</b>

**CONSENT ITEM 7a**

***Schedule of Checks***

***for the Checks Issued Since the January 19, 2016 Meeting***

<i>Name</i>	<i>Check #</i>	<i>Invoice #</i>	<i>Check Date</i>	<i>Description</i>	<i>Amount</i>
<b>Washington State Department of Revenue</b>					
ACH		December 2015	1/08/16	Excise Tax	Check Total <b>\$25,621.37</b>
					Total All Batches <b>\$422,477.61</b>

I hereby certify that the goods and services charged on the vouchers listed below have been furnished to the best of my knowledge. I further certify that the claims below to be valid and correct.

\_\_\_\_\_  
City Treasurer

WE, the undersigned council members of the City of Snohomish, Washington, do hereby certify that the claim warrants #58071 through #58159 in the total of \$422,477.61 dated through January 27, 2016 are approved for payment on February 2, 2016.

\_\_\_\_\_  
Mayor

\_\_\_\_\_  
Councilmember

\_\_\_\_\_  
Councilmember

\_\_\_\_\_  
Councilmember

**CONSENT ITEM 7a**

*Schedule of Checks*

*for the Checks Issued Since the January 19, 2016 Meeting*

<i>Name</i>	<i>Check #</i>	<i>Invoice #</i>	<i>Check Date</i>	<i>Description</i>	<i>Amount</i>
-------------	----------------	------------------	-------------------	--------------------	---------------

---

**CONSENT ITEM 7b**

**Date:** February 2, 2016  
**To:** City Council  
**From:** Yoshihiro Monzaki, City Engineer  
**Subject:** **13<sup>th</sup> Street and Avenue A Annexation – ADOPT Ordinance 2295**

---

This agenda item provides for the City Council’s review and adoption of Ordinance 2295 to annex an island of unincorporated territory. The 13<sup>th</sup> Street and Avenue A Annexation proposal has been considered by the City Council and approved for further processing on two prior occasions during the current public process.

An unincorporated island was identified by Snohomish County within the City limits. It is located entirely within the public right-of-way of 13<sup>th</sup> Street and Avenue A. A map of the subject right of way is provided as Attachment A. The City contracted with the professional survey firm River City Land Services to review and research this unincorporated island and it was determined that a gap in the legal descriptions between Annexation Ordinance Nos. 900, 969, 1145 and 1302 resulted in portions of the public right-of-way of 13<sup>th</sup> Street and Avenue A being omitted from the annexations to the City. Since 1976 or earlier, the City has been maintaining, regulating, and paying to illuminate this unincorporated island of right-of-way. Staff proposes that the City Council annex these rights-of-way to correct the error. The proposed annexation area is entirely within the public right-of-way and will not affect any property owners.

During the October 6, 2015 Council meeting, Resolution 1316 was adopted scheduling a public hearing for November 3, 2015 for the annexation of a certain unincorporated area within the public rights-of-way of 13<sup>th</sup> Street and Avenue A. Revised Code of Washington (RCW) 35A.14.295, 297, and 299 has established a process by which the legislative body of a code city may initiate annexation of an island of unincorporated urban-designated land by resolution.

On November 3, 2015, the City Council conducted a public hearing to provide an opportunity for public comment regarding the proposed annexation. There were no comments from the public. After the public hearing, the City Council directed staff to file the proposed annexation with the Snohomish County Boundary Review Board (BRB) for consideration and review.

On December 28, 2015, the BRB notified the City that they have waived the review for the annexation. The BRB Waiver is provided as Attachment B.

Annexation Ordinance 2295 (Attachment C) is presented for the City Council’s consideration. The effective date of the ordinance must be not less than 45 days from passage by the City Council, as prescribed by statute. Notice of the adoption of the ordinance must be published at least once each week for two weeks during the 45 day period the referendum process is available to residents of the proposed annexation, of which there are none. After the effective date of the ordinance, an annexation census must be filed with the Office of Financial Management.

**CONSENT ITEM 7b**

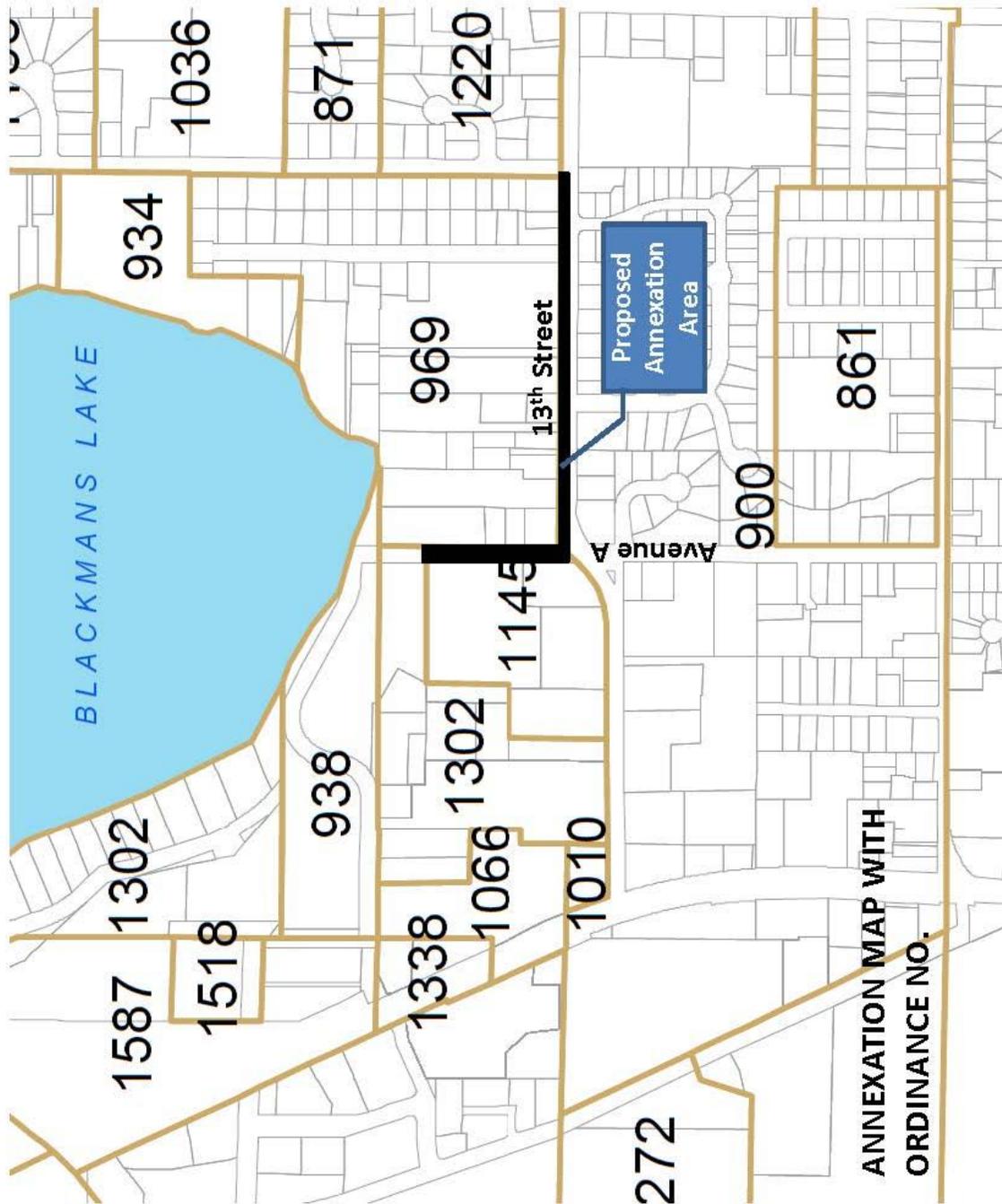
**STRATEGIC PLAN REFERENCE:** None.

**RECOMMENDATION:** That the City Council ADOPT Ordinance 2295 annexing a certain unincorporated area known as the “13<sup>th</sup> Street and Avenue A Annexation” into the City.

**ATTACHMENTS:**

- A. Section of Annexation Map
- B. Snohomish County Boundary Review Board Waiver
- C. Ordinance 2295

ATTACHMENT A



**ANNEXATION MAP WITH  
ORDINANCE NO.**

ATTACHMENT B



**Washington State Boundary Review Board  
for Snohomish County**

(425) 388-3445  
FAX (425) 388-3871

M/S #409  
3000 Rockefeller Ave.  
Everett, WA 98201

December 28, 2015

Mr. Yoshihiro Monzaki  
City of Snohomish  
116 Union Avenue  
Snohomish, WA 98290

Dear Yoshihiro:

**RE: City of Snohomish 13<sup>th</sup> Street & Avenue A Right-of-Way Annexation BRB No. 7-2015**

The Boundary Review Board (BRB) notes receipt of the above proposed annexation. As provided by RCW 36.93.110, the Board Chair has waived the 45-day review period as confirmed by the enclosed waiver.

At the conclusion of the City Council's action, please forward to us two certified copies of the ordinance along with the legal description and map of the annexation property.

If you have any questions, please feel free to call.

Sincerely,

Heidi Turner  
Chief Clerk of the Board

Enclosure  
Waiver of Review

**CONSENT ITEM 7b**

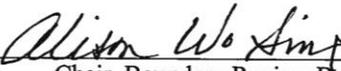
**WASHINGTON STATE BOUNDARY REVIEW BOARD  
FOR SNOHOMISH COUNTY**

**WAIVER OF REVIEW BY BOARD CHAIR**

I, Alison Sing, Chair of the Washington State Boundary Review Board for Snohomish County do hereby declare that, pursuant to RCW 36.93.110, review of the proposal by the City of Snohomish 13<sup>th</sup> Street & Avenue A Right-of-Way Annexation designated as BRB File No. 07-2015, is not necessary for the protection of the interest of the various parties.

The area of the proposal, as determined by the Snohomish County Assessor is 1.58 acre, which is less than ten (10) acres as provided by RCW 36.93.110, and the assessed valuation, as determined also by the Snohomish County Assessor, is \$763,100 which is less than \$2,000,000 (two million dollars), provided by RCW 36.93.110.

Signed this 26<sup>th</sup> day of December, 2015.

  
\_\_\_\_\_  
Chair, Boundary Review Board

  
\_\_\_\_\_  
Heidi Turner, Chief Clerk of the Board

ATTACHMENT C

**CITY OF SNOHOMISH  
Snohomish, Washington**

**ORDINANCE 2295**

**AN ORDINANCE OF THE CITY OF SNOHOMISH, WASHINGTON,  
ANNEXING CERTAIN PUBLIC RIGHT OF WAY KNOWN AS “13<sup>TH</sup>  
STREET AND AVENUE A”, AND ESTABLISHING THE EFFECTIVE  
DATE OF SAID ANNEXATION**

**WHEREAS**, on October 6, 2015, pursuant to RCW 35A.14.295, the City Council passed Resolution 1316 stating the intent of the City to annex the unincorporated public right of way known as the “13<sup>th</sup> Street and Avenue A Annexation”, described in the attached Exhibit A legal description and as depicted on the attached Exhibit B map; and

**WHEREAS**, an annexation petition was not required because the annexation area is entirely within public right of way, is entirely contiguous to the corporate boundary of the City, and there are no voters residing within the said right of way; and

**WHEREAS**, on November 3, 2016, pursuant to RCW 35A.14.295, the City Council held a duly noticed public hearing regarding the annexation, and authorized the submittal of the proposed annexation to the Snohomish County Boundary Review Board; and

**WHEREAS**, on December 28, 2015, pursuant to RCW 36.93.110, the Chair of the Boundary Review Board for Snohomish County declared the Board’s review of the 13<sup>th</sup> Street and Avenue A Annexation is not necessary for the protection of the interest of the various parties and therefore waived jurisdiction over the annexation; and

**WHEREAS**, RCW 43.21C.222 categorically exempts annexations from review under the State Environmental Policy Act, RCW Chapter 43.21C; and

**WHEREAS**, the City Council finds that the land proposed for annexation is dedicated public right-of-way with no land use designation shown on the adopted Land Use Map and therefore no zoning designation is applicable for the purposes of the Zoning Code; and

**WHEREAS**, it is the City Council’s adopted policy to require annexing property to assume a proportionate share of the City’s existing bonded indebtedness; and

**WHEREAS**, since the land proposed for annexation is currently dedicated public right-of-way not subject to property taxation and, if vacated, would attach by law to properties currently subject to the City’s existing bonded indebtedness, the City Council finds that there is no utility and no benefit to the City and its taxpayers to require assumption of a proportionate share of the City’s existing bonded indebtedness;

**CONSENT ITEM 7b**

**NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF SNOHOMISH, WASHINGTON DO HEREBY ORDAIN AS FOLLOWS:**

**Section 1.** The 13<sup>th</sup> Street and Avenue A Annexation has been approved by the Boundary Review Board for Snohomish County without review. The City Council finds it to be in the best interest of the citizens of the City of Snohomish to annex, and does hereby annex, the public right of way known as the 13<sup>th</sup> Street and Avenue A Annexation situated in Snohomish County, Washington as contiguous, proximate, and within the present corporate limits of the City and as more particularly legally described in Exhibit A and depicted on Exhibit B, which are attached hereto and incorporated in full by this reference.

**Section 2.** The property shall be annexed as public right-of-way, as shown on the adopted Comprehensive Plan Land Use Map, and no zoning designation shall apply for the purposes of the Zoning Code, subject to future legislative action by the City Council.

**Section 3.** This ordinance shall take effect forty-five (45) days following passage. Following passage hereof, a summary of this ordinance shall be published along with the legal description of the annexation area and the effective date once each week for two weeks following the passage of this ordinance pursuant to RCW 35A.14.297.

**Section 4.** Pursuant to RCW 35A.14.297, this Ordinance shall be subject to referendum for forty-five days after passage.

**Section 5.** Upon passage of this ordinance a certified copy shall be filed with the Clerk of the Snohomish County Council and the Snohomish County Assessor.

**ADOPTED AND PASSED** by the City Council and **APPROVED** by the Mayor this \_\_\_\_\_ day of \_\_\_\_\_, 2016.

CITY OF SNOHOMISH

By \_\_\_\_\_  
Karen Guzak, Mayor

Attest:

By \_\_\_\_\_  
Pat Adams, City Clerk

Approved as to form:

By \_\_\_\_\_  
Grant K. Weed, City Attorney

EXHIBIT A  
LEGAL DESCRIPTION FOR PROPOSED ANNEXATION TO THE CITY OF SNOHOMISH

THAT PORTION OF GOVERNMENT LOT 3 AND GOVERNMENT LOT 6, LOCATED IN SECTION 7, TOWNSHIP 28 NORTH, RANGE 6 EAST, W.M., DESCRIBED AS FOLLOWS: COMMENCING AT THE SOUTHEAST CORNER OF SAID GOVERNMENT LOT 6; THENCE WEST 30 FEET MORE OR LESS ALONG THE SOUTH LINE OF SAID GOVERNMENT LOT 6 TO THE POINT OF INTERSECTION WITH THE WEST LINE OF PARK AVENUE RIGHT OF WAY PROJECTED SOUTHERLY, AND THE TRUE POINT OF BEGINNING, SAID POINT BEING 30.00 FEET WEST OF THE EAST LINE OF SAID GOVERNMENT LOT 6 AS MEASURED PERPENDICULAR THERETO, SAID POINT ALSO BEING THE SOUTHWESTERLY CORNER OF PARCEL 3 OF THAT CERTAIN TRACT OF LAND ANNEXED TO THE CITY OF SNOHOMISH PER CITY OF SNOHOMISH ANNEXATION ORDINANCE No. 934, DATED JUNE 4, 1963; THENCE WEST ALONG THE SOUTH LINE OF SAID GOVERNMENT LOT 6 A DISTANCE OF 1300 FEET MORE OR LESS TO THE SOUTHWEST CORNER OF SAID GOVERNMENT LOT 6; THENCE CONTINUE WEST ALONG THE SOUTH LINE OF AFOREMENTIONED GOVERNMENT LOT 3 A DISTANCE OF 60 FEET MORE OR LESS TO A POINT ON THE WEST LINE OF AVENUE A RIGHT OF WAY, SAID POINT BEING 60.00 FEET WEST OF THE EAST LINE OF SAID GOVERNMENT LOT 3 AS MEASURED PERPENDICULAR THERETO; THENCE NORTH ALONG THE WEST LINE OF AVENUE A RIGHT OF WAY, PARALLEL WITH AND 60.00 FEET WEST OF SAID EAST LINE OF GOVERNMENT LOT 3 A DISTANCE OF 486 FEET MORE OR LESS TO THE NORTHEAST CORNER OF THAT CERTAIN TRACT OF LAND CONVEYED BY LOUIS KUHBANK BY DEED RECORDED IN VOLUME 126 OF DEEDS, PAGE 525, UNDER RECORDING NUMBER 182013, RECORDS OF SNOHOMISH COUNTY, WASHINGTON, SAID POINT BEING LOCATED ON THE SOUTH LINE OF THAT CERTAIN TRACT OF LAND ANNEXED TO THE CITY OF SNOHOMISH PER CITY OF SNOHOMISH ANNEXATION ORDINANCE No. 1302, DATED JANUARY 20, 1976; THENCE EAST ALONG THE SOUTH LINE OF SAID ANNEXATION AND PERPENDICULAR TO THE EAST LINE OF SAID GOVERNMENT LOT 3 A DISTANCE OF 60.00 FEET TO A POINT ON THE EAST LINE OF SAID GOVERNMENT LOT 3, SAID POINT ALSO BEING THE SOUTHEAST CORNER OF THAT CERTAIN TRACT ANNEXED TO THE CITY OF SNOHOMISH PER CITY OF SNOHOMISH ANNEXATION ORDINANCE No. 1302, DATED JANUARY 20, 1976; THENCE SOUTH ALONG THE EAST LINE OF SAID GOVERNMENT LOT 3 A DISTANCE OF 456 FEET MORE OR LESS TO A POINT ON THE NORTH LINE OF 13<sup>TH</sup> STREET RIGHT OF WAY, SAID POINT BEING 30.00 FEET NORTH OF THE SOUTH LINE OF SAID GOVERNMENT LOT 6 AS MEASURED PERPENDICULAR THERETO; THENCE EAST ALONG THE NORTH LINE OF 13<sup>TH</sup> STREET RIGHT OF WAY, PARALLEL WITH AND 30.00 FEET NORTH OF THE SOUTH LINE OF SAID GOVERNMENT LOT 6 A DISTANCE OF 1300 FEET MORE OR LESS TO A POINT ON

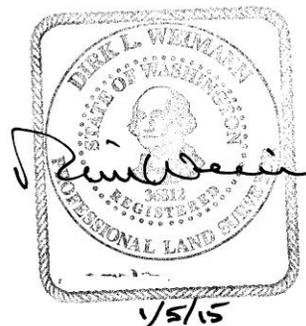
**CONSENT ITEM 7b**

---

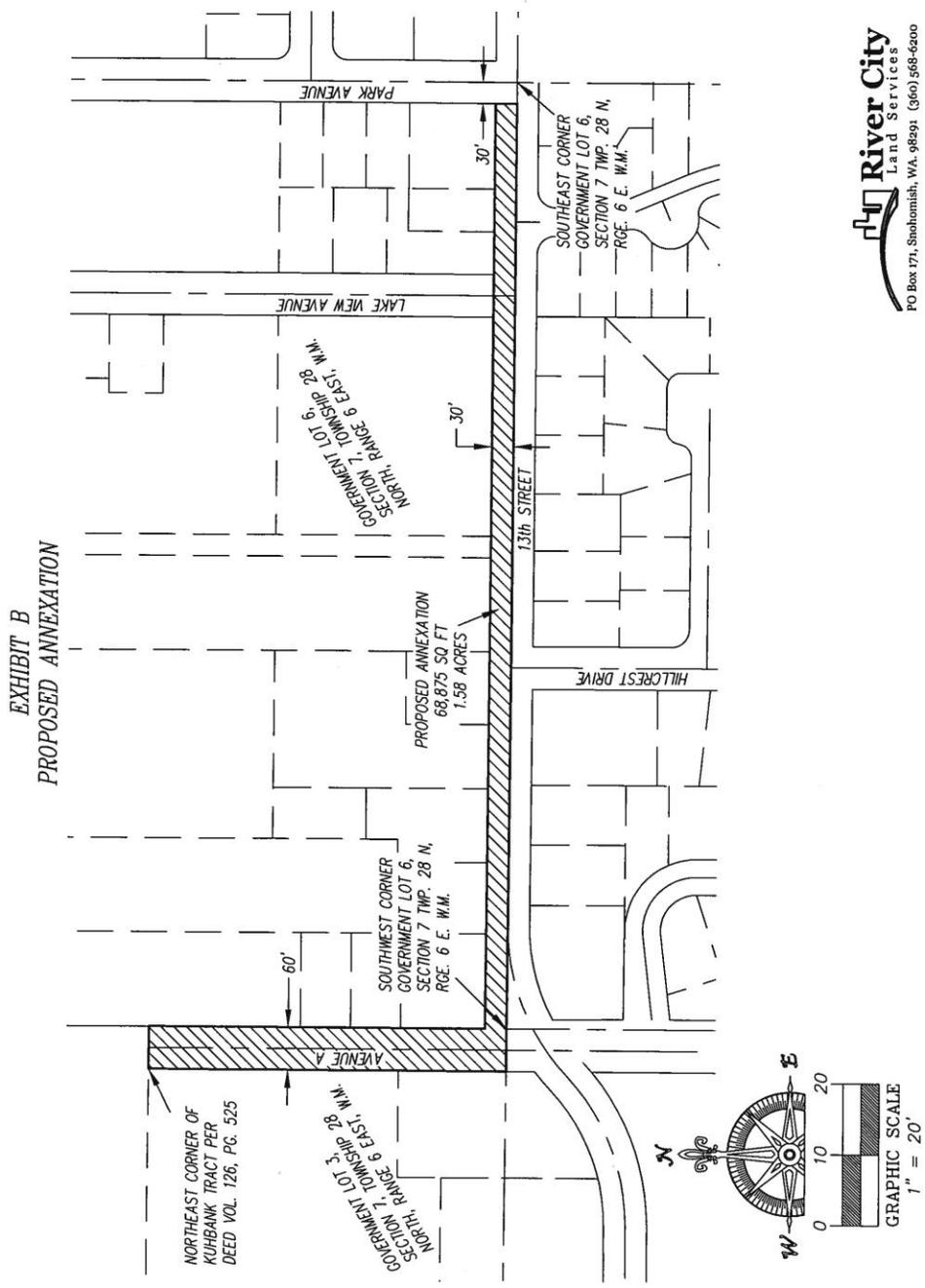
THE WEST LINE OF PARK AVENUE RIGHT OF WAY, SAID POINT BEING 30.00 FEET WEST OF THE EAST LINE OF SAID GOVERNMENT LOT 6 AS MEASURED PERPENDICULAR TO THE EAST LINE THEREOF;  
THENCE SOUTH PARALLEL WITH AND 30.00 FEET WEST OF SAID EAST LINE OF GOVERNMENT LOT 6 A DISTANCE OF 30.00 FEET MORE OR LESS TO THE TRUE POINT OF BEGINNING.

SITUATE IN SNOHOMISH COUNTY, WASHINGTON.

IT IS THE INTENT OF THIS LEGAL DESCRIPTION TO FOLLOW THE EXISTING CORPORATE CITY LIMITS OF THE CITY OF SNOHOMISH. REFERENCES HEREIN ARE MEANT TO CONVEY THAT ALTHOUGH PRESENT RIGHTS OF WAY BOUNDARIES MAY BE DIFFERENT, THE RIGHTS OF WAY BOUNDARIES AT THE TIME OF THE ORIGINAL INCORPORATION AND SUBSEQUENTLY ADOPTED ORDINANCES ARE INTENDED TO BE FOLLOWED SO THAT NO GAP OR OVERLAP EXISTS BETWEEN THIS ANNEXATION AND THE EXISTING CITY LIMITS OF THE CITY OF SNOHOMISH.



**CONSENT ITEM 7b**



**River City**  
Land Services  
PO Box 171, Snohomish, WA, 98291 (360) 568-6500