

AGENDA

**DES MOINES CITY COUNCIL
REGULAR MEETING
City Council Chambers
21630 11th Avenue South, Des Moines**

December 17, 2015 – 7:00 p.m.

CALL TO ORDER

PLEDGE OF ALLEGIANCE

ROLL CALL

CORRESPONDENCE

COMMENTS FROM THE PUBLIC

EXECUTIVE SESSION

BOARD AND COMMITTEE REPORTS/COUNCILMEMBER COMMENTS

PRESIDING OFFICER'S REPORT

ADMINISTRATION REPORT

CONSENT AGENDA

- Page 1 Item 1: DRAFT RESOLUTION 15-201 REDONDO BOARDWALK REPAIR PROJECT CERTIFICATION OF FULL FUNDING – FOR TIB AWARD
Motion is to adopt Draft Resolution No. 15-201 certifying to the Washington State Transportation Improvement Board (TIB) that full funding is secured for the Redondo Boardwalk Repair Project, and further authorize the City Manager to sign the TIB Funding Status Form and the Fuel Tax Grant Agreement with TIB substantially in the form as submitted.
- Page 17 Item 2: REDONDO BOARDWALK REPAIR PROJECT CONSULTANT CONTRACT SUPPLEMENT #2 – FOR ADDITIONAL ENVIRONMENTAL AND DESIGN WORK
Motion is to approve the Supplemental Agreement Number 2 with Exeltech Consulting for the Redondo Boardwalk Repair in the amount of \$79,848.20 to complete additional environmental and design work including a pedestrian crossing safety improvement, and further authorize the City Manager to sign said Supplemental Agreement Number 2 substantially in the form as submitted.
- Page 39 Item 3: ECOLOGY 2015-2017 STORMWATER GRANT AGREEMENT
Motion is to approve the 2015-2017 Municipal Stormwater Capacity Grant Agreement between the State of Washington Department of Ecology and the City of Des Moines, and further to authorize the City Manager to sign said Agreement substantially in the form as submitted.

- Page 65 Item 4: REDONDO BOARDWALK REPAIR – ACCEPTANCE OF WASHINGTON STATE DEPARTMENT OF COMMERCE DIRECT – APPROPRIATIONS CONTRACT
Motion is to accept the Washington State Department of Commerce Direct-Appropriations Grant of \$1,455,000, and further authorize the City Manager, or his designee, to sign the Direct-Appropriations Contract, and to direct the City Manager, or his designee, to advertise the Redondo Boardwalk Repair Project for construction in early 2016 following final permit approvals.
- Page 101 Item 5: MEMORANDUM OF UNDERSTANDING BETWEEN THE CITY OF DES MOINES AND TEAMSTERS LOCAL 763 (“TEAMSTERS”)
Motion is to approve the attached Memorandum of Understanding between the City of Des Moines and Teamsters Local 763 regarding the holiday pay provision and to authorize the City Manager to sign the MOU substantially in the form as attached.
- Page 133 Item 6: DRAFT RESOLUTION 15-155 SETTING COMBINED PUBLIC HEARING DATE FOR:
- 1) DRAFT RESOLUTION 15-215 APPROVING THE SECOND ADDENDUM TO THE AMENDED & RESTATED SECOND DEVELOPMENT AGREEMENT FOR THE DES MOINES CREEK BUSINESS PARK
 - 2) DRAFT ORDINANCE 15-216 VACATING DES MOINES CREEK BUSINESS PARK TRACT E (SOUTH 214TH STREET) RIGHT OF WAY
 - 3) DRAFT ORDINANCE 15-217 AMENDING THE APPROVED DES MOINES CREEK BUSINESS PARK MASTER PLAN
- Motion is to adopt Draft Resolution No. 15-155 setting a combined public hearing on January 21, 2016 to consider Draft Resolution No. 15-215, approving the Second Addendum to the Amended & Restated Second Development Agreement for the Des Moines Creek Business Park; Draft Ordinance No. 15-216, vacating DMCBP Tract E (South 214th Street) Right of Way; and Draft Ordinance No. 15-217, amending the approved Des Moines Creek Business Park Master Plan.
- Page 139 Item 7: DRAFT RESOLUTION 15-206 SETTING A PUBLIC HEARING DATE FOR DRAFT ORDINANCE 15-206, RELATED TO PUBLIC NOTICE REQUIREMENTS FOR ESSENTIAL PUBLIC FACILITIES
Motion is to adopt Draft Resolution No. 15-206 setting a public hearing on February 11, 2016 or as soon thereafter as the matter may be heard to consider Draft Ordinance 15-206 amending portions of Title 16 and Title 18 of the Des Moines Municipal Code as necessary to establish specific noticing requirements for essential public facilities which are defined in RCW 47.06.140.
- Page 145 Item 8: CONTRACT WITH RECREATION AND CONSERVATION OFFICE (RCO) FOR THE DES MOINES BEACH PARK HISTORIC PICNIC SHELTER/RESTROOMS REHABILITATION PROJECT
Motion is to approve the Project Agreement with the Recreation and Conservation Office (RCO) for the Des Moines Beach Park Historic Picnic Shelter/Restrooms Rehabilitation Project in the amount of \$293,243.00, and additionally to authorize the City Manager to sign the Project Agreement substantially in the form as submitted.

Page 175 Item 9: ADDING A NEW CHAPTER 3.51 DMMC ENTITLED "SPECIAL REVENUE FUNDS"
First Motion is to suspend Rule 26(a) in order to enact Draft Ordinance No. 15-218 on first reading.

Second Motion is to enact Draft Ordinance No. 15-218 adding a new chapter to Title 3 DMMC establishing and defining certain Special Revenue funds.

OLD BUSINESS

Page 183 Item 1: 2016 OPERATING AND CAPITAL BUDGETS
Staff Presentation: Finance Director Dunyele Mason

NEW BUSINESS

Page 329 Item 1: 2015 OPERATING AND CAPITAL BUDGETS
Staff Presentation: Finance Director Dunyele Mason

NEXT MEETING DATE

January 7, 2016 Regular City Council Meeting

ADJOURNMENT

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A G E N D A I T E M

BUSINESS OF THE CITY COUNCIL City of Des Moines, WA

SUBJECT: Draft Resolution 15-201 Redondo Boardwalk Repair Project Certification of Full Funding – For TIB Award

FOR AGENDA OF: December 17, 2015

DEPT. OF ORIGIN:

ATTACHMENTS:

DATE SUBMITTED: December 8, 2015

1. Draft Resolution No. 15-201
2. Transportation Improvement Board Project Selection Letter, November 20, 2015
3. TIB Fuel Tax Grant Agreement
4. TIB Funding Status Form
5. 2016 CIP Project Budget Worksheet

CLEARANCES:

- ☒ Legal TS
☒ Finance DM
☐ Marina N/A
☐ Parks, Recreation & Senior Services N/A
☒ Planning, Building & Public Works DSB
☐ Police N/A

APPROVED BY CITY MANAGER

FOR SUBMITTAL: Wu/ACM

Purpose and Recommendation

The purpose of this agenda item is to adopt Draft Resolution 15-201 (Attachment 1) formally certifying to the Washington State Transportation Improvement Board (TIB) that the City has secured local and/or private funding for construction of improvements for the Redondo Boardwalk Repair Project. It also authorizes staff to prepare the project for advertising. Award of a construction contract will be subject to Council approval. The following motion will appear on the consent calendar:

Suggested Motion

"I move to adopt Draft Resolution No 15-201 certifying to the Washington State Transportation Improvement Board (TIB) that full funding is secured for the Redondo Boardwalk Repair Project, and further authorize the City Manager to sign the TIB Funding Status Form and the Fuel Tax Grant Agreement with TIB substantially in the form as submitted."

Background

On November 29, 2014, the City of Des Moines experienced unprecedented weather and associated tidal action along its shoreline. In particular, the entire boardwalk adjacent to Redondo Beach Drive South sustained significant damage resulting in permanent closure of the facility. Following a facility damage assessment (DDIR) in cooperation with WSDOT and FHWA, Emergency Relief Program (ER) resources became available to restore the boardwalk as well as Department of Commerce and Transportation Improvement Board grants.

To date, 100% design has been completed and the project team is finalizing permit approvals. The design will replace the existing timber structure with one entirely constructed from reinforced concrete. Additionally, the project has incorporated low level pedestrian lighting (illumination of the boardwalk surface only) and a new railing that is designed to withstand typical impacts from logs that have been present around the facility during storm events.

To date, the project team is coordinating efforts with various permitting agencies and have the following completed:

- NEPA – Complete
- SEPA – Complete
- Shoreline Exemption – Complete
- Nationwide Permit (Army Corp of Engineers) – Pending final decision and issuance
- Hydraulic Permit Approval (WA Fish and Wildlife) – Negotiating mitigation requirements

Once all permits have been approved and funding obligated the project will be advertised for bids.

Discussion

On November 20, 2015 the TIB selected the above project (Project Number P-P-110(P01)-1) for \$360,000 in grant funding (Attachment 2). The TIB requires verification and certification of funding as well as approval of a Fuel Tax Distribution Agreement (Attachment 3), and the Project Funding Form (Attachment 4) prior reimbursing the City for expenses. By adopting Draft Resolution 15-201, the Council will certify that full funding is available to construct the project as required by the TIB.

Combined with local funds, FHWA Emergency Relief funding, WA Department of Commerce Grant, and the TIB funds, the project is fully funded as represented in the CIP Budget Worksheet (Attachment 5). The City's design consultant will be finalizing the construction documents for bid advertisement and permit approval.

Alternatives

None.

Financial Impact

The City's CIP Budget Worksheet includes TIB revenue in order to achieve full funding (Attachment 5).

Recommendation or Conclusion

Staff recommends adoption of the motion.

Concurrence

The Planning, Building and Public Works, Finance, and Legal Departments concur.

CITY ATTORNEY'S FIRST DRAFT 11/23/2015

DRAFT RESOLUTION NO. 15-201

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF DES MOINES, WASHINGTON, certifying funding for the City of Des Moines Redondo Boardwalk Repair project.

WHEREAS, the City of Des Moines adopted the 2016-2021 Capital Improvement Program budget including full funding for the Redondo Boardwalk Repair project, and

WHEREAS, the City of Des Moines was selected for a grant from the Washington State Transportation Improvement Board (hereinafter TIB) and on November 20, 2015 the TIB announced that \$360,000 in state TIB funds would be available for the project subject to certification full funding for the improvements is available pursuant to RCW 47.26.084, and

WHEREAS, the City of Des Moines adopted the 2016-2035 Transportation Improvement Plan and recommends boardwalk repairs to restore public access to the facility that has been permanently closed due to a major storm event in November 2014 in which a State of Emergency was declared, and

WHEREAS, design of this project is complete and once all permits are secured will prepare to advertise the project for construction bids; now therefore,

THE CITY COUNCIL OF THE CITY OF DES MOINES RESOLVES AS FOLLOWS:

Sec. 1. Funding for the Redondo Boardwalk Repair project is secured and the City Council certifies that the necessary local

Resolution No. ____
Page 2 of ____

matching funds will be available for construction.

ADOPTED BY the City Council of the City of Des Moines,
Washington this ____ day of ____, 2015 and signed in
authentication thereof this ____ day of ____, 2015.

M A Y O R

APPROVED AS TO FORM:

City Attorney

ATTEST:

City Clerk

12/4/15 9:15 AM



Washington State Transportation Improvement Board

RECEIVED
NOV 30 2015

BY: *P. Volin*

TIB Members

Councilmember Bob Olson, Chair
City of Kennewick

Commissioner Richard Stevens,
Vice Chair
Grant County

Jim Albert
Office of Financial Management

Pasco Bakotich, P.E.
WSDOT

Wendy Clark-Getzin, P.E.
Clallam Transit

Gary Ekstedt, P.E.
Yakima County

Mayor James Irish
City of La Center

John Klekotka, P.E.
Port of Everett

Commissioner Robert Koch
Franklin County

Colleen Kuhn
Human Services Council

Mayor Patty Lent
City of Bremerton

Mick Matheson, P.E.
City of Sultan

E. Susan Meyer
Spokane Transit Authority

Laura Philpot, P.E.
City of Sammamish

David Ramsay
Feet First

Amy Scarton
WSDOT

Heidi Stamm
HS Public Affairs

John Vodopich
City of Bonney Lake

Jay Weber
County Road Administration Board

Clay White
Snohomish County

Stevan E. Gorcester
Executive Director

P.O. Box 40901
Olympia, WA 98504-0901
Phone: 360-586-1140
Fax: 360-586-1165
www.tib.wa.gov

November 20, 2015

Mr. Dan Brewer
Planning, Building and Public Works Director
City of Des Moines
21650 11th Avenue South
Des Moines, WA 98198-6317

Dear Mr. Brewer:

Congratulations! We are pleased to announce the selection of your project, Redondo Beach Drive S, S 283rd Street to Shore Drive S, TIB project number P-P-110(P01)-1.

Total TIB funds for this project are \$360,000.

Before any work is allowed on this project, you must:

- Verify the information on the Project Funding Status Form, revise if necessary, and sign;
- Submit the section of your adopted Six Year Transportation Plan listing this project;
- Sign both copies of the Fuel Tax Grant Distribution Agreement; and
- Return the above items to TIB.

You may only incur reimbursable expenses after you receive approval from TIB.

In accordance with RCW 47.26.084, you must certify full funding by November 20, 2016 or the grant may be terminated. Grants may also be rescinded due to unreasonable project delay as described in WAC 479-05-211.

If you have questions, please contact Greg Armstrong, TIB Project Engineer, at (360) 586-1142 or e-mail GregA@tib.wa.gov.

Sincerely,

Stevan Gorcester
Executive Director

Enclosures

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City of Des Moines
P-P-110(P01)-1
Redondo Beach Drive S
S 283rd Street to Shore Drive S

STATE OF WASHINGTON
TRANSPORTATION IMPROVEMENT BOARD
AND
City of Des Moines
AGREEMENT

THIS GRANT AGREEMENT (hereinafter "Agreement") for the Redondo Beach Drive S, S 283rd Street to Shore Drive S (hereinafter "Project") is entered into by the WASHINGTON STATE TRANSPORTATION IMPROVEMENT BOARD (hereinafter "TIB") and City of Des Moines, a political subdivision of the State of Washington (hereinafter "RECIPIENT").

1.0 PURPOSE

TIB hereby grants funds in the amount of \$360,000 for the project specified above, pursuant to terms contained in the RECIPIENT'S Grant Application, supporting documentation, chapter 47.26 RCW, title 479 WAC, and the terms and conditions listed below.

2.0 SCOPE AND BUDGET

The Project Scope and Budget are initially described in RECIPIENT's Grant Application and incorporated by reference into this Agreement. Scope and Budget will be further developed and refined, but not substantially altered during the Design, Bid Authorization and Construction Phases. Any material alterations to the original Project Scope or Budget as initially described in the Grant Application must be authorized by TIB in advance by written amendment.

3.0 PROJECT DOCUMENTATION

TIB requires RECIPIENT to make reasonable progress and submit timely Project documentation as applicable throughout the Project. Upon RECIPIENT's submission of each Project document to TIB, the terms contained in the document will be incorporated by reference into the Agreement. Required documents include, but are not limited to the following:

- a) Project Funding Status Form
- b) Bid Authorization Form with plans and engineers estimate
- c) Award Updated Cost Estimate
- d) Bid Tabulations
- e) Contract Completion Updated Cost Estimate with final summary of quantities
- f) Project Accounting History

4.0 BILLING AND PAYMENT

The local agency shall submit progress billings as project costs are incurred to enable TIB to maintain accurate budgeting and fund management. Payment requests may be submitted as often as the RECIPIENT deems necessary, but shall be submitted at least quarterly if billable



amounts are greater than \$50,000. If progress billings are not submitted, large payments may be delayed or scheduled in a payment plan.

5.0 TERM OF AGREEMENT

This Agreement shall be effective upon execution by TIB and shall continue through closeout of the grant or until terminated as provided herein, but shall not exceed 10 years unless amended by the Parties.

6.0 AMENDMENTS

This Agreement may be amended by mutual agreement of the Parties. Such amendments shall not be binding unless they are in writing and signed by persons authorized to bind each of the Parties.

7.0 ASSIGNMENT

The RECIPIENT shall not assign or transfer its rights, benefits, or obligations under this Agreement without the prior written consent of TIB. The RECIPIENT is deemed to consent to assignment of this Agreement by TIB to a successor entity. Such consent shall not constitute a waiver of the RECIPIENT's other rights under this Agreement.

8.0 GOVERNANCE & VENUE

This Agreement shall be construed and interpreted in accordance with the laws of the state of Washington and venue of any action brought hereunder shall be in the Superior Court for Thurston County.

9.0 DEFAULT AND TERMINATION

9.1 NON-COMPLIANCE

- a) In the event TIB determines, in its sole discretion, the RECIPIENT has failed to comply with the terms and conditions of this Agreement, TIB shall notify the RECIPIENT, in writing, of the non-compliance.
- b) In response to the notice, RECIPIENT shall provide a written response within 10 business days of receipt of TIB's notice of non-compliance, which should include either a detailed plan to correct the non-compliance, a request to amend the Project, or a denial accompanied by supporting details.
- c) TIB will provide 30 days for RECIPIENT to make reasonable progress toward compliance pursuant to its plan to correct or implement its amendment to the Project.
- d) Should RECIPIENT dispute non-compliance, TIB will investigate the dispute and may withhold further payments or prohibit the RECIPIENT from incurring additional reimbursable costs during the investigation.

9.2 DEFAULT

RECIPIENT may be considered in default if TIB determines, in its sole discretion, that:



- a) RECIPIENT is not making reasonable progress toward correction and compliance.
- b) TIB denies the RECIPIENT's request to amend the Project.
- c) After investigation TIB confirms RECIPIENT'S non-compliance.

TIB reserves the right to order RECIPIENT to immediately stop work on the Project and TIB may stop Project payments until the requested corrections have been made or the Agreement has been terminated.

9.3 TERMINATION

- a) In the event of default by the RECIPIENT as determined pursuant to Section 9.2, TIB shall serve RECIPIENT with a written notice of termination of this Agreement, which shall be served in person, by email or by certified letter. Upon service of notice of termination, the RECIPIENT shall immediately stop work and/or take such action as may be directed by TIB.
- b) In the event of default and/or termination by either PARTY, the RECIPIENT may be liable for damages as authorized by law including, but not limited to, repayment of grant funds.
- c) The rights and remedies of TIB provided in the AGREEMENT are not exclusive and are in addition to any other rights and remedies provided by law.

9.4 TERMINATION FOR NECESSITY

TIB may, with ten (10) days written notice, terminate this Agreement, in whole or in part, because funds are no longer available for the purpose of meeting TIB's obligations. If this Agreement is so terminated, TIB shall be liable only for payment required under this Agreement for performance rendered or costs incurred prior to the effective date of termination.

10.0 USE OF TIB GRANT FUNDS

TIB grant funds come from Motor Vehicle Fuel Tax revenue. Any use of these funds for anything other than highway or roadway system improvements is prohibited and shall subject the RECIPIENT to the terms, conditions and remedies set forth in Section 9. If Right of Way is purchased using TIB funds, and some or all of the Right of Way is subsequently sold, proceeds from the sale must be deposited into the RECIPIENT's motor vehicle fund and used for a motor vehicle purpose.

11.0 INCREASE OR DECREASE IN TIB GRANT FUNDS

At Bid Award and Contract Completion, RECIPIENT may request an increase in the TIB funds for the specific project. Requests must be made in writing and will be considered by TIB and awarded at the sole discretion of TIB. All increase requests must be made pursuant to WAC 479-05-202 and/or WAC 479-01-060. If an increase is denied, the recipient shall be liable for costs incurred in excess of the grant amount. In the event that final costs related to the specific project are less than the initial grant award, TIB funds will be decreased and/or refunded to TIB in a manner that maintains the original ratio between TIB funds and total project costs.



12.0 INDEPENDENT CAPACITY

The RECIPIENT shall be deemed an independent contractor for all purposes and the employees of the RECIPIENT or any of its contractors, subcontractors, and employees thereof shall not in any manner be deemed employees of TIB.

13.0 INDEMNIFICATION AND HOLD HARMLESS

The PARTIES agree to the following:

Each of the PARTIES, shall protect, defend, indemnify, and save harmless the other PARTY, its officers, officials, employees, and agents, while acting within the scope of their employment as such, from any and all costs, claims, judgment, and/or awards of damages, arising out of, or in any way resulting from, that PARTY's own negligent acts or omissions which may arise in connection with its performance under this Agreement. No PARTY will be required to indemnify, defend, or save harmless the other PARTY if the claim, suit, or action for injuries, death, or damages is caused by the sole negligence of the other PARTY. Where such claims, suits, or actions result from the concurrent negligence of the PARTIES, the indemnity provisions provided herein shall be valid and enforceable only to the extent of a PARTY's own negligence. Each of the PARTIES agrees that its obligations under this subparagraph extend to any claim, demand and/or cause of action brought by, or on behalf of, any of its employees or agents. For this purpose, each of the PARTIES, by mutual negotiation, hereby waives, with respect to the other PARTY only, any immunity that would otherwise be available to it against such claims under the Industrial Insurance provision of Title 51 RCW. In any action to enforce the provisions of the Section, the prevailing PARTY shall be entitled to recover its reasonable attorney's fees and costs incurred from the other PARTY. The obligations of this Section shall survive termination of this Agreement.

14.0 DISPUTE RESOLUTION

- a) The PARTIES shall make good faith efforts to quickly and collaboratively resolve any dispute arising under or in connection with this AGREEMENT. The dispute resolution process outlined in this Section applies to disputes arising under or in connection with the terms of this AGREEMENT.
- b) Informal Resolution. The PARTIES shall use their best efforts to resolve disputes promptly and at the lowest organizational level.
- c) In the event that the PARTIES are unable to resolve the dispute, the PARTIES shall submit the matter to non-binding mediation facilitated by a mutually agreed upon mediator. The PARTIES shall share equally in the cost of the mediator.
- d) Each PARTY agrees to compromise to the fullest extent possible in resolving the dispute in order to avoid delays or additional incurred cost to the Project.
- e) The PARTIES agree that they shall have no right to seek relief in a court of law until and unless the Dispute Resolution process has been exhausted.



15.0 ENTIRE AGREEMENT

This Agreement, together with the RECIPIENT'S Grant Application, the provisions of chapter 47.26 Revised Code of Washington, the provisions of title 479 Washington Administrative Code, and TIB Policies, constitutes the entire agreement between the PARTIES and supersedes all previous written or oral agreements between the PARTIES.

16.0 RECORDS MAINTENANCE

The RECIPIENT shall maintain books, records, documents, data and other evidence relating to this Agreement and performance of the services described herein, including but not limited to accounting procedures and practices which sufficiently and properly reflect all direct and indirect costs of any nature expended in the performance of this Agreement. RECIPIENT shall retain such records for a period of six years following the date of final payment. At no additional cost, these records, including materials generated under the Agreement shall be subject at all reasonable times to inspection, review or audit by TIB personnel duly authorized by TIB, the Office of the State Auditor, and federal and state officials so authorized by law, regulation or agreement.

If any litigation, claim or audit is started before the expiration of the six (6) year period, the records shall be retained until all litigation, claims, or audit findings involving the records have been resolved.

Approved as to Form
Attorney General

By:

Signature on file

Guy Bowman
Assistant Attorney General

Lead Agency

Transportation Improvement Board

Chief Executive Officer

Date

Executive Director

Date

Print Name

Print Name

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Transportation Improvement Board Project Funding Status Form

Agency: **DES MOINES**
 Project Name: **Redondo Beach Drive S**
S 283rd Street to Shore Drive S

TIB Project Number: **P-P-110(P01)-1**

Verify the information below and revise if necessary.

Return to:
 Transportation Improvement Board
 PO Box 40901
 Olympia, WA 98504-0901

PROJECT SCHEDULE

	Target Dates
Construction Approval Date	JANUARY 2016
Contract Bid Award	MARCH 2016
Contract Completion	OCTOBER 2016

PROJECT FUNDING PARTNERS

List additional funding partners and amount.

Funding Partners	Amount	Revised Funding
DES MOINES	493,000	497,445
WSDOT	0	
Federal Funds	1,789,425	2,438,865
WA State Capital Appropriation	1,500,000	1,455,000
TOTAL LOCAL FUNDS	3,782,425	4,391,310

Signatures are required from two different agency officials. Return the originally signed form to the TIB office.

Mayor or Public Works Director

Signature

Date

Printed or Typed Name

Title

Financial Officer

Signature

Date

Printed or Typed Name

Title

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Redondo Board Walk Repair				Project #		319,615.040		Summary Project Description:						
TOTAL PROJECT SCOPE				PROJECT ALLOCATIONS BY YEAR										
Expenditures	1/1/15 Current CIP Budget	2015 CIP Supplemental Request	2015 Revised CIP Budget Estimate	Project to Date 12/31/14	Project To Date 11/30/2015	2015 Year to Date 11/30/2015	2015 Remaining	Estimated Year End 2015	Planned Year 2016	Planned Year 2017	Planned Year 2018			
Design														
External Engineering		410,100	410,100	-	303,041	303,041	107,059	410,100						
Internal Engineering/Project Mgmt		30,000	30,000	-	39,210	39,210	(9,210)	30,000						
Other Professional Services (WSDOT)		-	-	-	-	-	-							
Permits		-	-	-	350	350	(350)							
Other Misc (Advertise, Postage, Etc.)		-	-	-	-	-	-							
Proprietary Easements														
Construction														
External Engineering		-	-	-	-	-	-							
External Proj Mgmt/Inspect #2		370,000	370,000	-	-	-	-		370,000					
Internal Engr-Proj Mgmt/Inspect		40,000	40,000	-	-	-	-		40,000					
Construction Contract 1		3,298,610	3,298,610	-	-	-	-		3,298,610					
Other Professional Services		2,000	2,000	-	-	-	-		2,000					
Materials		-	-	-	-	-	-							
Other														
Interfund Financial Services		50,000	50,000	-	-	-	25,000	25,000	25,000					
Contingencies		500,000	500,000	-	-	-	-		500,000					
Total Project Expense Budget:				-	342,601	342,601	122,499	465,100	4,235,610	-	15			
Funding Sources	1/1/15 Current CIP Budget	2015 CIP Supplemental Request	2015 Revised CIP Budget Estimate	Project to Date 12/31/14	Project to Date 11/30/2015	2015 YTD 11/30/2015	2015 Remaining	Scheduled Year 2015	Scheduled Year 2016	Scheduled Year 2017	Scheduled Year 2018			
FH WA - PE 86.5% (LA8609)		286,315	286,315	-	285,450	285,450	865	286,315						
FH WA - CN 86.5% (Confirmed)		2,101,950	2,101,950	-	-	-	-		2,101,950					
TIB Confirmed - Construction only		360,000	360,000	-	-	-	-		360,000					
WA Capital Appropriation - Design and Construction		1,455,000	1,455,000	-	-	-	-	-	1,455,000					
REET 1		497,445	497,445	-	57,151	57,151	121,634	178,785	318,660					
Total Project Revenue Budget:				-	342,601	342,601	122,499	465,100	4,235,610	-	-			

Removal of hazards, Close the damaged Boardwalk and complete

TOTAL PROJECT SCOPE					PROJECT ALLOCATIONS BY YEAR						
Expenditures	1/1/15 Current CIP Budget	2015 CIP Supplemental Request	2015 Revised CIP Budget Estimate	Project to Date 12/31/14	Project To Date 11/30/2015	2015 Year to Date 11/30/2015	2015 Remaining	Estimated Year End 2015	Planned Year 2016	Planned Year 2017	Planned Year 2018
Design											
Prop/ROW/Easements											
Construction											
Other											
Interfund Financial Services		533	533	-	533	533	-	533			
Interfund Parks Ops Services		459	459	-	459	459	-	459			
Interfund Street Ops Services		3,341	3,341	-	3,341	3,341	-	3,341			
Interfund Marina Ops Services		4,459	4,459	-	4,459	4,459	-	4,459			
Interfund SWM Ops Services		6,633	6,633	-	6,633	6,633	-	6,633			
Interfund Fleet Ops Services		645	645	-	645	645	-	645			
Other Services - Fence Rental		5,218	5,218	-	5,218	5,218	-	5,218			
Non-Capitalizable Services - Moffat Nichols/Excel Tech	28,131	3,910	32,041	28,131	32,041	3,910	-	3,910			
Contingencies		-	-	-	-	-	-	-			
Total Project Expense Budget:	28,131	25,198	53,329	28,131	53,329	25,198	-	25,198	-	-	-

TOTAL PROJECT SCOPE					PROJECT ALLOCATIONS BY YEAR						
Funding Sources	1/1/15 Current CIP Budget	2015 CIP Supplemental Request	2015 Revised CIP Budget Estimate	Project to Date 12/31/14	Project To Date 11/30/2015	2015 YTD 11/30/2015	2015 Remaining	Scheduled Year 2015	Scheduled Year 2016	Scheduled Year 2017	Scheduled Year 2018
FHWA ER (100%) - Emergency Repairs (180 days) - LAA-8609	28,131	22,469	50,600	-	50,600	50,600	-	50,600			
REET 1		2,729	2,729	-	2,729	2,729	-	2,729			
Total Project Revenue Budget:	28,131	25,198	53,329	-	53,329	53,329	-	53,329	-	-	-

AGENDA ITEM

BUSINESS OF THE CITY COUNCIL City of Des Moines, WA

SUBJECT:

Redondo Boardwalk Repair Project Consultant
Contract Supplement #2 – For Additional
Environmental and Design Work

ATTACHMENTS:

1. Local Agency A&E Professional Services
Supplemental Agreement Number 2 –
Exeltech Consulting
2. Exeltech Request for Supplemental Funds
(December 3, 2015)
3. 2016 CIP Project Budget Worksheet

AGENDA OF: December 17, 2015

DEPT. OF ORIGIN: Planning, Building & Public
Works

DATE SUBMITTED: December 8, 2015

CLEARANCES:

[X] Legal JS
 [X] Finance am
 [] Marina N/A
 [] Parks, Recreation & Senior Services N/A
 [X] Planning, Building & Public Works DJB
 [] Police N/A

APPROVED BY CITY MANAGER

FOR SUBMITTAL: Mum/ACH

Purpose:

The purpose of this agenda item is to seek City Council approval of the Supplemental Agreement Number 2 (Attachment 1), with Exeltech Consulting for the Redondo Boardwalk Repair project. The following motion will appear on the consent calendar:

Suggested Motion

Motion 1: "I move to approve the Supplemental Agreement Number 2 with Exeltech Consulting for the Redondo Boardwalk Repair in the amount of \$79,848.20 to complete additional environmental and design work including a pedestrian crossing safety improvement, and further authorize the City Manager to sign said Supplemental Agreement Number 2 substantially in the form as submitted."

Background:

On November 29, 2014, the City of Des Moines experienced unprecedented weather and associated tidal action along its shoreline. In particular, the entire boardwalk adjacent to Redondo Beach Drive South sustained significant damage resulting in permanent closure of the facility. Following a facility damage assessment (DDIR) in cooperation with WSDOT and FHWA, Emergency Relief Program (ER) resources became available to restore the boardwalk as well as Department of Commerce and Transportation Improvement Board grants.

To date, 100% design has been completed and the project team is finalizing permit approvals. The design will replace the existing timber structure with one entirely constructed from reinforced concrete. Additionally, the project has incorporated low level pedestrian lighting (illumination of the boardwalk surface only) and a new railing that is designed to withstand typical impacts from logs that have been present around the facility during storm events.

To date, the project team is coordinating efforts with various permitting agencies and have the following completed:

- NEPA – Complete
- SEPA – Complete
- Shoreline Exemption – Complete
- Nationwide Permit (Army Corp of Engineers) – Pending final decision and issuance
- Hydraulic Permit Approval (WA Fish and Wildlife) – Negotiating mitigation requirements

Once all permits have been approved and funding obligated the project will be advertised for bids.

Discussion:*Request for Supplemental Funds*

During final design efforts it was noted that the design elements for the pedestrian lighting and railing were more extensive than originally anticipated due to structural detailing. While the Local Agency A&E Professional Services Supplemental Agreement Number 1 – Exeltech Consulting provided resources to complete the concrete structure alternative with these two elements, the quantity of engineering plan sheets exceeded the original scope of work.

Also during final design, more effort was required to coordinate and fulfill requirements to obtain a Army Corp of Engineers Nationwide Permit and Hydraulic Permit Approval. This included the Corp's decision to issue the permit under Maintenance provisions (Permit #3) versus originally anticipated Approved Categorical Exclusions provisions (Permit #23). This also included the coordination and current negotiation with WA Fish and Wildlife for compensatory mitigation in order to utilize a concrete deck vs a grated deck on the boardwalk per WAC regulations.

Exeltech Consulting has requested approval for an increase in fee associated with this work, see Attachment 2. City staff concurs with the request and recommends approval of supplemental fee.

Pedestrian Crossing Safety Improvement

Supplemental Agreement Number 2 also incorporates a new design element, a Pedestrian Crossing Safety Improvement at the intersection of Redondo Beach Drive South and S 287th Street. This work

will provide for the design and engineering of a raised intersection at this location to provide added safety for pedestrians accessing the boardwalk from the adjacent neighborhood. This work will also require coordination with various permitting agencies to amend previous applications in order to incorporate this work within the project limits.

Alternatives:

The City Council could elect to not to pursue the Pedestrian Safety Improvement design and permitting efforts, thereby reduce the overall supplement request. This would reduce the supplement by \$34,872.21, bringing the total for the supplement to \$44,975.79.

Financial Impact:

The City's CIP Budget Worksheet includes funding for the expenditures for the Supplement Agreement Number 2 (Attachment 3). Anticipated external engineering expenditures (\$408,927.04) with the supplement do not exceed program estimates (\$410,000).

Recommendation/Conclusion:

Staff recommends that Council approve the suggested motion.

Concurrence:

The Planning, Building and Public Works, Finance, and Legal Departments concur.

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Supplemental Agreement Number 2		Organization and Address Phone: Exeltech Consulting, Inc. 8729 Commerce Pl Dr NE Lacey, WA 98516	
Original Agreement Number		Phone: (360) 357-8289	
Project Number ER-1501 (008)		Execution Date April, 28, 2015	Completion Date June 30, 2016
Project Title Redondo Boardwalk Repair Project		New Maximum Amount Payable \$408,927.04	
Description of Work Additional geotechnical and structural engineering services.			

The Local Agency of City of Des Moines
 desires to supplement the agreement entered into with Exeltech Consulting, Inc.
 as executed on April 28, 2015.

All provisions in the basic agreement remain in effect except as expressly modified by this supplement.

The changes to the agreement are described as follows:

I

Section 1, SCOPE OF WORK, is hereby changed to read:

Provide additional geotechnical and structural engineering services in accordance with attached Exhibit A:
 Supplement #2 Scope of Services for City of Des Moines Redondo Boardwalk Repair #ER-1501 (008)

II

Section IV, TIME FOR BEGINNING AND COMPLETION, shall be amended as follows:

No Change

III

Section V, PAYMENT, shall be amended as follows:

The authorized amount for Supplement #2 is \$79,848.20, in accordance with attached Exhibit D. This amends
 the Maximum Amount Payable under this Agreement to \$408,927.04.

If you concur with this supplement and agree to the changes as stated above, please sign in the appropriate spaces below and return to this office for final action.

By: _____

By: _____

 Consultant Signature

 Approving Authority Signature

 Date

Exhibit A

Supplement #2 Scope of Services for City of Des Moines Redondo Boardwalk Repair # ER-1501(008)

December 2015

Prepared by:

Exeltech Consulting, Inc.
8729 Commerce Place Drive NE
Suite A
Lacey, WA 98516



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Supplement #2 Scope of Services for Redondo Boardwalk Repair

City of Des Moines

Under this Agreement, Exeltech Consulting, Inc., hereinafter referred to as the "Consultant", will perform professional services for the City of Des Moines hereinafter referred to as the "City". This Supplement #2 Scope of Services provides for additional civil engineering for the Redondo Boardwalk Repair Project to design a Pedestrian Safety Improvement at the intersection of Redondo Beach Dr and S 287th St by raising the intersection.

I. BACKGROUND

The Redondo Boardwalk adjacent to Redondo Beach Drive between S 283rd Street and Redondo Shores Drive S. received significant damage from the unprecedented storm event on November 29th, 2014. The facility remains permanently closed. This project will mitigate the damages caused by the storm damage and reopen the facility to the public.

II. PROJECT SCHEDULE

- | | |
|---------------------------------|-------------|
| • Alt 3 100% PS&E Submitted | Oct 9, 2015 |
| • Raised Intersection 100% PS&E | Jan 4, 2015 |

III. PROJECT DESCRIPTION

The submitted 100% PS&E removes all timber and galvanized metal elements of the board walk, and they will become the property of the contractor for removal from the project site. The boardwalk will be replaced with cast-in place and pre-cast concrete elements. The rail will also be replaced with a stainless steel cable and post system. Access points to the boardwalk will be maintained and will be designed to accommodate ADA access. Removal of the top step of stairways to the beach will have be done at 2 different locations. Encapsulation of the existing boardwalk piles to extend their service life is included in the project.

This additional work encompasses additional scope in regards to the environmental effort and additional plans sheets above the previously scoped amount and will also construct a Pedestrian Safety Improvement by raising the intersection at S 287th St. at the crosswalk of Redondo Beach Drive to access the boardwalk. The work will entail raising the intersection approximately 5" using concrete elements and requiring removal and rebuilding cement concrete curb, sidewalk and ADA ramps, adding a concrete elements and adjusting manhole lids CB grates. It will also require revising the current plan sheets titled CRP3-ADA Ramp and Beach Access Details and Elevations on Pile Encasement Details.

IV. ASSUMPTIONS

(No Changes)

V. SCOPE OF DESIGN SERVICES**TASK 1.1 PROJECT MANAGEMENT****Task 1.1.1 Project Management**

(No Changes)

Task 1.1.2 Grant/Funding Assistance

(No Changes)

TASK 1.2 SITE RECONNAISSANCE, DATA REVIEW, AND BASEMAP

The Consultant will provide additional survey to locate curb and ADA ramp elevations on the east side of the roadway in the vicinity of this intersection.

TASK 1.3 GEOTECHNICAL (PROVIDED BY SUBCONSULTANT GEOENGINEERS)

(NO CHANGES)

Task 1.3.1 Roadway Exploration

(No Changes)

Task 1.3.2 Geotechnical Analysis

(No Changes)

TASK 1.4 ENVIRONMENTAL SERVICES AND PERMITTING

The Consultant will prepare and submit a revised ECS that modifies the project description to include this additional work.

- Inclusion of pedestrian safety improvements

The Consultant will provide the additional resources to meet the increased requirements of the CORP and WDFW above of the originally scoped effort.

- Inclusion of HPA mitigation requirements, if applicable (CORP)
- Development of HPA mitigation proposal (WDFW)
- Inclusion of HPA mitigation requirements in PS&E (WDFW)

- Tribal coordination for Nationwide Permit (CORP)
- CORP coordination for inclusion of pedestrian safety improvements, including any mitigation requirements if applicable (CORP)

TASK 1.5 BOARDWALK ALTERNATIVES ANALYSIS

Task 1.5.1 Basis of Design

(No Changes)

Task 1.5.2 Boardwalk Alternative Analysis

(No Changes)

TASK 1.6 BOARDWALK PS&E

Task 1.6.1 PS&E

With addition of the Pedestrian Safety Improvement by the CLIENT, the Consultant will prepare design for the roadway elements, stormwater revisions, and ADA ramp locations. This work will add/amend the following design elements to the original project scope:

- Removal of traffic curb and sidewalk and grinding of HMA to build the raised intersection.
- Drainage modifications to collect water just to the north of the raised intersection on the west side of the roadway.
- Design of up to two (2) ADA ramps to meet standards to the "Maximum Extent Feasible". If necessary, a MEF document will also be developed for approval by the City. Construction of the raised intersection by building up layers of HMA.
- Striping of crosswalks and additional signing.

The Consultant's internal QA/QC procedures will be utilized throughout the design effort on this Project. Independent check of the structural analysis and design calculations and structural plans will be performed. Drawings and details will be reviewed for constructability and conformance of the design to the applicable drawing standards.

The Consultant will revise the previously prepared Special Provisions to incorporate this additional work.

The Consultant will prepare amend the opinion of probable construction cost to incorporate this additional work.

The Consultant will coordinate with the CITY for design concurrence to complete the analysis, and prepare final design (90% and 100% design development) for this work. After the 90% Submittal, Consultant will incorporate City/Agency review comments and

resubmit as the Bid Documents. Following Bid Documents submittal, Consultant will add the additional sheets just prior to AD.

Plan Sheets Expected for the Additional Work

Plan Sheet	30% Submittal	90% Submittal	100%/Bid Submittal
1 Sheet – Site Plan with Demo & Drainage Modifications	X	X	X
1 Sheet – Grading Plan & Sections	X	X	X
2 Sheets – Sidewalk & ADA Plan & Details		X	X
1 Sheet – Striping Plan & Signage		X	X
4 additional sheets - Pedestrian Rail		X	X
3 additional sheets – Pedestrian Lighting		X	X
1 Sheet - TESC Notes		X	X
1 Sheet - General Notes		X	X
1 Sheet - Mockup Process for Precast Slabs		X	X
1 Sheet – Demolition Details		X	X
1 Sheet – Temporary Timber Seawall		X	X

Deliverables:

- Memorandum of Design Concept Decisions in coordination with City
- 90% Design Plans, Specifications, and Opinion of Cost
- 100% Design Calculations, Plans, Specifications, and Opinion of Cost

Task 1.6.2 Constructability Review

(No Changes)

TASK 1.7 BID SUPPORT SERVICES

(No Changes)

MANAGEMENT RESERVE**(No Changes)****VI. SCOPE OF SERVICES, PHASE 2 CONSTRUCTION
ENGINEERING SERVICES****(No Changes)****VII. SCOPE OF SERVICES, PHASE 3 CONSTRUCTION
MANAGEMENT AND INSPECTION SERVICES****(No Changes)**

Exhibit D
City of Des Moines
Redondo Boardwalk Repair Project
Summary of Cost Per Consultant

Task	Exeltech	GeoEngineers	Pace	Urban Architect	Total
1.1 PROJECT MANAGEMENT					
1.1.1 Project Management	\$1,666.17				\$1,666.17
1.1.2 Grant/Funding Assistance					
1.2 SITE RECONNAISSANCE & DATA REVIEW					
1.3 GEOTECHNICAL (PROVIDED BY GEOENGINEERS)					
1.3.1 Roadway Exploration					
1.3.2 Geotechnical Analysis					
1.4 ENVIRONMENTAL SERVICES AND PERMITTING					
1.4.1 Data Gathering					
1.4.2 NEPA/SEPA Evaluation					
1.4.3 Joint Aquatic Resource Permit App (JARPA)					
1.4.4 Respond to Agencies	\$16,626.40				\$16,626.40
1.5. BOARDWALK ALTERNATIVES ANALYSIS					
1.5.2 Boardwalk Alternative Analysis					
1.6 BOARDWALK PS&E					
1.6.1 PS&E	\$26,581.52				\$26,581.52
1.6.2 Constructability Review					
1.6.3 PS&E Pedestrian Safety Improvement	\$32,464.74		\$2,407.67		\$34,872.41
1.7 BID SUPPORT SERVICES					
SUBTOTAL LABOR COSTS	\$77,338.83	\$0.00	\$2,407.67	\$0.00	\$79,746.50
Direct Costs	\$101.70				\$101.70
Escalation					
TOTAL	\$77,440.53	\$0.00	\$2,407.67	\$0.00	\$79,848.20

31
Exhibit D
City of Des Moines
Redondo Boardwalk Repair Project
Hours Sheet

	Principal	Sr. Project Manager	Sr. Project Engineer (Bridge)	Project Engineer (Bridge)	Bridge Designer	Project Engineer (Roadway)	CADD Tech	Environmental Planner (Lead)	Environmental Planner	Administration	Total Exeltech Labor Hours	Principal Engineer	Senior Engineer	Staff Engineer	Support Staff	Total GeoEngineers Labor Hours	Principal Surveyor	Sr. Project Surveyor	Project Surveyor	Sr. Party Chief	Survey Tech II	Survey Tech I	Project Administrator	Total Pace Labor Hours	Total Urban Architect Labor Hours	TOTAL
1.1 PROJECT MANAGEMENT																										
1.1.1 Project Management		10									10															10
1.1.2 Grant/Funding Assistance																										
1.2 SITE RECONNAISSANCE & DATA REVIEW																										
1.3 GEOTECHNICAL (PROVIDED BY GEOENGINEERS)																										
1.3.1 Roadway Exploration																										
1.3.2 Geotechnical Analysis																										
1.4 ENVIRONMENTAL SERVICES AND PERMITTING																										
1.4.1 Data Gathering																										
1.4.2 NEPA/SEPA Evaluation																										
1.4.3 Joint Acquatic Resource Permit App (JARPA)																										
1.4.4 Respond to Agencies		60						4	60		124															124
1.5. BOARDWALK ALTERNATIVES ANALYSIS																										
1.5.1 Basis of Design																										
1.5.2 Boardwalk Alternative Analysis																										
1.6 BOARDWALK PS&E																										
1.6.1 PS&E		7		18	126	18	126				295															295
1.6.2 Constructability Review																										
1.6.3 PS&E for Pedestrian Improvement		18	2	3	10	120	120	2	8								2	2	8	8	4					
1.7 BID SUPPORT SERVICES																										
TOTAL HOURS	0	95	2	21	136	138	246	6	68	0	429	0	0	0	0	0	0	2	2	8	8	4	0	0	0	429

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Exhibit D
Consultant Fee Determination - Summary Sheet
Cost Plus Fixed Fee

Redondo Boardwalk Repair

Start Date

City of Des Moines

Task Description:

End Date

Consultant Fee Determination

Exeltech Project #

Consultant: Exeltech Consulting, Inc.

Code LABOR	Classification	Man Hours Hours		Rate		Dollars
	Principal	0	x	\$69.87	=	\$0.00
	Sr. Project Manager	95	x	\$54.00	=	\$5,130.00
	Sr. Project Engineer (Bridge)	2	x	\$52.00	=	\$104.00
	Project Engineer (Bridge)	21	x	\$42.31	=	\$888.51
	Bridge Designer	136	x	\$25.40	=	\$3,454.40
	Project Engineer (Roadway)	138	x	\$45.00	=	\$6,210.00
	CADD Tech	246	x	\$27.50	=	\$6,765.00
	Environmental Planner (Lead)	6	x	\$53.39	=	\$320.34
	Environmental Planner	68	x	\$32.25	=	\$2,193.00
	Administration	0	x	\$29.00	=	\$0.00
	Total Hours	712				
	Total DSC				=	\$25,065.25

		% Increase	% of Work	=	\$0.00
Labor Escalation for '16				=	\$0.00
Escalated Total DSC				=	\$25,065.25

Overhead (OH Cost – including Salary Additives)OH Rate x DSC of 178.55% x \$25,065.25 = **\$44,754.00****Fixed Fee (FF):**FF Rate x DSC of 30.00% x \$25,065.25 = **\$7,519.58****Reimbursables**

Itemized	Quantity	Units		Rate		In Scope
Meals and Lodging		each	@	\$150.00	=	\$0.00
Mileage	180	each	@	\$0.57	=	\$101.70
Reproduction and Printing		copies	@	\$0.15	=	\$0.00
Postage and Supplies	0	Est	@	\$20.00	=	\$0.00
Mini VE Experts (Structural & Construction)		Est	@	\$3,000.00	=	\$0.00
Reimbursables Total						\$101.70

Exeltech Subtotal **\$77,440.53****Subconsultant Costs (See Exhibit G)** **\$2,407.67****Grand Total** **\$79,848.20**

Exhibit E
Subconsultant Fee Determination - Summary Sheet

Redondo Boardwalk Repair City of Des Moines Task Description: Survey Consultant Fee Determination Consultant: Pace	Start Date End Date Exeltech Project #
---	---

Classification	Hours	Labor Rate	Dollars
Principal Surveyor	0	x \$45.19 =	\$0.00
Sr. Project Surveyor	2	x \$40.63 =	\$81.26
Project Surveyor	2	x \$35.26 =	\$70.52
Sr. Party Chief	8	x \$32.33 =	\$258.64
Survey Tech II	8	x \$30.24 =	\$241.92
Survey Tech I	4	x \$29.59 =	\$118.36
Project Administrator	0	x \$30.29 =	\$0.00
Total Hours	24		
Total Direct Labor Cost =			\$770.70

	% Increase	% of Work			
Labor Escalation for '16			=		0.00
Escalated Total DSC			=		770.70

Overhead (OH Cost -- including Salary Additives)					
OH Rate x DSC of <u>182.40%</u>	x		<u>\$770.70</u>	=	1,405.76

Fixed Fee (FF):					
FF Rate x DSC of <u>30.00%</u>	x		<u>\$770.70</u>	=	231.21

Reimbursables	Quantity	Units	Rate	In Scope
<u>Itemized</u>				
Mileage		each @	\$0.57 =	\$0.00
Field Equipment		each @	\$125.00 =	\$0.00
Drilling Pier 3 (Truck Rig)		Est @	\$3,045.00 =	\$0.00
Drilling Pier 5 (Limited Access Rig)		Est @	\$2,000.00 =	\$0.00
Laboratory Analysis		Est @	\$584.00 =	\$0.00
Reimbursables Total				\$0.00

Grand Total	\$2,407.67
--------------------	-------------------

Prepared By: _____	Date: _____
--------------------	-------------



December 3, 2015

Mr. Andrew Merges, PE
City of Des Moines
21650 11th Avenue South
Des Moines, WA 98198-6317

Re: Redondo Boardwalk Repair Design Agreement
Request for Supplemental Funds
ER-1501(008)

Dear Mr. Merges:

As we have communicated on several occasions, this project has taken us more effort than we had anticipated when we originally built the scope and budget, including Amendment #1 when an alternative design was selected. The reason for this is mainly attributed to the Environmental Process as it relates to an Emergency Repair project and the extra effort above our assumed level to accomplish the design for a 75 year service life for all components of the rebuilt boardwalk.

WSDOT HQ & the CORPS have relatively new staff directing this project and they made some wrong assumptions as to what the project entailed. Due to this, there were numerous discussions/emails on how a Nation Wide Permit could be used on the project, whether or not a Biological Assessment was needed to encapsulate the existing piles, level of Sec 106 investigation, and who would sign the NEPA document.

Also, after the time we executed the original agreement, WDFW put in place a new WAC in regards to grating areas needed when building or rebuilding piers or wharfs over saltwater. The level of effort in order to obtain an HPA from WDFW therefore increased dramatically. Two additional meetings in the field with WDFW and 2 complex letters were put together that required reviewing of the latest research in regards to juvenile salmonids to be able to relate the impacts of not providing any grating in the boardwalk. These combined increases in effort to obtain environmental clearances will result in an increase in this effort totaling \$19,000.

Two elements of the boardwalk design that required more effort than budgeted are the pedestrian rail and the added pedestrian lighting. We assumed it would take 1 plan sheet for the rail and 2 for the lighting. We now have 5 for the rail and

5 for the lighting in the plan set. For a net increase of 7 plan sheets. Typical plan sheets cost us between \$3,500 to \$6,000 to design and draft. We would like to request an additional **\$2,500** for each of the added 7 plan sheets, totaling **\$17,500**, which is significantly lower than the average cost per sheet. The total plan set was assumed to be between 28-31 sheets, we presently total 42 plan sheets. The other 5 additional sheets needed minor Design and CADD effort and combined costing **\$10,000** (such as TESC Notes, General Notes sheets, & Mockup Process for Precast Slabs).

These additional costs total **\$46,500**.

If you have any questions or need any additional information please feel free to contact me.

Respectfully Submitted,

EXELTECH CONSULTING, INC.

A handwritten signature in blue ink, appearing to read "Roger E. Horton", with a stylized flourish at the end.

Roger E. Horton, PE
Project Manager
REH: reh

Redondo Board Walk Repair			Project #	319.615,040	Summary Project Description:									
TOTAL PROJECT SCOPE					PROJECT ALLOCATIONS BY YEAR									
Expenditures	1/1/15 Current CIP Budget	2015 CIP Supplemental Request	2015 Revised CIP Budget Estimate	Project to Date 12/31/14	Project To Date 11/30/2015	2015 Year to Date 11/30/2015	2015 Remaining	Estimated Year End 2015	Planned Year 2016	Planned Year 2017	Planned Year 2018			
Design														
External Engineering		410,100	410,100	-	303,041	303,041	107,059	410,100						
Internal Engineering/Project Mgmt		30,000	30,000	-	39,210	39,210	(9,210)	30,000						
Other Professional Services (WSDOT)		-	-	-	-	-	-	-						
Permits		-	-	-	350	350	(350)	-						
Other Misc (Advertise, Postage, Etc.)		-	-	-	-	-	-	-						
Proprietary/Easements														
Construction														
External Engineering		-	-	-	-	-	-	-						
External Proj Mgmt/Inspect #2		370,000	370,000	-	-	-	-	-	370,000					
Internal Engr-Proj Mgmt/Inspect		40,000	40,000	-	-	-	-	-	40,000					
Construction Contract 1		3,298,610	3,298,610	-	-	-	-	-	3,298,610					
Other Professional Services		2,000	2,000	-	-	-	-	-	2,000					
Materials		-	-	-	-	-	-	-						
Other														
Interfund Financial Services		50,000	50,000	-	-	-	25,000	25,000	25,000					
Contingencies		500,000	500,000	-	-	-	-	-	500,000					
Total Project Expense Budget:		4,700,710	4,700,710	-	342,601	342,601	122,499	465,100	4,235,610	-	-	-	-	37
Funding Sources	1/1/15 Current CIP Budget	2015 CIP Supplemental Request	2015 Revised CIP Budget Estimate	Project to Date 12/31/14	Project To Date 11/30/2015	2015 YTD 11/30/2015	2015 Remaining	Scheduled Year 2015	Scheduled Year 2016	Scheduled Year 2017	Scheduled Year 2018			
FH WA - PE 86.5% (LA8609)		286,315	286,315	-	285,450	285,450	865	286,315						
FH WA - CN 86.5% (Confirmed)		2,101,950	2,101,950	-	-	-	-	-	2,101,950					
TIB Confirmed - Construction only		360,000	360,000	-	-	-	-	-	360,000					
WA Capital Appropriation - Design and Construction		1,455,000	1,455,000	-	-	-	-	-	1,455,000					
REET 1		497,445	497,445	-	57,151	57,151	121,834	178,785	318,660					
Total Project Revenue Budget:	-	4,700,710	4,700,710	-	342,601	342,601	122,499	465,100	4,235,610	-	-	-	-	-

Removal of hazards, Close the damaged Boardwalk and complete											
TOTAL PROJECT SCOPE				PROJECT ALLOCATIONS BY YEAR							
Expenditures	1/1/15 Current CIP Budget	2015 CIP Supplemental Request	2015 Revised CIP Budget Estimate	Project to Date 12/31/14	Project To Date 11/30/2015	2015 Year to Date 11/30/2015	2015 Remaining	Estimated Year End 2015	Planned Year 2016	Planned Year 2017	Planned Year 2018
Design											
PropROW/Easements											
Construction											
Other											
Interfund Financial Services		533	533	-	533	533	-	533			
Interfund Parks Ops Services		459	459	-	459	459	-	459			
Interfund Street Ops Services		3,341	3,341	-	3,341	3,341	-	3,341			
Interfund Marina Ops Services		4,459	4,459	-	4,459	4,459	-	4,459			
Interfund SWM Ops Services		6,633	6,633	-	6,633	6,633	-	6,633			
Interfund Fleet Ops Services		645	645	-	645	645	-	645			
Other Services - Fence Rental		5,218	5,218	-	5,218	5,218	-	5,218			
Non-Capitalizable Services - Moffat Nichols/Excel Tech	28,131	3,910	32,041	28,131	32,041	3,910	-	3,910			
Contingencies		-	-	-	-	-	-	-			
Total Project Expense Budget:	28,131	25,198	53,329	28,131	53,329	25,198	-	25,198	-	-	-
38											
Funding Sources	1/1/15 Current CIP Budget	2015 CIP Supplemental Request	2015 Revised CIP Budget Estimate	Project to Date 12/31/14	Project to Date 11/30/2015	2015 YTD 11/30/2015	2015 Remaining	Scheduled Year 2015	Scheduled Year 2016	Scheduled Year 2017	Scheduled Year 2018
FHWA ER (100%) - Emergency Repairs (180 days) - LAA8609	28,131	22,469	50,600	-	50,600	50,600	-	50,600			
REET 1		2,729	2,729	-	2,729	2,729	-	2,729			
Total Project Revenue Budget:	28,131	25,198	53,329	-	53,329	53,329	-	53,329	-	-	-

A G E N D A I T E M

BUSINESS OF THE CITY COUNCIL City of Des Moines, WA

SUBJECT: Ecology 2015-2017 Stormwater Grant Agreement

ATTACHMENTS:

1. Ecology Agreement

FOR AGENDA OF: December 17, 2015

DEPT. OF ORIGIN: Planning, Building & Public Works

DATE SUBMITTED: December 8, 2015

CLEARANCES:

- ☒ Legal JS
- ☒ Finance AM
- ☐ Marina _____
- ☐ Parks, Recreation & Senior Services N/A
- ☒ Planning, Building & Public Works DJB
- ☐ Police N/A
- ☐ Courts N/A

APPROVED BY CITY MANAGER

FOR SUBMITTAL: MM/ALM

Purpose and Recommendation

The purpose of this agenda item is to approve the State Department of Ecology Grant Agreement (Attachment 1). For Fiscal Year 2016, the Department of Ecology has offered the City of Des Moines a \$50,000 grant to be used to support NPDES permit required activities. Staff recommends accepting this grant as it can be used for a variety of expenses related to meeting the requirements of the NPDES Phase II permit that the City's stormwater program is operating under. The grant does not require a local funding match and costs are eligible for funding from July 1, 2015 through March 31, 2017. The following motion will appear on the consent calendar:

Suggested Motion

Motion: "I move to approve the 2015-2017 Municipal Stormwater Capacity Grant Agreement between the State of Washington Department of Ecology and the City of Des Moines, and further to authorize the City Manager to sign said Agreement substantially in the form as submitted."

Background

The City has received a \$50,000 grant offer from Ecology as part of the state's Local Government Stormwater Grants Program to be used for NPDES permit implementation activities.

The City has been awarded four previous NPDES grants (\$75,000 for 2007-2009, \$50,000 for 2010, \$197,425 for 2011-2013, and \$170,000 for 2013-2015). Similar to the previous Agreements, this 2015-2017 Agreement does not contain the percentage goals for MBE/WBE businesses but contains language that the City would solicit and recruit, to the extent possible, MBE/WBE businesses, making it consistent with the previous Agreements that the Council approved.

Over the years, these funds have been used to cover staff costs for developing the drainage inventory map, preparing planning documents and manuals, purchasing field equipment such as the GPS PDA's used for field mapping, and the Cityworks program for managing maintenance to the drainage system and tracking associated costs, as well as several software upgrades to the GIS system. During the grant term, staff will be reviewing the program's needs with the emphasis that these funds be used toward a one-time expense item(s) rather than to cover on-going related expenses of the program.

Discussion

One potential use for this grant may be hiring a consultant to assist staff in the development of the Low Impact Development ordinance which is required by the NPDES permit to be adopted by the end 2016. This is anticipated to be a very involved process and several jurisdictions are contracting this task out. Another potential use for these funds may be the replacement and software upgrade of the camera truck's computer station to link to Cityworks and to more effectively transfer video files into the drainage inventory system. For 2016, a program goal is to assess the condition of one-third of the City's corrugated metal pipes. Any unused portion of the grant that is not used toward a one-time expense will be used to offset staff salaries under the NPDES program within the grant term.

Alternatives

No alternatives are provided. Should the City not accept this grant offer, the funds will be made available to other jurisdictions.

Financial Impact

The \$50,000 operation grant can be used to offset costs for implementing the NPDES permit and is retroactive to July 1, 2015. However, under this grant, distribution of the grant is limited to \$25,000 within the first year of the agreement (prior to July 1, 2016) with eligible costs allowed up to \$50,000 prior to the grant expiration date (July 1, 2017). No match is required.

Recommendation or Conclusion

Staff recommends approving the Ecology Agreement.

Concurrence

Finance, Legal, and Planning, Building, and Public Works concur.



Agreement WQSWCAP-1517-DeMDSD-00064

WATER QUALITY STORMWATER CAPACITY AGREEMENT

BETWEEN THE STATE OF WASHINGTON DEPARTMENT OF ECOLOGY

AND

City of Des Moines

This is a binding Agreement entered into by and between the State of Washington, Department of Ecology, hereinafter referred to as "ECOLOGY" and City of Des Moines, hereinafter referred to as the "RECIPIENT" to carry out with the provided funds activities described herein.

GENERAL INFORMATION

Project Title:	2015-2017 Biennial Stormwater Capacity Grants
Total Cost:	\$50,000.00
Total Eligible Cost:	\$50,000.00
Ecology Share:	\$50,000.00
Recipient Share:	\$0.00
The Effective Date of this Agreement is:	07/01/2015
The Expiration Date of this Agreement is no later than	03/31/2017
Project Type:	Capacity Grant

Project Short Description:

This project will assist Phase I and II Permittees in implementation or management of municipal stormwater programs.

Project Long Description:

N/A

Overall Goal:

This project will improve water quality in the State of Washington by reducing stormwater pollutants discharged to state water bodies.

RECIPIENT INFORMATION

Organization Name: City of Des Moines

Federal Tax ID: 91-6016496
DUNS Number: 079270443

Mailing Address: 21630 11th Ave S, Ste D
Des Moines, WA, 98198-6398

Physical Address: 21630 11th Ave S, Ste D
Des Moines, Washington, 98198-6398

Organization Email: ltechico@desmoineswa.gov
Organization Fax: (206) 870-6544

Contacts

Project Manager	Tyler Beekley Water Quality Specialist 21650 11th Ave S Des Moines, Washington, 98098 Email: tbeekley@desmoineswa.gov Phone: (206) 870-6869
Billing Contact	Loren Reinhold Surface Water Manager 21650 11th Ave S Des Moines, Washington, 98198 Email: lreinhold@desmoineswa.gov Phone: (206) 870-6524
Authorized Signatory	Anthony Piasecki City Manager 21630 11th Avenue South Des Moines, Washington, 98198 Email: tpiasecki@desmoineswa.gov Phone: (206) 870-6541

ECOLOGY INFORMATION

Mailing Address: Department of Ecology
Water Quality
PO BOX 47600
Olympia, WA 98504-7600

Physical Address: Water Quality
300 Desmond Drive
Lacey, WA 98503

Contacts

Project Manager	Kyle Graunke P.O. Box 47600 Olympia, Washington, 98504-7600 Email: kygr461@ecy.wa.gov Phone: (360) 407-6638
Financial Manager	Kyle Graunke P.O. Box 47600 Olympia, Washington, 98504-7600 Email: kygr461@ecy.wa.gov Phone: (360) 407-6638

RECIPIENT agrees to furnish the necessary personnel, equipment, materials, services, and otherwise do all things necessary for or incidental to the performance of work as set forth in the Scope of Work.

RECIPIENT agrees to read, understand, and accept all information contained within this entire Agreement. Furthermore, RECIPIENT acknowledges that they have reviewed the terms and conditions of this Agreement, Scope of Work, attachments, all incorporated or referenced documents, as well as all applicable laws, statutes, rules, regulations, and guidelines mentioned in this Agreement.

This Agreement contains the entire understanding between the parties, and there are no other understandings or representations other than as set forth, or incorporated by reference, herein.

This Agreement shall be subject to the written approval of Ecology’s authorized representative and shall not be binding until so approved.

The signatories to this Agreement represent that they have the authority to execute this Agreement.

IN WITNESS WHEREOF, the parties hereby sign this Agreement

Washington State
Department of Ecology

City of Des Moines

_____	_____	_____	_____
Program Manager	Date	Anthony Piasecki	Date
Heather Bartlett		City Manager	
Water Quality			

SCOPE OF WORK

Task Number: 1 Task Cost: \$3,500.00

Task Title: Project Administration/Management

Task Description:

A. The RECIPIENT shall carry out all work necessary to meet ECOLOGY grant or loan administration requirements. Responsibilities include, but are not limited to: maintenance of project records; submittal of requests for reimbursement and corresponding backup documentation; progress reports; and a recipient closeout report (including photos).

B. The RECIPIENT shall maintain documentation demonstrating compliance with applicable procurement, contracting, and interlocal agreement requirements; application for, receipt of, and compliance with all required permits, licenses, easements, or property rights necessary for the project; and submittal of required performance items.

C. The RECIPIENT shall manage the project. Efforts include, but are not limited to: conducting, coordinating, and scheduling project activities and assuring quality control. Every effort will be made to maintain effective communication with the RECIPIENT's designees; ECOLOGY; all affected local, state, or federal jurisdictions; and any interested individuals or groups. The RECIPIENT shall carry out this project in accordance with any completion dates outlined in this agreement.

Task Goal Statement:

Properly managed and fully documented project that meets ECOLOGY's grant or loan administrative requirements.

Task Expected Outcome:

* Timely and complete submittal of requests for reimbursement, quarterly progress reports, and RECIPIENT closeout report.

* Properly maintained project documentation

Recipient Task Coordinator: Tyler Beekley

Project Administration/Management

Deliverables

Number	Description	Due Date
1.1	Quarterly Progress Reports	
1.2	Recipient Closeout Report	
1.3	Project Outcome Summary Report	

SCOPE OF WORK

Task Number: 2 Task Cost: \$46,500.00

Task Title: Project Administration/Management

Task Description:

Conduct work related to implementation of municipal stormwater National Pollutant Discharge Elimination System (NPDES) permit requirements. If the RECIPIENT is out of compliance with the municipal stormwater National Pollutant Discharge Elimination System (NPDES) permit, the RECIPIENT will ensure funds are used to attain compliance where applicable.

RECIPIENT may conduct work related to implementation of additional activities required by the municipal stormwater NPDES permits. The following is a list of elements RECIPIENT's project may include.

- 1) Public education and outreach activities, including stewardship activities.
- 2) Public involvement and participation activities.
- 3) Illicit discharge detection and elimination (IDDE) program activities, including:
 - a) Mapping or geographic information systems of municipal separate storm sewer systems (MS4s).
 - b) Staff training.
 - c) Activities to identify and remove illicit stormwater discharges.
 - d) Field screening procedures.
 - e) Complaint hotline database or tracking system improvements.
- 4) Activities to support programs to control runoff from new development, redevelopment, and construction sites, including:
 - a) Development of an ordinance and associated technical manual or update of applicable codes.
 - b) Inspections before, during, and upon completion of construction, or for post-construction long-term maintenance.
 - c) Training for plan review and/or inspection staff.
 - d) Participation in applicable watershed planning effort.
- 5) Pollution prevention, good housekeeping, and operation and maintenance program activities, such as:
 - a) Inspecting and/or maintaining the MS4 infrastructure.
 - b) Developing and/or implementing policies, procedures, or stormwater pollution prevention plans at municipal properties or facilities.
- 6) Annual reporting activities.
- 7) Establishing and refining stormwater utilities, including stable rate structures.
- 8) Water quality monitoring to implement permit requirements for a Water Cleanup Plan (TMDL). Note that any monitoring funded by this program requires submittal of a Quality Assurance Project Plan (QAPP) that the DEPARTMENT approves prior to awarding funding for monitoring.
Monitoring, including:
 - a) Development of applicable QAPPs.
 - b) Monitoring activities, in accordance with a DEPARTMENT-approved QAPP, to meet Phase I/II permit requirements.
- 9) Structural stormwater controls program activities (Phase I permit requirement)
- 10) Source control for existing development (Phase I permit requirement), including:
 - a) Inventory and inspection program.
 - b) Technical assistance and enforcement.
 - c) Staff training.
- 11) Equipment purchases that result directly in improved compliance with permit requirements. Allowed costs for equipment purchases must be specific to implementing a permit requirement (such as a vector truck) rather than

general use (such as a general use pick-up truck). Qualified equipment purchases include but are not limited to:

- a) Illicit discharge testing equipment and materials.
- b) Vactor truck or sweeper truck or MS4 maintenance activities.
- c) Electronic devices dedicated to mapping of MS4 facilities and attributes.
- d) Software dedicated to tracking permit implementation activities.

As a deliverable, documentation of all tasks completed is required. Documentation includes but is not limited to: maps, field reports, dates and number of inspections conducted, dates of trainings held and participant lists, number of illicit discharges investigated and removed, summaries of planning, stormwater utility or procedural updates, annual reports, copies of approved QAPPs, summaries of structural or source control activities, summaries of how equipment purchases have increased or improved permit compliance.

Task Goal Statement:

This task will improve water quality in the State of Washington by reducing the pollutants delivered by stormwater to lakes, streams, and the Puget Sound by implementing measures required by Phase I and II NPDES permits.

Task Expected Outcome:

RECIPIENTS will implement measures required by Phase I and II NPDES permits.

Recipient Task Coordinator: Tyler Beekley

Project Administration/Management

Deliverables

Number	Description	Due Date
2.1	Documentation of tasks completed	

BUDGET

Funding Distribution EG160342

Funding Title: Capacity Grant FY16
Funding Type: Grant Funding Expiration Date: 03/31/2017
Funding Effective Date: 07/01/2015
Funding Source:

Title: ELSA: Environmental Legacy Stewardship Account
Type: State
CFDA:
Assistance Agreement:
Description: MTCA

Recipient Match %: 0
InKind Interlocal Allowed: No
InKind Other Allowed: No
Is this Funding Distribution used to match a federal grant? No

Capacity Grant FY16	Task Total
Project Administration/Management	\$ 1,750.00
Permit Implementation	\$ 23,250.00

Total: \$ 25,000.00

BUDGET

Funding Distribution EG160343

Funding Title: Capacity Grant FY17
Funding Type: Grant Funding Expiration Date: 03/31/2017
Funding Effective Date: 07/01/2016
Funding Source:

Title: ELSA: Environmental Legacy Stewardship Account
Type: State
CFDA:
Assistance Agreement:
Description: MTCA

Recipient Match %: 0
InKind Interlocal Allowed: No
InKind Other Allowed: No
Is this Funding Distribution used to match a federal grant? No

Capacity Grant FY17	Task Total
Project Administration/Management	\$ 1,750.00
Permit Implementation	\$ 23,250.00
Total:	\$ 25,000.00

Funding Distribution Summary

Recipient / Ecology Share

Funding Distribution Name	Recipient Match %	Recipient Share	Ecology Share	Total
Capacity Grant FY16	0.00 %	\$ 0.00	\$ 25,000.00	\$ 25,000.00
Capacity Grant FY17	0.00 %	\$ 0.00	\$ 25,000.00	\$ 25,000.00
Total		\$ 0.00	\$ 50,000.00	\$ 50,000.00

AGREEMENT SPECIFIC TERMS AND CONDITIONS

N/A

SPECIAL TERMS AND CONDITIONS

SECTION 1: DEFINITIONS

Unless otherwise provided, the following terms will have the respective meanings for all purposes of this agreement:

“Administration Charge” means a charge established in accordance with Chapter 90.50A RCW and Chapter 173-98 WAC, to be used to pay Ecology’s cost to administer the State Revolving Fund by placing a percentage of the interest earned in an Administrative Charge Account.

“Administrative Requirements” means the effective edition of ECOLOGY’s ADMINISTRATIVE REQUIREMENTS FOR RECIPIENTS OF ECOLOGY GRANTS AND LOANS at the signing of this agreement.

“Annual Debt Service” for any calendar year means for any applicable bonds or loans including the loan, all interest plus all principal due on such bonds or loans in such year.

“Average Annual Debt Service” means, at the time of calculation, the sum of the Annual Debt Service for the remaining years of the loan to the last scheduled maturity of the loan divided by the number of those years.

“Centennial Clean Water Program” means the state program funded from various state sources.

“Contract Documents” means the contract between the RECIPIENT and the construction contractor for construction of the project.

“Cost Effective Analysis” means a comparison of the relative cost-efficiencies of two or more potential ways of solving a water quality problem as described in Chapter 173-98-730 WAC.

“Defease” or “Defeasance” means the setting aside in escrow or other special fund or account of sufficient investments and money dedicated to pay all principal of and interest on all or a portion of an obligation as it comes due.

“Effective Date” means the earliest date on which eligible costs may be incurred.

“Effective Interest Rate” means the total interest rate established by Ecology that includes the Administrative Charge.

“Estimated Loan Amount” means the initial amount of funds loaned to the RECIPIENT.

“Estimated Loan Repayment Schedule” means the schedule of loan repayments over the term of the loan based on the Estimated Loan Amount.

“Equivalency” means projects designated by ECOLOGY to meet additional federal requirements.

“Final Accrued Interest” means the interest accrued beginning with the first disbursement of funds to the RECIPIENT through such time as the loan is officially closed out and a final loan repayment schedule is issued.

“Final Loan Amount” means all principal of and interest on the loan from the Project Start Date through the Project Completion Date.

“Final Loan Repayment Schedule” means the schedule of loan repayments over the term of the loan based on the Final Loan Amount.

“Forgivable Principal” means the portion of a loan that is not required to be paid back by the borrower.

“General Obligation Debt” means an obligation of the RECIPIENT secured by annual ad valorem taxes levied by the RECIPIENT and by the full faith, credit, and resources of the RECIPIENT.

“General Obligation Payable from Special Assessments Debt” means an obligation of the RECIPIENT secured by a valid general obligation of the Recipient payable from special assessments to be imposed within the constitutional and statutory tax limitations provided by law without a vote of the electors of the RECIPIENT on all of the taxable property within the boundaries of the RECIPIENT.

“Gross Revenue” means all of the earnings and revenues received by the RECIPIENT from the maintenance and operation of the Utility and all earnings from the investment of money on deposit in the Loan Fund, except (i) Utility Local Improvement Districts (ULID) Assessments, (ii) government grants, (iii) RECIPIENT taxes, (iv) principal proceeds of bonds and other obligations, or (v) earnings or proceeds (A) from any investments in a trust, Defeasance, or escrow fund created to Defeasance or refund Utility obligations or (B) in an obligation redemption fund or account other than the Loan Fund until commingled with other earnings and revenues of the Utility or (C) held in a special account for the purpose of paying a rebate to the United States Government under the Internal Revenue Code.

“Guidelines” means the ECOLOGY’s Funding Guidelines that correlate to the State Fiscal Year in which the project is funded.

“Initiation of Operation Date” means the actual date the Water Pollution Control Facility financed with proceeds of the loan begins to operate for its intended purpose.

“Loan” means the Washington State Water Pollution Control Revolving Fund Loan or Centennial Clean Water Fund (Centennial) Loan made pursuant to this loan agreement.

“Loan Amount” means either an Estimated Loan Amount or a Final Loan Amount, as applicable.

“Loan Fund” means the special fund of that name created by ordinance or resolution of the RECIPIENT for the repayment of the principal of and interest on the loan.

“Loan Security” means the mechanism by which the RECIPIENT pledges to repay the loan.

“Loan Term” means the repayment period of the loan.

“Maintenance and Operation Expense” means all reasonable expenses incurred by the RECIPIENT in causing the Utility to be operated and maintained in good repair, working order, and condition including payments to other parties, but will not include any depreciation or RECIPIENT levied taxes or payments to the RECIPIENT in lieu of taxes.

“Net Revenue” means the Gross Revenue less the Maintenance and Operation Expense.

“Original Engineer’s Estimate” means the engineer’s estimate of construction costs included with bid documents.

“Principal and Interest Account” means, for a loan that constitutes Revenue-Secured Debt, the account of that name created in the loan fund to be first used to repay the principal of and interest on the loan.

“Project” means the project described in this agreement.

“Project Completion Date” means the date specified in the agreement on which the Scope of Work will be fully completed.

“Project Schedule” means that schedule for the project specified in the agreement.

“Reserve Account” means, for a loan that constitutes Revenue-Secured Debt, the account of that name created in the loan fund to secure the payment of the principal of and interest on the loan.

“Revenue-Secured Debt” means an obligation of the RECIPIENT secured by a pledge of the revenue of a utility and one not a general obligation of the RECIPIENT.

“Risk-Based Determination” means an approach to sub-recipient monitoring and oversight based on risk factors associated to a RECIPIENT or project.

“Scope of Work” means the tasks and activities constituting the project.

“Section 319” means the section of the Clean Water Act that provides funding to address nonpoint sources of water pollution.

“Senior Lien Obligations” means all revenue bonds and other obligations of the RECIPIENT outstanding on the date of execution of this loan agreement (or subsequently issued on a parity therewith, including refunding obligations) or issued after the date of execution of this loan agreement having a claim or lien on the Gross Revenue of the Utility prior and superior to the claim or lien of the loan, subject only to Maintenance and Operation Expense.

“State Water Pollution Control Revolving Fund (Revolving Fund)” means the water pollution control revolving fund established by Chapter 90.50A.020 RCW.

“Termination Date” means the effective date of ECOLOGY’s termination of the agreement.

“Termination Payment Date” means the date on which the RECIPIENT is required to repay to ECOLOGY any outstanding balance of the loan and all accrued interest.

“Total Eligible Project Cost” means the sum of all costs associated with a water quality project that have been determined to be eligible for ECOLOGY grant or loan funding.

“Total Project Cost” means the sum of all costs associated with a water quality project, including costs that are not eligible for ECOLOGY grant or loan funding.

“ULID” means any utility local improvement district of the RECIPIENT created for the acquisition or construction of additions to and extensions and betterments of the Utility.

“ULID Assessments” means all assessments levied and collected in any ULID. Such assessments are pledged to be paid into the Loan Fund (less any prepaid assessments permitted by law to be paid into a construction fund or account). ULID Assessments will include principal installments and any interest or penalties which may be due.

“Utility” means the sewer system, stormwater system, or the combined water and sewer system of the RECIPIENT, the Net Revenue of which is pledged to pay and secure the loan.

SECTION 2: THE FOLLOWING CONDITIONS APPLY TO ALL RECIPIENTS OF WATER QUALITY FINANCIAL ASSISTANCE FUNDING.

The Water Quality Financial Assistance Funding Guidelines are included in this agreement by reference.

A. Architectural and Engineering Services: The RECIPIENT certifies by signing this agreement that the requirements of Chapter 39.80 RCW, “Contracts for Architectural and Engineering Services,” have been, or shall be, met in procuring qualified architectural/engineering services. The RECIPIENT shall identify and separate eligible and ineligible costs in the final negotiated agreement and submit a copy of the agreement to ECOLOGY.

B. Best Management Practices (BMP) Implementation: If the RECIPIENT installs BMPs that are not approved by ECOLOGY prior to installation, the RECIPIENT assumes the risk that part or all of the reimbursement for that activity may be delayed or ineligible. For more details regarding BMP Implementation, please reference the Water Quality Financial Assistance Funding Guidelines available on ECOLOGY’s Water Quality Program funding website.

C. Cultural and Historic Resources Protection Compliance with Environmental Laws and Regulations. The RECIPIENT shall:

- 1) The RECIPIENT shall comply with all applicable federal, state and local environmental laws, statutes, regulations, executive orders, and permits.
- 2) The RECIPIENT shall comply with Ecology’s Archaeological Resource and Historic Property review process. The RECIPIENT agrees that in no case shall construction activities, ground disturbance, or excavation of any kind, begin until provisions of this process are complied with. The RECIPIENT is responsible for developing a complete Inadvertent Discovery Plan (IDP). The IDP must be immediately available by request by any party. An IDP must be immediately available and be implemented to address any discovery. The RECIPIENT will implement the procedures in the IDP, and immediately notify ECOLOGY, the Department of Archeology and Historic Preservation (DAHP), and tribal representatives if human remains, cultural, or archeological resources are discovered in the course of construction. For more details regarding requirements under this provision, please reference the Water Quality Financial Assistance Funding Guidelines available on ECOLOGY’s Water Quality Program funding website.

D. Electronic Fund Transfers: The RECIPIENT must register as a statewide vendor in order to receive payment reimbursement. Washington State’s Department of Enterprise Services (DES) issues all payments. DES maintains a

central vendor file for Washington State agency use to process vendor payments. The RECIPIENT can complete the registration process online at <http://des.wa.gov/services/ContractingPurchasing/Business/VendorPay/Pages/default.aspx>. This registration process also allows The RECIPIENT to sign up for direct deposit payments, also known as electronic fund transfers (EFT). If The RECIPIENT have questions about the vendor registration process or setting up direct deposit payments contact DES at the Payee Help Desk at (360) 664-7779 or payeehelpdesk@des.wa.gov.

E. Equipment Purchase: Equipment not included in the scope of work or a construction plan and specification approval must be pre-approved by ECOLOGY's project manager before purchase.

F. Funding Recognition: The RECIPIENT must inform the public about ECOLOGY or any EPA (see Section 3 for Section 319 funded projects or 7 for SRF funded projects) funding participation in this project through the use of project signs, acknowledgement in published materials, reports, the news media, websites, or other public announcements. Projects addressing site-specific locations must utilize appropriately sized and weather-resistant signs. Sign logos are available from ECOLOGY's Financial Manager upon request.

G. Growth Management Planning: The RECIPIENT certifies by signing this agreement that it is in compliance with the requirements of Chapter 36.70A RCW, "Growth Management Planning by Selected Counties and Cities." If the status of compliance changes, either through RECIPIENT or legislative action, the RECIPIENT shall notify ECOLOGY in writing of this change within 30 days.

H. Interlocal: The RECIPIENT certifies by signing this agreement that all negotiated interlocal agreements necessary for the project are, or shall be, consistent with the terms of this agreement and Chapter 39.34 RCW, "Interlocal Cooperation Act." The RECIPIENT shall submit a copy of each interlocal agreement necessary for the project to ECOLOGY.

I. Lobbying and Litigation: Costs incurred for the purposes of lobbying or litigation are not eligible for funding under this agreement.

J. Post Project Assessment Survey: The RECIPIENT agrees to participate in a brief survey regarding the key project results or water quality project outcomes and the status of long-term environmental results or goals from the project approximately three years after project completion. A representative from ECOLOGY's Water Quality Program may contact the RECIPIENT to request this data. ECOLOGY may also conduct site interviews and inspections, and may otherwise evaluate the project, as part of this assessment.

K. Project Status Evaluation: ECOLOGY may evaluate the status of this project 18 months from the effective date of this agreement. ECOLOGY's Project Manager and Financial Manager will meet with the RECIPIENT to review spending trends, completion of outcome measures, and overall project administration and performance. If the RECIPIENT fails to make satisfactory progress toward achieving project outcomes, ECOLOGY may change the scope of work, reduce grant funds, or increase oversight measures.

L. Technical Assistance: Technical assistance for agriculture activities provided under the terms of this agreement will be consistent with the current U.S. Natural Resource Conservation Service ("NRCS") Field Office Technical Guide for Washington State. However, ECOLOGY may accept as eligible technical assistance, proposed practices, or project designs that do not meet these standards if approved in writing by the NRCS and ECOLOGY.

SECTION 3: THE FOLLOWING CONDITIONS APPLY TO ALL RECIPIENTS OF SFY15-17 CAPACITY GRANTS

ECOLOGY shall reimburse eligible project expenses following the schedule below.

Prior to July 1, 2016: Total reimbursements to the RECIPIENT for eligible project expenses are limited to a maximum \$25,000.

After July 1, 2016: If funding is available, ECOLOGY will provide written notification via email to the RECIPIENT project manager stating that ECOLOGY may reimburse additional eligible expenses up to the total project eligible cost of \$50,000. Eligible project expenses may be incurred at any time between July 1, 2015 and March 31, 2017. If additional funds are not available, total reimbursements for eligible project expenses will be limited to a maximum of \$25,000.

If the RECIPIENT fails to submit two or more consecutive quarterly reports via the EAGL grant management system, ECOLOGY may consider this failure to provide progress reports as non-performance and initiate actions to amend or terminate this agreement.

GENERAL FEDERAL CONDITIONS

If a portion or all of the funds for this agreement are provided through federal funding sources or this agreement is used to match a federal grant award, the following terms and conditions apply to you.

CERTIFICATION REGARDING SUSPENSION, DEBARMENT, INELIGIBILITY OR VOLUNTARY EXCLUSION:

1. The RECIPIENT/CONTRACTOR, by signing this agreement, certifies that it is not suspended, debarred, proposed for debarment, declared ineligible or otherwise excluded from contracting with the federal government, or from receiving contracts paid for with federal funds. If the RECIPIENT/CONTRACTOR is unable to certify to the statements contained in the certification, they must provide an explanation as to why they cannot.
2. The RECIPIENT/CONTRACTOR shall provide immediate written notice to ECOLOGY if at any time the RECIPIENT/CONTRACTOR learns that its certification was erroneous when submitted or had become erroneous by reason of changed circumstances.
3. The terms covered transaction, debarred, suspended, ineligible, lower tier covered transaction, participant, person, primary covered transaction, principal, proposal, and voluntarily excluded, as used in this clause, have the meaning set out in the Definitions and Coverage sections of rules implementing Executive Order 12549. You may contact the department for assistance in obtaining a copy of those regulations..
4. The RECIPIENT/CONTRACTOR agrees it shall not knowingly enter into any lower tier covered transaction with a person who is proposed for debarment under the applicable Code of Federal Regulations, debarred, suspended, declared ineligible, or voluntarily excluded from participation in this covered transaction.
5. The RECIPIENT/CONTRACTOR further agrees by signing this agreement, that it will include this clause titled "CERTIFICATION REGARDING SUSPENSION, DEBARMENT, INELIGIBILITY OR VOLUNTARY EXCLUSION" without modification in all lower tier covered transactions and in all solicitations for lower tier covered transactions.
6. Pursuant to 2CFR180.330, the RECIPIENT/CONTRACTOR is responsible for ensuring that any lower tier covered transaction complies with certification of suspension and debarment requirements.
7. RECIPIENT/CONTRACTOR acknowledges that failing to disclose the information required in the Code of Federal Regulations may result in the delay or negation of this funding agreement, or pursuance of legal remedies, including suspension and debarment.
8. RECIPIENT/CONTRACTOR agrees to keep proof in its agreement file, that it, and all lower tier recipients or contractors, are not suspended or debarred, and will make this proof available to ECOLOGY before requests for reimbursements will be approved for payment. RECIPIENT/CONTRACTOR must run a search in <http://www.sam.gov> and print a copy of completed searches to document proof of compliance.

Federal Funding Accountability And Transparency Act (FFATA) Reporting Requirements:

RECIPIENT must complete the FFATA Data Collection Form (ECY 070-395) and return it with the signed agreement to ECOLOGY.

Any RECIPIENT that meets each of the criteria below must also report compensation for its five top executives, using FFATA Data Collection Form.

- Receives more than \$25,000 in federal funds under this award; and
- Receives more than 80 percent of its annual gross revenues from federal funds; and
- Receives more than \$25,000,000 in annual federal funds

ECOLOGY will not pay any invoice until it has received a completed and signed FFATA Data Collection Form. ECOLOGY is required to report the FFATA information for federally funded agreements, including the required DUNS number, at www.fsr.gov <<http://www.fsr.gov>> within 30 days of agreement signature. The FFATA information will be available to the public at www.usaspending.gov <<http://www.usaspending.gov>>.

For more details on FFATA requirements, see www.fsr.gov <<http://www.fsr.gov>>.

GENERAL TERMS AND CONDITIONS

1. ADMINISTRATIVE REQUIREMENTS

- a) RECIPIENT shall follow the "Administrative Requirements for Recipients of Ecology Grants and Loans – EAGL Edition". <https://fortress.wa.gov/ecy/publications/SummaryPages/1401002.html>
- b) RECIPIENT shall complete all activities funded by this Agreement and be fully responsible for the proper management of all funds and resources made available under this Agreement.
- c) RECIPIENT agrees to take complete responsibility for all actions taken under this Agreement, including ensuring all subgrantees and contractors comply with the terms and conditions of this Agreement. ECOLOGY reserves the right to request proof of compliance by subgrantees and contractors.
- d) RECIPIENT's activities under this Agreement shall be subject to the review and approval by ECOLOGY for the extent and character of all work and services.

2. AMENDMENTS AND MODIFICATIONS

This Agreement may be altered, amended, or waived only by a written amendment executed by both parties. No subsequent modification(s) or amendment(s) of this Agreement will be of any force or effect unless in writing and signed by authorized representatives of both parties. ECOLOGY and the RECIPIENT may change their respective staff contacts and administrative information without the concurrence of either party.

3. ARCHAEOLOGICAL AND CULTURAL RESOURCES

RECIPIENT shall take reasonable action to avoid, minimize, or mitigate adverse effects to archeological or cultural resources. Activities associated with archaeological and cultural resources are an eligible reimbursable cost subject to approval by ECOLOGY.

RECIPIENT shall:

- a) Immediately cease work and notify ECOLOGY if any archeological or cultural resources are found while conducting work under this Agreement.

- b) Immediately notify the Department of Archaeology and Historic Preservation at (360) 586-3064, in the event historical or cultural artifacts are discovered at a work site.
- c) Comply with Governor Executive Order 05-05, Archaeology and Cultural Resources, for any capital construction projects prior to the start of any work.
- d) Comply with RCW 27.53, Archaeological Sites and Resources, for any work performed under this Agreement, as applicable. National Historic Preservation Act (NHPA) may require the RECIPIENT to obtain a permit pursuant to Chapter 27.53 RCW prior to conducting on-site activity with the potential to impact cultural or historic properties.

4. ASSIGNMENT

No right or claim of the RECIPIENT arising under this Agreement shall be transferred or assigned by the RECIPIENT.

5. COMMUNICATION

RECIPIENT shall make every effort to maintain effective communications with the RECIPIENT's designees, ECOLOGY, all affected local, state, or federal jurisdictions, and any interested individuals or groups.

6. COMPENSATION

- a) Any work performed prior to effective date of this Agreement will be at the sole expense and risk of the RECIPIENT. ECOLOGY must sign the Agreement before any payment requests can be submitted.
- b) Payments will be made on a reimbursable basis for approved and completed work as specified in this Agreement.
- c) RECIPIENT is responsible to determine if costs are eligible. Any questions regarding eligibility should be clarified with ECOLOGY prior to incurring costs. Costs that are conditionally eligible may require approval by ECOLOGY prior to purchase.
- d) RECIPIENT shall not invoice more than once per month unless agreed on by ECOLOGY.
- e) ECOLOGY will not process payment requests without the proper reimbursement forms, Progress Report and supporting documentation. ECOLOGY will provide instructions for submitting payment requests.
- f) ECOLOGY will pay the RECIPIENT thirty (30) days after receipt of a properly completed request for payment.
- g) RECIPIENT will receive payment through Washington State Department of Enterprise Services' Statewide Payee Desk. RECIPIENT must register as a payee by submitting a Statewide Payee Registration form and an IRS W-9 form at the website, <http://www.des.wa.gov/services/ContractingPurchasing/Business/VendorPay/Pages/default.aspx>. For any questions about the vendor registration process contact the Statewide Payee Help Desk at (360) 407-8180 or email payeehelpdesk@des.wa.gov.
- h) ECOLOGY may, at its sole discretion, withhold payments claimed by the RECIPIENT if the RECIPIENT fails to satisfactorily comply with any term or condition of this Agreement.
- i) Monies withheld by ECOLOGY may be paid to the RECIPIENT when the work described herein, or a portion thereof, has been completed if, at ECOLOGY's sole discretion, such payment is reasonable and approved according to this Agreement, as appropriate, or upon completion of an audit as specified herein.
- j) RECIPIENT should submit final requests for compensation within thirty (30) days after the expiration date of this Agreement. Failure to comply may result in delayed reimbursement.

7. COMPLIANCE WITH ALL LAWS

RECIPIENT agrees to comply fully with all applicable Federal, State and local laws, orders, regulations, and permits related to this Agreement, including but not limited to:

- a) RECIPIENT agrees to comply with all applicable laws, regulations, and policies of the United States and the State of Washington which affect wages and job safety.
- b) RECIPIENT agrees to be bound by all federal and state laws, regulations, and policies against discrimination.
- c) RECIPIENT certifies full compliance with all applicable state industrial insurance requirements.
- d) RECIPIENT agrees to secure and provide assurance to ECOLOGY that all the necessary approvals and permits required by authorities having jurisdiction over the project are obtained. RECIPIENT must include time in their project timeline for the permit and approval processes.

ECOLOGY shall have the right to immediately terminate for cause this Agreement as provided herein if the RECIPIENT fails to comply with above requirements.

If any provision of this Agreement violates any statute or rule of law of the state of Washington, it is considered modified to conform to that statute or rule of law.

8. CONFLICT OF INTEREST

RECIPIENT and ECOLOGY agree that any officer, member, agent, or employee, who exercises any function or responsibility in the review, approval, or carrying out of this Agreement, shall not have any personal or financial interest, direct or indirect, nor affect the interest of any corporation, partnership, or association in which he/she is a part, in this Agreement or the proceeds thereof.

9. CONTRACTING FOR GOODS AND SERVICES

RECIPIENT may contract to buy goods or services related to its performance under this Agreement. RECIPIENT shall award all contracts for construction, purchase of goods, equipment, services, and professional architectural and engineering services through a competitive process, if required by State law. RECIPIENT is required to follow procurement procedures that ensure legal, fair, and open competition.

RECIPIENT must have a standard procurement process or follow current state procurement procedures. RECIPIENT may be required to provide written certification that they have followed their standard procurement procedures and applicable state law in awarding contracts under this Agreement.

ECOLOGY reserves the right to inspect and request copies of all procurement documentation, and review procurement practices related to this Agreement. Any costs incurred as a result of procurement practices not in compliance with state procurement law or the RECIPIENT's normal procedures may be disallowed at ECOLOGY's sole discretion.

10. DISPUTES

When there is a dispute with regard to the extent and character of the work, or any other matter related to this Agreement the determination of ECOLOGY will govern, although the RECIPIENT shall have the right to appeal decisions as provided for below:

- a) RECIPIENT notifies the funding program of an appeal request.
- b) Appeal request must be in writing and state the disputed issue(s).
- c) RECIPIENT has the opportunity to be heard and offer evidence in support of its appeal.
- d) ECOLOGY reviews the RECIPIENT's appeal.
- e) ECOLOGY sends a written answer within ten (10) business days, unless more time is needed, after concluding the review.

The decision of ECOLOGY from an appeal will be final and conclusive, unless within thirty (30) days from the date of such decision, the RECIPIENT furnishes to the Director of ECOLOGY a written appeal. The decision of the Director or duly authorized representative will be final and conclusive.

The parties agree that this dispute process will precede any action in a judicial or quasi-judicial tribunal.

Appeals of the Director's decision will be brought in the Superior Court of Thurston County. Review of the Director's decision will not be taken to Environmental and Land Use Hearings Office.

Pending final decision of a dispute, the RECIPIENT agrees to proceed diligently with the performance of this Agreement and in accordance with the decision rendered.

Nothing in this contract will be construed to limit the parties' choice of another mutually acceptable method, in addition to the dispute resolution procedure outlined above.

11. ENVIRONMENTAL STANDARDS

- a) RECIPIENTS who collect environmental-monitoring data must provide these data to ECOLOGY using the Environmental Information Management System (EIM). To satisfy this requirement these data must be successfully loaded into EIM, see instructions on the EIM website at: <http://www.ecy.wa.gov/eim>.
- b) RECIPIENTS are required to follow ECOLOGY's data standards when Geographic Information System (GIS) data are collected and processed. More information and requirements are available at: <http://www.ecy.wa.gov/services/gis/data/standards/standards.htm>. RECIPIENTS shall provide copies to ECOLOGY of all final GIS data layers, imagery, related tables, raw data collection files, map products, and all metadata and project documentation.
- c) RECIPIENTS must prepare a Quality Assurance Project Plan (QAPP) when a project involves the collection of environmental measurement data. QAPP is to ensure the consistent application of quality assurance principles to the planning and execution of all activities involved in generating data. RECIPIENTS must follow ECOLOGY's Guidelines for Preparing Quality Assurance Project Plans for Environmental Studies, July 2004 (Ecology Publication No. 04-03-030). ECOLOGY shall review and approve the QAPP prior to start of work. The size, cost, and complexity of the QAPP should be in proportion to the magnitude of the sampling effort.

12. GOVERNING LAW

This Agreement will be governed by the laws of the State of Washington, and the venue of any action brought hereunder will be in the Superior Court of Thurston County.

13. INDEMNIFICATION

ECOLOGY will in no way be held responsible for payment of salaries, consultant's fees, and other costs related to the project described herein, except as provided in the Scope of Work.

To the extent that the Constitution and laws of the State of Washington permit, each party will indemnify and hold the other harmless from and against any liability for any or all injuries to persons or property arising from the negligent act or omission of that party or that party's agents or employees arising out of this Agreement.

14. INDEPENDENT STATUS

The employees, volunteers, or agents of each party who are engaged in the performance of this Agreement will continue to be employees, volunteers, or agents of that party and will not for any purpose be employees, volunteers, or agents of the other party.

15. KICKBACKS

RECIPIENT is prohibited from inducing by any means any person employed or otherwise involved in this Agreement to give up any part of the compensation to which he/she is otherwise entitled to or receive any fee, commission, or gift in return for award of a subcontract hereunder.

16. MINORITY AND WOMEN'S BUSINESS ENTERPRISES (MWBE)

RECIPIENT is encouraged to solicit and recruit, to the extent possible, certified minority-owned (MBE) and women-owned (WBE) businesses in purchases and contracts initiated under this Agreement.

Contract awards or rejections cannot be made based on MWBE participation; however, the RECIPIENT is encouraged to take the following actions, when possible, in any procurement under this Agreement:

- a) Include qualified minority and women's businesses on solicitation lists whenever they are potential sources of goods

or services.

- b) Divide the total requirements, when economically feasible, into smaller tasks or quantities, to permit maximum participation by qualified minority and women's businesses.
- c) Establish delivery schedules, where work requirements permit, which will encourage participation of qualified minority and women's businesses.
- d) Use the services and assistance of the Washington State Office of Minority and Women's Business Enterprises (OMWBE) (866-208-1064) and the Office of Minority Business Enterprises of the U.S. Department of Commerce, as appropriate.

17. ORDER OF PRECEDENCE

In the event of inconsistency in this Agreement, unless otherwise provided herein, the inconsistency shall be resolved by giving precedence in the following order: (a) applicable federal and state statutes and regulations; (b) The Agreement; (c) Scope of Work; (d) Special Terms and Conditions; (e) Any provisions or terms incorporated herein by reference, including the "Administrative Requirements for Recipients of Ecology Grants and Loans"; and (f) the General Terms and Conditions.

18. PRESENTATION AND PROMOTIONAL MATERIALS

RECIPIENT shall obtain ECOLOGY's approval for all communication materials or documents related to the fulfillment of this Agreement. Steps for approval:

- a) Provide a draft copy to ECOLOGY for review and approval ten (10) business days prior to production and distribution of any documents or materials compiled or produced.
- b) ECOLOGY reviews draft copy and reserves the right to require changes until satisfied.
- c) Provide ECOLOGY two (2) final copies and an electronic copy of any tangible products developed.

Copies include any printed materials, and all tangible products developed such as brochures, manuals, pamphlets, videos, audio tapes, CDs, curriculum, posters, media announcements, or gadgets, such as a refrigerator magnet with a message as well as media announcements, and any other online communication products such as Web pages, blogs, and Twitter campaigns. If it is not practical to provide a copy, then the RECIPIENT must provide a complete description including photographs, drawings, or printouts of the product that best represents the item.

RECIPIENT shall include time in their project timeline for ECOLOGY's review and approval process.

RECIPIENT shall acknowledge in the materials or documents that funding was provided by ECOLOGY.

19. PROGRESS REPORTING

- a) RECIPIENT must satisfactorily demonstrate the timely use of funds by submitting payment requests and progress reports to ECOLOGY. ECOLOGY reserves the right to amend or terminate this Agreement if the RECIPIENT does not document timely use of funds.
- b) RECIPIENT must submit a progress report with each payment request. Payment requests will not be processed without a progress report. ECOLOGY will define the elements and frequency of progress reports.
- c) RECIPIENT shall use ECOLOGY's provided progress report format.
- d) Quarterly progress reports will cover the periods from January 1 through March 31, April 1 through June 30, July 1 through September 30, and October 1 through December 31. Reports shall be submitted within thirty (30) days after the end of the quarter being reported.
- e) RECIPIENT shall submit the Closeout Report within thirty (30) days of the expiration date of the project, unless an extension has been approved by ECOLOGY. RECIPIENT shall use the ECOLOGY provided closeout report format.

20. PROPERTY RIGHTS

- a) Copyrights and Patents. When the RECIPIENT creates any copyrightable materials or invents any patentable

property, the RECIPIENT may copyright or patent the same but ECOLOGY retains a royalty free, nonexclusive, and irrevocable license to reproduce, publish, recover, or otherwise use the material(s) or property, and to authorize others to use the same for federal, state, or local government purposes.

b) Publications. When the RECIPIENT or persons employed by the RECIPIENT use or publish ECOLOGY information; present papers, lectures, or seminars involving information supplied by ECOLOGY; or use logos, reports, maps, or other data in printed reports, signs, brochures, pamphlets, etc., appropriate credit shall be given to ECOLOGY.

c) Presentation and Promotional Materials. ECOLOGY shall have the right to use or reproduce any printed or graphic materials produced in fulfillment of this Agreement, in any manner ECOLOGY deems appropriate. ECOLOGY shall acknowledge the RECIPIENT as the sole copyright owner in every use or reproduction of the materials.

d) Tangible Property Rights. ECOLOGY's current edition of "Administrative Requirements for Recipients of Ecology Grants and Loans," shall control the use and disposition of all real and personal property purchased wholly or in part with funds furnished by ECOLOGY in the absence of state and federal statutes, regulations, or policies to the contrary, or upon specific instructions with respect thereto in this Agreement.

e) Personal Property Furnished by ECOLOGY. When ECOLOGY provides personal property directly to the RECIPIENT for use in performance of the project, it shall be returned to ECOLOGY prior to final payment by ECOLOGY. If said property is lost, stolen, or damaged while in the RECIPIENT's possession, then ECOLOGY shall be reimbursed in cash or by setoff by the RECIPIENT for the fair market value of such property.

f) Acquisition Projects. The following provisions shall apply if the project covered by this Agreement includes funds for the acquisition of land or facilities:

a. RECIPIENT shall establish that the cost is fair value and reasonable prior to disbursement of funds provided for in this Agreement.

b. RECIPIENT shall provide satisfactory evidence of title or ability to acquire title for each parcel prior to disbursement of funds provided by this Agreement. Such evidence may include title insurance policies, Torrens certificates, or abstracts, and attorney's opinions establishing that the land is free from any impediment, lien, or claim which would impair the uses intended by this Agreement.

g) Conversions. Regardless of the agreement expiration date, the RECIPIENT shall not at any time convert any equipment, property, or facility acquired or developed under this Agreement to uses other than those for which assistance was originally approved without prior written approval of ECOLOGY. Such approval may be conditioned upon payment to ECOLOGY of that portion of the proceeds of the sale, lease, or other conversion or encumbrance which monies granted pursuant to this Agreement bear to the total acquisition, purchase, or construction costs of such property.

21. RECORDS, AUDITS, AND INSPECTIONS

RECIPIENT shall maintain complete program and financial records relating to this Agreement, including any engineering documentation and field inspection reports of all construction work accomplished.

All records shall:

a) Be kept in a manner which provides an audit trail for all expenditures.

b) Be kept in a common file to facilitate audits and inspections.

c) Clearly indicate total receipts and expenditures related to this Agreement.

d) Be open for audit or inspection by ECOLOGY, or by any duly authorized audit representative of the State of Washington, for a period of at least three (3) years after the final grant payment or loan repayment, or any dispute resolution hereunder.

RECIPIENT shall provide clarification and make necessary adjustments if any audits or inspections identify discrepancies in the records.

ECOLOGY reserves the right to audit, or have a designated third party audit, applicable records to ensure that the state has been properly invoiced. Any remedies and penalties allowed by law to recover monies determined owed will be enforced. Repetitive instances of incorrect invoicing or inadequate records may be considered cause for termination.

All work performed under this Agreement and any property and equipment purchased shall be made available to ECOLOGY and to any authorized state, federal or local representative for inspection at any time during the course of this Agreement and for at least three (3) years following grant or loan termination or dispute resolution hereunder.

RECIPIENT shall provide right of access to ECOLOGY, or any other authorized representative, at all reasonable times, in order to monitor and evaluate performance, compliance, and any other conditions under this Agreement.

22. RECOVERY OF FUNDS

The right of the RECIPIENT to retain monies received as reimbursement payments is contingent upon satisfactory performance of this Agreement and completion of the work described in the Scope of Work.

All payments to the RECIPIENT are subject to approval and audit by ECOLOGY, and any unauthorized expenditure(s) or unallowable cost charged to this agreement shall be refunded to ECOLOGY by the RECIPIENT.

RECIPIENT shall refund to ECOLOGY the full amount of any erroneous payment or overpayment under this Agreement.

RECIPIENT shall refund by check payable to ECOLOGY the amount of any such reduction of payments or repayments within thirty (30) days of a written notice. Interest will accrue at the rate of twelve percent (12%) per year from the time ECOLOGY demands repayment of funds.

Any property acquired under this Agreement, at the option of ECOLOGY, may become ECOLOGY's property and the RECIPIENT's liability to repay monies will be reduced by an amount reflecting the fair value of such property.

23. SEVERABILITY

If any provision of this Agreement or any provision of any document incorporated by reference shall be held invalid, such invalidity shall not affect the other provisions of this Agreement which can be given effect without the invalid provision, and to this end the provisions of this Agreement are declared to be severable.

24. STATE ENVIRONMENTAL POLICY ACT (SEPA)

RECIPIENT must demonstrate to ECOLOGY's satisfaction that compliance with the requirements of the State Environmental Policy Act (Chapter 43.21C RCW and Chapter 197-11 WAC) have been or will be met. Any reimbursements are subject to this provision.

25. SUSPENSION

When in the best interest of ECOLOGY, ECOLOGY may at any time, and without cause, suspend this Agreement or any portion thereof for a temporary period by written notice from ECOLOGY to the RECIPIENT. RECIPIENT shall resume performance on the next business day following the suspension period unless another day is specified by ECOLOGY.

26. SUSTAINABLE PRACTICES

In order to sustain Washington's natural resources and ecosystems, the RECIPIENT is fully encouraged to implement sustainable practices and to purchase environmentally preferable products under this Agreement.

- a) Sustainable practices may include such activities as: use of clean energy, use of double-sided printing, hosting low impact meetings, and setting up recycling and composting programs.
- b) Purchasing may include such items as: sustainably produced products and services, EPEAT registered computers and imaging equipment, independently certified green cleaning products, remanufactured toner cartridges, products with reduced packaging, office products that are refillable, rechargeable, and recyclable, and 100% post-consumer

recycled paper.

For more suggestions visit ECOLOGY's web page: Green Purchasing, <http://www.ecy.wa.gov/programs/swfa/epp>.

27. TERMINATION

a) For Cause

ECOLOGY may terminate for cause this Agreement with a seven (7) calendar days prior written notification to the RECIPIENT, at the sole discretion of ECOLOGY, for failing to perform an Agreement requirement or for a material breach of any term or condition. If this Agreement is so terminated, the parties shall be liable only for performance rendered or costs incurred in accordance with the terms of this Agreement prior to the effective date of termination.

Failure to Commence Work. ECOLOGY reserves the right to terminate this Agreement if RECIPIENT fails to commence work on the project funded within four (4) months after the effective date of this Agreement, or by any date mutually agreed upon in writing for commencement of work, or the time period defined within the Scope of Work.

Non-Performance. The obligation of ECOLOGY to the RECIPIENT is contingent upon satisfactory performance by the RECIPIENT of all of its obligations under this Agreement. In the event the RECIPIENT unjustifiably fails, in the opinion of ECOLOGY, to perform any obligation required of it by this Agreement, ECOLOGY may refuse to pay any further funds, terminate in whole or in part this Agreement, and exercise any other rights under this Agreement.

Despite the above, the RECIPIENT shall not be relieved of any liability to ECOLOGY for damages sustained by ECOLOGY and the State of Washington because of any breach of this Agreement by the RECIPIENT. ECOLOGY may withhold payments for the purpose of setoff until such time as the exact amount of damages due ECOLOGY from the RECIPIENT is determined.

b) For Convenience

ECOLOGY may terminate for convenience this Agreement, in whole or in part, for any reason when it is the best interest of ECOLOGY, with a thirty (30) calendar days prior written notification to the RECIPIENT. If this Agreement is so terminated, the parties shall be liable only for performance rendered or costs incurred in accordance with the terms of this Agreement prior to the effective date of termination.

Non-Allocation of Funds. ECOLOGY's ability to make payments is contingent on availability of funding. In the event funding from state, federal or other sources is withdrawn, reduced, or limited in any way after the effective date and prior to the completion or expiration date of this agreement, ECOLOGY, at its sole discretion, may elect to terminate the agreement, in whole or part, or renegotiate the agreement, subject to new funding limitations or conditions. ECOLOGY may also elect to suspend performance of the agreement until ECOLOGY determines the funding insufficiency is resolved. ECOLOGY may exercise any of these options with no notification or restrictions.

If payments have been discontinued by ECOLOGY due to unavailable funds, the RECIPIENT shall not be obligated to repay monies which had been paid to the RECIPIENT prior to such termination.

RECIPIENT's obligation to continue or complete the work described in this Agreement shall be contingent upon availability of funds by the RECIPIENT's governing body.

c) By Mutual Agreement

ECOLOGY and the RECIPIENT may terminate this Agreement, in whole or in part, at any time, by mutual written agreement.

d) In Event of Termination

All finished or unfinished documents, data studies, surveys, drawings, maps, models, photographs, reports or other materials prepared by the RECIPIENT under this Agreement, at the option of ECOLOGY, will become property of ECOLOGY and the RECIPIENT shall be entitled to receive just and equitable compensation for any satisfactory work completed on such documents and other materials.

Nothing contained herein shall preclude ECOLOGY from demanding repayment of all funds paid to the RECIPIENT in accordance with Recovery of Funds, identified herein.

28. THIRD PARTY BENEFICIARY

RECIPIENT shall ensure that in all subcontracts entered into by the RECIPIENT pursuant to this Agreement, the state of Washington is named as an express third party beneficiary of such subcontracts with full rights as such.

29. WAIVER

Waiver of a default or breach of any provision of this Agreement is not a waiver of any subsequent default or breach, and will not be construed as a modification of the terms of this Agreement unless stated as such in writing by the authorized representative of ECOLOGY.

A G E N D A I T E M

BUSINESS OF THE CITY COUNCIL City of Des Moines, WA

SUBJECT: Redondo Boardwalk Repair –
Acceptance of Washington State Department of
Commerce Direct – Appropriations Contract

ATTACHMENTS:

1. Direct – Appropriations Contract
2. 2016 CIP Project Budget Worksheet

FOR AGENDA OF: December 17, 2015

DEPT. OF ORIGIN:

DATE SUBMITTED: December 8, 2015

CLEARANCES:

- ☒ Legal TS
- ☒ Finance AM
- ☐ Marina N/A
- ☐ Parks, Recreation & Senior Services N/A
- ☒ Planning, Building & Public Works DSB
- ☐ Police N/A

APPROVED BY CITY MANAGER

FOR SUBMITTAL: [Signature]

Purpose and Recommendation

The purpose of this agenda item is to formally accept, by contract execution, the Direct-Appropriations Grant from the Washington State Department of Commerce for the Redondo Boardwalk Repair Project. It also authorizes staff to prepare the project for advertising. Award of a construction contract will be subject to Council approval. This following motion will appear on the consent calendar:

Suggested Motion

"I move to accept the Washington State Department of Commerce Direct-Appropriations Grant of \$1,455,000, and further authorize the City Manager, or his designee, to sign the Direct-Appropriations Contract, and to direct the City Manager, or his designee, to advertise the Redondo Boardwalk Repair Project for construction in early 2016 following final permit approvals."

Background

On November 29, 2014, the City of Des Moines experienced unprecedented weather and associated tidal action along its shoreline. In particular, the entire boardwalk adjacent to Redondo Beach Drive South sustained significant damage resulting in permanent closure of the facility. Following a facility damage assessment (DDIR) in cooperation with WSDOT and FHWA, Emergency Relief Program (ER)

resources became available to restore the boardwalk as well as Department of Commerce and Transportation Improvement Board grants.

To date, 100% design has been completed and the project team is finalizing permit approvals. The design will replace the existing timber structure with one entirely constructed from reinforced concrete. Additionally, the project has incorporated low level pedestrian lighting (illumination of the boardwalk surface only) and a new railing that is designed to withstand typical impacts from logs that have been present around the facility during storm events.

To date, the project team is coordinating efforts with various permitting agencies and have the following completed:

- NEPA – Complete
- SEPA – Complete
- Shoreline Exemption – Complete
- Nationwide Permit (Army Corp of Engineers) – Pending final decision and issuance
- Hydraulic Permit Approval (WA Fish and Wildlife) – Negotiating mitigation requirements

Once all permits have been approved and funding obligated the project will be advertised for bids.

Discussion

The Washington State Department of Commerce approved a Direct-Appropriations Grant for the Redondo Boardwalk Repair Project totaling \$1,455,000 (\$1,500,000 less Commerce administrative fee of \$45,000). The Department of Commerce requires the City to sign the Direct-Appropriation Contract within 60-days of notice of the grant offer, which was December 1, 2015 (Attachment 1).

Combined with local funds, FHWA Emergency Relief funding, WA Department of Commerce Grant, and the TIB funds, the project is fully funded as represented in the CIP Budget Worksheet (Attachment 2). The City's design consultant will be finalizing the construction documents for bid advertisement and permit approval.

Alternatives

None.

Financial Impact

The City's CIP Budget Worksheet includes Department of Commerce revenue in order to achieve full funding (Attachment 2).

Recommendation or Conclusion

Staff recommends adoption of the motion.

Concurrence

The Planning, Building and Public Works, Finance, and Legal Departments concur.



STATE OF WASHINGTON
DEPARTMENT OF COMMERCE

1011 Plum Street SE • PO Box 42525 • Olympia, Washington 98504-2525 • (360) 725-4000
www.commerce.wa.gov

December 1, 2015

Tony Piasecki
City Manager, City of Des Moines
21630 11th Ave. S, Suite A
Des Moines, WA 98198-6398

RE: Contract Number: CD16-96503-030

Dear Mr. Piasecki:

Enclosed are two originals of your Direct-Appropriations Contract. This Contract details the terms and conditions that will govern the agreement between us. Please review the terms and conditions of the Contract carefully. We recommend consulting with your legal advisor before accepting this grant offer.

When you have obtained the appropriate original signatures (do not use signature stamps), return both original contracts and all the attachments to the Washington State Department of Commerce (COMMERCE) within 60 calendar days of the date of this letter. Failure to return the contracts within this timeline may result in the grant offer being withdrawn.

After the Contracts have been signed by Commerce, one fully executed original along with instructions for drawing funds will be mailed to you. We encourage you to store these and all pertinent documents associated with this project and grant offer in a file that is readily accessible to auditors for their periodic review.

We look forward to working with you over the course of your successful project. If you have any questions about this Contract, please contact me.

Sincerely

Chuck Hunter
Federal Programs Unit
Local Government Division
360-725-3175
chuck.hunter@commerce.wa.gov

Enclosures:

City of Des Moines
CD16-96503-030
December 1, 2015
Page 2



Department of Commerce

Innovation is in our nature.

1011 Plum St
P.O. Box 42525
Olympia, WA 98504-2525

Direct Appropriations Agreement between:

City of Des Moines

and

**Washington State
Department of Commerce**

For:

Project Name: Redondo Boardwalk Repairs
Contract Number: CD16-96503-030
Project Type: **Com Direct**

Execution/Start Date: _____ Date of Contract Execution

Washington State Department of Commerce
www.COMMERCE.wa.gov

DECLARATIONS

CLIENT INFORMATION

Legal Name:	City of Des Moines
Contract Number:	CD16-96503-030
State Wide Vendor Number:	SWV0000307-00

PROJECT INFORMATION

Project Title:	Redondo Boardwalk Repairs
Project City:	Des Moines
Project State:	Washington
Project Zip Code:	98198-6398

CONTRACT INFORMATION

Grant Amount:	\$1,455,000
Appropriation Number:	2EHB1115
Contract End Date:	6/30/2019 (subject to reappropriation)
Biennium:	2015 - 2017
Biennium Close Date:	6/30/2017
Earliest Date for Construction Reimbursement:	7/1/2012

ADDITIONAL SPECIAL TERMS AND CONDITIONS GOVERNING THIS AGREEMENT

None

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CONTRACT FACE SHEET

Contract Number: CD16-96503-030
Washington State Department of Commerce
Local Government Division
DIRECT-APPROPRIATION GRANTS

1. Contractor City of Des Moines 21630 11 th Ave. S., Suite A Des Moines, WA., 98198		2. Contractor Doing Business As (optional) N/A	
3. Contractor Representative		4. Commerce Representative	
5. Contract Amount \$1,455,000	6. Funding Source Federal: ☐ State: ☒ Other: ☐ N/A: ☐	7. Contract Start Date Contract Execution Date	8. Contract End Date 6/30/2019 (provided funds are re-appropriated into the next biennium)
9. Federal Funds (as applicable) N/A		Federal Agency N/A	
10. Tax ID # 91-6016496		11. SWV # SWV0000307-00	
12. UBI #		13. DUNS #	
14. Contract Purpose COMMERCE and the Contractor have entered into this Contract to undertake a legislatively-approved project that furthers the goals and objectives of Washington State Direct Appropriations Program. The Washington State Department of Commerce (COMMERCE), and Contractor acknowledge and accept the terms of this Contract and attachments and have executed this Contract on the date below to start as of the date and year last written below. The rights and obligations of both parties to this Contract are governed by this Contract and the following other documents incorporated by reference: Contract Terms and Conditions including ATTACHMENT I: PROJECT SCOPE OF WORK; ATTACHMENT II: CERTIFICATION OF THE PAYMENT AND REPORTING OF PREVAILING WAGES; ATTACHMENT III: CERTIFICATION OF INTENT TO ENTER THE LEADERSHIP IN ENERGY AND ENVIRONMENTAL DESIGN (LEED) CERTIFICATION PROCESS (if applicable); ATTACHMENT IV: CERTIFICATION OF AVAILABILITY OF FUNDS TO COMPLETE PROJECT.			
FOR THE CONTRACTOR _____ Signature _____ Print Name _____ Title _____ Date		FOR THE DEPARTMENT OF COMMERCE _____ Mark Barkley, Assistant Director _____ Date APPROVED AS TO FORM ONLY 11-25-2015 _____ Sandra C. Adix Assistant Attorney General	

CONTRACT TERMS AND CONDITIONS

Washington State Department of Commerce DIRECT-APPROPRIATION GRANTS

Part 1. SPECIAL TERMS AND CONDITIONS

1.1. DEFINITIONS

As used throughout this Washington State Capital Budget Direct-Appropriation Contract the following terms shall have the meaning set forth below:

- A. "Contract" shall mean this Washington State Capital Budget Direct-Appropriation Contract.
- B. "Contractor" shall mean the local government identified on the Contract Face Sheet performing service(s) under this Contract and who is a Party to the Contract, and shall include all employees and agents of the Contractor.
- C. "COMMERCE" shall mean the Washington State Department Of Commerce, and who is a Party to the Contract.
- D. "Declarations" and "Declared" shall refer to the project information, grant terms and conditions as stated on the Declarations Page of this Grant Contract, displayed within the contract in THIS STYLE for easier identification.

1.2. AUTHORITY

Acting under the authority of Chapter 43.330.050(5) RCW, COMMERCE has awarded the Contractor a contract for a legislatively-approved project pursuant to the legislative APPROPRIATION NUMBER and BIENNIUM as shown on the Declarations Page.

1.3. PURPOSE

COMMERCE and the Contractor have entered into this Contract to undertake a legislatively-approved project that furthers the goals and objectives of Washington State. The project will be undertaken by the Contractor and will include the activities described in Attachment I: SCOPE OF WORK. The project must be undertaken in accordance with the grant terms and conditions, and all applicable federal, state and local laws and ordinances, which by this reference are incorporated into this Contract as though set forth fully herein.

1.4. ORDER OF PRECEDENCE

In the event of an inconsistency in this Contract, the inconsistency shall be resolved by giving precedence in the following order:

- A. Applicable federal and state of Washington statutes and regulations.
- B. Special Terms and Conditions including attachments.
- C. General Terms and Conditions.

1.5. GRANT AMOUNT

COMMERCE shall pay an amount not to exceed the awarded GRANT AMOUNT as shown on the attached Declarations Page for the eligible costs necessary for or incidental to the performance of work as set forth in the described in **Attachment I: SCOPE OF WORK**.

1.6. CERTIFICATION OF FUNDS

- A. The release of state funds under this Contract is contingent upon the Contractor certifying that it has expended or has access to funds from other sources as set forth in ATTACHMENT IV: CERTIFICATION OF THE AVAILABILITY OF FUNDS TO COMPLETE THE PROJECT to complete all the project activities identified in ATTACHMENT I: PROJECT SCOPE OF WORK. Such sources may consist of a combination of any of the following:
 - i. Loans or grants.
 - ii. Eligible project expenditures prior to the execution of this Contract.

- iii. Cash dedicated to the project.
- iv. Funds available through a letter of credit or other binding loan commitment(s).
- v. Pledges from foundations or corporations.
- vi. Pledges from individual donors.
- vii. The value of real property when acquired solely for the purposes of this project. COMMERCE will not consider appraisals for prospective values of such property for the purposes of calculating the amount of matching fund credit.
- viii. In-kind contributions, subject to the COMMERCE's approval.

- B. The Contractor shall maintain records sufficient to evidence that it has access to or has expended funds from such sources, and shall make such records available for COMMERCE's review upon reasonable request

1.7. BASIS FOR ESTABLISHING REAL PROPERTY VALUES FOR ACQUISITIONS OF REAL PROPERTY PERFORMANCE MEASURES

When the grant is used to fund the acquisition of real property, the value of the real property eligible for reimbursement under this grant shall be established in accordance with the Direct Grant Program Guidelines.

1.8. PROJECT EXPENDITURES ELIGIBLE FOR REIMBURSEMENT

Payments to the Contractor shall be made on a reimbursement basis only. For the purposes of this Contract, eligible costs shall be construed to mean costs incurred and paid, or costs incurred and payable within thirty (30) days. Only costs incurred on or after the **EARLIEST DATE FOR CONSTRUCTION REIMBURSEMENT** as shown in the Declarations, are eligible for reimbursement under this Contract.

The Contractor may be reimbursed for the following eligible costs related to the activities identified in **Attachment I: SCOPE OF WORK**.

- A. Real property and costs directly associated with such purchase, when purchased or acquired solely for the purposes of the project;
- B. Design, engineering, architectural, and planning;
- C. Archaeological/historical review;
- D. Construction management and construction observation (from external sources only);
- E. Construction costs including, but not limited to, the following:
 - i. Site preparation and improvements
 - ii. Permits and fees
 - iii. Labor and materials
 - iv. Taxes on project goods and services
 - v. Capitalized equipment
 - vi. Information technology infrastructure
 - vii. Landscaping
- F. Insurance premiums as required in Section 1.19;
- G. Other costs authorized through the legislation.

1.9. BILLING PROCEDURES AND PAYMENT

COMMERCE shall reimburse the Contractor for eligible project expenditures up to the maximum payable under this Contract. When requesting reimbursement for costs incurred or expenditures made, the Contractor shall submit a signed and completed Invoice Voucher (Form A-19), referencing the Attachment I: SCOPE OF WORK project activity performed, and any appropriate documentation. The Invoice Voucher must be certified by an official of the Contractor with authority to bind the Contractor.

Each Invoice Voucher must be accompanied by a Project Status Report, which describes, in narrative form, the progress made on the project since the last invoice was submitted, as well as a report of project status to date. COMMERCE will not release payment for any reimbursement request received until the Project Status Report is received. After approving the Invoice Voucher and Project Status Report, COMMERCE shall promptly remit a warrant to the Contractor.

The final Invoice Voucher payment shall not occur prior to the completion of all project activities as identified in Attachment I: SCOPE OF WORK. A sum not to exceed ten percent (10%) of the grant amount will be retained

until all project activities are complete and a Certified Project Completion Report is completed and submitted by the Contractor, per Section 1.10.

The Contractor shall submit all Invoice Vouchers and any required documentation to:

Federal Programs Unit
Department of Commerce
PO Box 42525
Olympia, WA 98504-2525

COMMERCE will pay the Contractor upon acceptance of services provided and receipt of properly completed invoices, which shall be submitted to COMMERCE not more often than monthly.

Payment shall be considered timely if made by COMMERCE within thirty (30) calendar days after receipt of properly completed invoices. Payment shall be sent to the address designated by the Contractor.

COMMERCE may, in its sole discretion, terminate the Contract or withhold payments claimed by the Contractor for services rendered if the Contractor fails to satisfactorily comply with any term or condition of this Contract.

No payments in advance or in anticipation of services or supplies to be provided under this Contract shall be made by COMMERCE.

Duplication of Billed Costs. The Contractor shall not bill COMMERCE for services performed under this Contract, and COMMERCE shall not pay the Contractor, if the Contractor is entitled to payment or has been or will be paid by any other source, including grants, for that service.

Disallowed Costs. The Contractor is responsible for any audit exceptions or disallowed costs incurred by its own organization or that of its subcontractors.

1.10. **CERTIFIED PROJECT COMPLETION REPORT AND FINAL PAYMENT**

The Contractor shall complete a Certified Project Completion Report when activities identified in **Attachment I: SCOPE OF WORK** are complete.

The Contractor shall provide the following information to COMMERCE:

- A. A certified statement that the project, as described in **Attachment I: SCOPE OF WORK**, is complete and, if applicable, meets required standards.
- B. A certified statement of the actual dollar amounts spent, from all funding sources, in completing the project as described in **Attachment I: SCOPE OF WORK**.
- C. Certification that all costs associated with the project have been incurred and accounted for. Costs are incurred when goods and services are received and/or contract work is performed.
- D. A final voucher for the remaining eligible funds.

The Contractor will submit the Certified Project Completion Report together with the last Invoice Voucher for a sum not to exceed the balance of the grant amount including the ten percent (10%) retainage, as described in Section 1.9. The final Invoice Voucher payment shall not occur prior to the completion of all project activities identified in **Attachment I: SCOPE OF WORK** and COMMERCE's receipt and acceptance of the Certified Project Completion Report.

1.11. **REPORTS**

The Contractor shall furnish COMMERCE with Project Status Reports when submitting Invoice Vouchers (as described in Section 1.9), a Certified Project Completion Report at project completion (as described in Section 1.10), and other reports as COMMERCE may require. Failure to file reports as requested may result in termination of this Contract.

1.12. **EVALUATION AND MONITORING**

The Contractor shall cooperate with and freely participate in any monitoring or evaluation activities conducted by COMMERCE, including site inspections, if necessary.

The Contractor may be asked by COMMERCE to provide photographs, either hard copy or electronically, which visually depict the progress made on the project.

COMMERCE or the State Auditor and any of their representatives shall have full access to and the right to examine all of the Contractor's records with respect to all matters covered in this Contract. Such representatives

shall be permitted to audit, examine, and make excerpts or transcripts from such records and to make audits of all contracts, invoices, materials, payrolls, and records of matters covered by this Contract. Such rights last for six (6) years from the date final payment is made.

1.13. OWNERSHIP OF PROJECT/CAPITAL FACILITIES

COMMERCE makes no claim to any real property improved or constructed with funds awarded under this Contract and does not assert and will not acquire any ownership interest in or title to the capital facilities and/or equipment constructed or purchased with state funds under this Contract. This provision does not extend to claims that COMMERCE may bring against the Contractor in recapturing funds expended in violation of this Contract.

1.14. CHANGE OF OWNERSHIP OR USE FOR CONTRACTOR-OWNED PROPERTY

The Contractor understands and agrees that any or all assets acquired, constructed, or otherwise improved by the Contractor using the funds under this Contract shall be held and used by the Contractor for the purposes stated in **Attachment I: SCOPE OF WORK** for a period of at least ten (10) years from the date the final payment is made.

For a period of at least ten (10) years from the date the final payment is made, in the event that the Contractor decides to change or transfer ownership of any or all assets acquired, constructed, or otherwise improved by the Contractor using the funds under this Contract, the Contractor agrees that any such decision or action must be submitted in writing and approved by COMMERCE in writing at least thirty (30) days prior to the execution of such decision or action.

In the event the Contractor is found to be out of compliance with this section, the Contractor shall repay the principal amount of the grant as stated in Section 1.5, plus interest calculated at the rate of interest on State of Washington general obligation bonds issued most closely to the effective date of the legislation in which the subject asset was authorized. Repayment shall be made pursuant to Section 1.20. Recapture Provision.

1.15. CHANGE OF USE FOR LEASED PROPERTY

The Contractor understands and agrees that any facility leased by the Contractor that is constructed, renovated, or otherwise improved using state funds under this Contract shall be used by the Contractor for the purposes stated in **Attachment I: SCOPE OF WORK** for a period of at least ten (10) years from the date the final payment is made.

In the event the Contractor is found to be out of compliance with this section, the Contractor shall repay the principal amount of the grant as stated in Section 1.5, plus interest calculated at the rate of interest on State of Washington general obligation bonds issued most closely to the effective date of the legislation in which the subject facility was authorized. Repayment shall be made pursuant to Section 1.20. Recapture Provision.

1.16. HISTORICAL AND CULTURAL ARTIFACTS

Prior to commencing construction, Contractor shall complete the requirements of Governor's Executive Order 05-05, or, as a substitute for completion of Governor's Executive Order 05-05, for projects with a Federal nexus Contractor shall complete project review under Section 106 of the National Historic Preservation Act. Contractor agrees that the Contractor is legally and financially responsible for compliance with all laws, regulations, and agreements related to the preservation of historical or cultural artifacts and agrees to hold harmless COMMERCE and the State of Washington in relation to any claim related to such historical or cultural artifacts discovered, disturbed, or damaged as a result of the project funded by this Contract.

In addition to the requirements set forth in this Contract, Contractor shall, in accordance with Governor's Executive Order 05-05, coordinate with the Washington State Department of Archaeology and Historic Preservation (DAHP), including any recommended consultation with any affected tribe(s), during project design and prior to construction to determine the existence of any tribal cultural resources affected by the proposed project funded by this Contract. Contractor agrees to avoid, minimize, or mitigate impacts to the cultural resource as a continuing pre-requisite to receipt of funds under this Contract.

The Contractor agrees that, unless the Contractor is proceeding under an approved historical and cultural monitoring plan or other memorandum of agreement, if historical or cultural artifacts are discovered during construction, the Contractor shall immediately stop construction and notify the local historical preservation officer and the state's historical preservation officer at DAHP. If human remains are uncovered, the Contractor shall report the presence and location of the remains to the coroner and local enforcement immediately, then contact DAHP and the concerned tribe's cultural staff or committee.

The Contractor shall require this provision to be contained in all sub-contracts for work or services related to **Attachment I: SCOPE OF WORK**.

In addition to the requirements set forth in this Contract, Contractor agrees to comply with RCW 27.44 regarding Indian Graves and Records; RCW 27.53 regarding Archaeological Sites and Resources; RCW 68.60 regarding Abandoned and Historic Cemeteries and Historic Graves; and, WAC 25-48 regarding Archaeological Excavation and Removal Permits.

Completion of the requirements of Section 106 of the National Historic Preservation Act shall substitute for completion of Governor's Executive Order 05-05.

In the event that the Contractor finds it necessary to amend **Attachment I: SCOPE OF WORK**, the Contractor may be required to re-comply with Governor's Executive Order 05-05 or Section 106 of the National Historic Preservation Act.

1.17. **SIGNAGE, MARKERS, AND PUBLICATIONS**

If, during the period covered by this Contract, the Contractor displays or circulates any communication, publication, or donor recognition identifying the financial participants in the project, any such communication or publication must identify "The Taxpayers of Washington State" as a participant.

1.18. **PREVAILING WAGE LAW**

The project funded under this Contract is subject to state prevailing wage law (Chapter 39.12 RCW). The Contractor is advised to consult the Industrial Statistician at the Washington Department of Labor and Industries to determine the prevailing wages that must be paid. COMMERCE is not responsible for determining the prevailing wages applying to this project or for any prevailing wage payments that may be required by law.

1.19. **INSURANCE**

(NOTE: SECTION 1.19A DOES NOT APPLY TO MUNICIPAL ENTITIES)

A. Private Organizations

The Contractor shall provide insurance coverage as set out in this section. The intent of the required insurance is to protect the State of Washington should there be any claims, suits, actions, costs, damages, or expenses arising from any loss, or negligent or intentional act or omission of the Contractor or its subcontractors, or agents of either, while performing under the terms of this Contract.

The insurance required shall be issued by an insurance company authorized to do business within the State of Washington. Except for Professional Liability or Errors and Omissions Insurance, the insurance shall name the State of Washington, its agents, officers, and employees as additional insureds under the insurance policy. All policies shall be primary to any other valid and collectable insurance. The Contractor shall instruct the insurers to give COMMERCE thirty (30) calendar days advance notice of any insurance cancellation or modification.

The Contractor shall submit to COMMERCE within fifteen (15) calendar days of the Contract start date, a certificate of insurance, which outlines the coverage and limits required under this insurance section. During the term of the Contract, the Contractor shall submit renewal certificates not less than thirty (30) calendar days prior to expiration of each policy required under this section.

The Contractor shall provide insurance coverage that shall be maintained in full force and effect during the term of this Contract, as follows:

Commercial General Liability Insurance Policy. Provide a Commercial General Liability Insurance Policy, including contractual liability, written on an occurrence basis, in adequate quantity to protect against legal liability arising out of Contract activity but no less than \$1,000,000 per occurrence. Additionally, the Contractor is responsible for ensuring that any subcontractors provide adequate insurance coverage for the activities arising out of subcontracts.

Automobile Liability. In the event that performance pursuant to this Contract involves the use of vehicles, owned or operated by the Contractor or its subcontractors, automobile liability insurance shall be required. The minimum limit for automobile liability is \$1,000,000 per occurrence, using a Combined Single Limit for bodily injury and property damage.

Professional Liability, Errors, and Omissions Insurance. The Contractor shall maintain Professional Liability or Errors and Omissions Insurance. The Contractor shall maintain minimum limits of no less than \$1,000,000 per occurrence to cover all activities by the Contractor and licensed staff employed or under Contract to the

Contractor. The State of Washington, its agents, officers, and employees need not be named as additional insureds under this policy.

Fidelity Insurance. Every officer, director, employee, or agent who is authorized to act on behalf of the Contractor for the purpose of receiving or depositing funds into program accounts or issuing financial documents, checks, or other instruments of payment for program costs shall be insured to provide protection against loss:

- i. The amount of fidelity coverage secured pursuant to this Contract shall be \$100,000 or the highest of planned reimbursement for the Contract period, whichever is lowest. Fidelity insurance secured pursuant to this paragraph shall name the Contractor as beneficiary.
- ii. Subcontractors that receive \$10,000 or more per year in funding through this Contract shall secure fidelity insurance as noted above. Fidelity insurance secured by subcontractors pursuant to this paragraph shall name the Contractor as beneficiary.

The Contractor shall provide, at COMMERCE's request, copies of insurance instruments or certifications from the insurance issuing agency. The copies or certifications shall show the insurance coverage, the designated beneficiary, who is covered, the amounts, the period of coverage, and that COMMERCE will be provided thirty (30) days advance written notice of cancellation.

B. Self-Insured Contractors

With prior approval from COMMERCE, the Contractor may provide insurance coverage under a self-insured/liability pool or self-insured risk management program. In order to obtain permission from COMMERCE, the Contractor shall provide:

- i. a description of its self-insurance program, and
- ii. a certificate and/or letter of coverage that outlines coverage, limits, and deductibles.

All self-insured risk management programs or self-insured/liability pool financial reports must comply with Generally Accepted Accounting Principles (GAAP) and adhere to accounting standards promulgated by:

- i. Governmental Accounting Standards Board (GASB),
- ii. Financial Accounting Standards Board (FASB), and
- iii. The Washington State Auditor's annual instructions for financial reporting.

Contractors participating in joint risk pools shall maintain sufficient documentation to support the aggregate claim liability information reported on the balance sheet. The State of Washington, its agents, and employees need not be named as additional insured under a self-insured property/liability pool, if the pool is prohibited from naming third parties as additional insured.

Contractor shall provide annually to COMMERCE a summary of coverages and a letter of self-insurance, evidencing continued coverage under Contractor's self-insured/liability pool or self-insured risk management program. Such annual summary of coverage and letter of self-insurance will be provided on the anniversary of the start date of this Contract.

Employers Liability ("Stop Gap") Insurance. In addition, the Contractor shall buy employers liability insurance and, if necessary, commercial umbrella liability insurance with limits not less than \$1,000,000 each accident for bodily injury by accident of \$1,000,000 each employee for bodily injury or disease.

Excess Coverage. By requiring insurance herein, COMMERCE does not represent that coverage and limits will be adequate to protect Contractor and such coverage and limits shall not limit Contractor's liability under the indemnities and reimbursements granted to COMMERCE in this Contract.

Unemployment and Industrial Insurance. The Contractor shall be in full compliance with all state unemployment and industrial insurance laws while performing work under this Contract. COMMERCE will not be responsible for payment of industrial insurance premiums or for any other claim or benefit for the Contractor, or any subcontractor or employee of the Contractor, which might arise under the industrial insurance laws during performance of this Contract.

Protection of Project Property, Contractor's Assumption of Risk. The Contractor shall continuously maintain adequate protection of all the project work from damage and shall protect the property from injury or loss arising in connection with this Contract. The entire work of the Contractor shall be at the sole risk of the Contractor. The Contractor may elect to secure fire, extended coverage, and vandalism insurance or all-risk insurance to cover the project work during the course of construction. The Contractor shall take all necessary

precautions for the safety of employees working on the project, and shall comply with all applicable provisions of federal, state, and local safety laws and building codes to prevent accidents or injuries to persons, on, about, or adjacent to the premises where the work is being performed.

1.20. RECAPTURE PROVISION

In the event that the Grantee fails to perform this Grant in accordance with state laws, federal laws, and/or the provisions of this Grant, COMMERCE reserves the right to recapture all funds disbursed under the Grant, in addition to any other remedies available at law or in equity. This provision supersedes the Recapture provision in Section 27 of the General Terms and Conditions.

Repayment by the Contractor of state funds under this recapture provision shall occur within thirty (30) days of demand. In the event that COMMERCE is required to institute proceedings to enforce this recapture provision, COMMERCE shall be entitled to its cost thereof, including reasonable attorney's fees.

1.21. REDUCTION IN FUNDS

In the event state funds appropriated for the work contemplated under this Contract are withdrawn, reduced, or limited in any way by the Washington State Governor or Legislature during the Contract period, the parties hereto shall be bound by any such revised funding limitations as implemented at the discretion of COMMERCE, and shall meet and renegotiate the Contract accordingly.

1.22. REAPPROPRIATION

The parties hereto understand and agree that any state funds, including the ten percent (10%) retainage as described in Section 1.9, not expended by the BIENNIUM CLOSE DATE listed on the Declarations Page will lapse on that date unless specifically reappropriated by the Washington State Legislature or Governor. COMMERCE will make all necessary efforts to seek reappropriation of funds into the declared BIENNIUM. If funds are so reappropriated, COMMERCE's obligation under the terms of this Contract shall be contingent upon the terms of such reappropriation.

In the event any funds awarded under this contract are reappropriated for use in a future biennium, COMMERCE reserves the right to assign a reasonable share of any such reappropriation for administrative costs.

1.23. TERMINATION FOR FRAUD OR MISREPRESENTATION DISINCENTIVE

In the event the Grantee commits fraud or makes any misrepresentation in connection with the Grant application or during the performance of this contract, COMMERCE reserves the right to terminate or amend this contract accordingly, including the right to recapture all funds disbursed to the Grantee under the Grant.

Part 2. GENERAL TERMS AND CONDITIONS

2.1. DEFINITIONS

As used throughout this Contract, the following terms shall have the meaning set forth below:

- A. "Authorized Representative" shall mean the Director and/or the designee authorized in writing to act on the Director's behalf.
- B. "COMMERCE" shall mean the Department of Commerce.
- C. "Contract" or "Agreement" means the entire written agreement between COMMERCE and the Contractor, including any Exhibits, documents, or materials incorporated by reference. E-mail or Facsimile transmission of a signed copy of this contract shall be the same as delivery of an original.
- D. "Contractor" shall mean the entity identified on the face sheet performing service(s) under this Contract, and shall include all employees and agents of the Contractor.
- E. "Personal Information" shall mean information identifiable to any person, including, but not limited to, information that relates to a person's name, health, finances, education, business, use or receipt of governmental services or other activities, addresses, telephone numbers, social security numbers, driver license numbers, other identifying numbers, and any financial identifiers.
- F. "State" shall mean the state of Washington.
- G. "Subcontractor" shall mean one not in the employment of the Contractor, who is performing all or part of those services under this Contract under a separate contract with the Contractor. The terms "subcontractor" and "subcontractors" mean subcontractor(s) in any tier.

2.2. ALLOWABLE COSTS

Costs allowable under this Contract are actual expenditures according to an approved budget up to the maximum amount stated on the Contract Award or Amendment Face Sheet.

2.3. ALL WRITINGS CONTAINED HEREIN

This Contract contains all the terms and conditions agreed upon by the parties. No other understandings, oral or otherwise, regarding the subject matter of this Contract shall be deemed to exist or to bind any of the parties hereto.

2.4. AMENDMENTS

This Contract may be amended by mutual agreement of the parties. Such amendments shall not be binding unless they are in writing and signed by personnel authorized to bind each of the parties.

2.5. AMERICANS WITH DISABILITIES ACT (ADA) OF 1990, PUBLIC LAW 101-336, ALSO REFERRED TO AS THE "ADA" 28 CFR PART 35

The Contractor must comply with the ADA, which provides comprehensive civil rights protection to individuals with disabilities in the areas of employment, public accommodations, state and local government services, and telecommunications.

2.6. APPROVAL

This contract shall be subject to the written approval of COMMERCE's authorized representative and shall not be binding until so approved. The contract may be altered, amended, or waived only by a written amendment executed by both parties.

2.7. ASSIGNMENT

Neither this Contract, nor any claim arising under this Contract, shall be transferred or assigned by the Contractor without prior written consent of COMMERCE.

2.8. ATTORNEY'S FEES

Unless expressly permitted under another provision of the Contract, in the event of litigation or other action brought to enforce Contract terms, each party agrees to bear its own attorneys fees and costs.

2.9. AUDIT

A. General Requirements

Contractors are to procure audit services based on the following guidelines.

The Contractor shall maintain its records and accounts so as to facilitate audits and shall ensure that Subcontractors also maintain auditable records.

The Contractor is responsible for any audit exceptions incurred by its own organization or that of its Subcontractors.

COMMERCE reserves the right to recover from the Grantee all disallowed costs resulting from the audit.

Responses to any unresolved findings and disallowed or questioned costs shall be included with the audit report. The Contractor must respond to COMMERCE requests for information or corrective action concerning audit issues within thirty (30) days of the date of request.

B. State Funds Requirements

In the event an audit is required, if the Contractor is a state or local government entity, the Office of the State Auditor shall conduct the audit. Audits of non-profit organizations are to be conducted by a certified public accountant selected by the Contractor.

The Contractor shall include the above audit requirements in any subcontracts.

In any case, the Contractor's records must be available for review by COMMERCE.

C. Documentation Requirements

The Contractor must send a copy of any audit report no later than nine (9) months after the end of the Contractor's fiscal year(s) by sending a scanned copy to auditreview@commerce.wa.gov or a hard copy to:

Department of Commerce
ATTN: Audit Review and Resolution Office
1011 Plum Street SE
PO Box 42525
Olympia WA 98504-2525

In addition to sending a copy of the audit, when applicable, the Contractor must include:

- Corrective action plan for audit findings within three (3) months of the audit being received by COMMERCE.
- Copy of the Management Letter and Management Decision Letter, where applicable.

If the Contractor is required to obtain a Single Audit consistent with Circular A-133 requirements, a copy must be provided to Commerce; no other report is required.

2.10. CODE REQUIREMENTS

All construction and rehabilitation projects must satisfy the requirements of applicable local, state, and federal building, mechanical, plumbing, fire, energy and barrier-free codes. Compliance with the Americans with Disabilities Act of 1990, 28 C.F.R. Part 35 will be required, as specified by the local building Department.

2.11. CONFIDENTIALITY/SAFEGUARDING OF INFORMATION

A. Confidential Information" as used in this section includes:

1. All material provided to the Contractor by COMMERCE that is designated as "confidential" by COMMERCE;
2. All material produced by the Contractor that is designated as "confidential" by COMMERCE; and
3. All personal information in the possession of the Contractor that may not be disclosed under state or federal law. "Personal information" includes but is not limited to information related to a person's name, health,

finances, education, business, use of government services, addresses, telephone numbers, social security number, driver's license number and other identifying numbers, and "Protected Health Information" under the federal Health Insurance Portability and Accountability Act of 1996 (HIPAA).

- B. The Contractor shall comply with all state and federal laws related to the use, sharing, transfer, sale, or disclosure of Confidential Information. The Contractor shall use Confidential Information solely for the purposes of this Contract and shall not use, share, transfer, sell or disclose any Confidential Information to any third party except with the prior written consent of COMMERCE or as may be required by law. The Contractor shall take all necessary steps to assure that Confidential Information is safeguarded to prevent unauthorized use, sharing, transfer, sale or disclosure of Confidential Information or violation of any state or federal laws related thereto. Upon request, the Contractor shall provide COMMERCE with its policies and procedures on confidentiality. COMMERCE may require changes to such policies and procedures as they apply to this Contract whenever COMMERCE reasonably determines that changes are necessary to prevent unauthorized disclosures. The Contractor shall make the changes within the time period specified by COMMERCE. Upon request, the Contractor shall immediately return to COMMERCE any Confidential Information that COMMERCE reasonably determines has not been adequately protected by the Contractor against unauthorized disclosure.
- C. Unauthorized Use or Disclosure. The Contractor shall notify COMMERCE within five (5) working days of any unauthorized use or disclosure of any confidential information, and shall take necessary steps to mitigate the harmful effects of such use or disclosure.

2.12. CONFORMANCE

If any provision of this contract violates any statute or rule of law of the state of Washington, it is considered modified to conform to that statute or rule of law.

2.13. CONFLICT OF INTEREST

Notwithstanding any determination by the Executive Ethics Board or other tribunal, COMMERCE may, in its sole discretion, by written notice to the CONTRACTOR terminate this contract if it is found after due notice and examination by the COMMERCE that there is a violation of the Ethics in Public Service Act, Chapter 42.52 RCW; or any similar statute involving the CONTRACTOR in the procurement of, or performance under this contract.

In the event this contract is terminated as provided above, the COMMERCE shall be entitled to pursue the same remedies against the CONTRACTOR as it could pursue in the event of a breach of the contract by the CONTRACTOR. The rights and remedies of COMMERCE provided for in this clause shall not be exclusive and are in addition to any other rights and remedies provided by law. The existence of facts upon which COMMERCE makes any determination under this clause shall be an issue and may be reviewed as provided in the "Disputes" clause of this contract.

2.14. COPYRIGHT PROVISIONS

Unless otherwise provided, all Materials produced under this Contract shall be considered "works for hire" as defined by the U.S. Copyright Act and shall be owned by COMMERCE. COMMERCE shall be considered the author of such Materials. In the event the Materials are not considered "works for hire" under the U.S. Copyright laws, the Contractor hereby irrevocably assigns all right, title, and interest in all Materials, including all intellectual property rights, moral rights, and rights of publicity to COMMERCE effective from the moment of creation of such Materials.

"Materials" means all items in any format and includes, but is not limited to, data, reports, documents, pamphlets, advertisements, books, magazines, surveys, studies, computer programs, films, tapes, and/or sound reproductions. "Ownership" includes the right to copyright, patent, register and the ability to transfer these rights.

For Materials that are delivered under the Contract, but that incorporate pre-existing materials not produced under the Contract, the Contractor hereby grants to COMMERCE a nonexclusive, royalty-free, irrevocable license (with rights to sublicense to others) in such Materials to translate, reproduce, distribute, prepare derivative works, publicly perform, and publicly display. The Contractor warrants and represents that the Contractor has all rights and permissions, including intellectual property rights, moral rights and rights of publicity, necessary to grant such a license to COMMERCE.

The Contractor shall exert all reasonable effort to advise COMMERCE, at the time of delivery of Materials furnished under this Contract, of all known or potential invasions of privacy contained therein and of any portion of such document which was not produced in the performance of this Contract. The Contractor shall provide COMMERCE with prompt written notice of each notice or claim of infringement received by the Contractor with respect to any

Materials delivered under this Contract. COMMERCE shall have the right to modify or remove any restrictive markings placed upon the Materials by the Contractor.

2.15. DISALLOWED COSTS

The Contractor is responsible for any audit exceptions or disallowed costs incurred by its own organization or that of its Subcontractors.

2.16. DISPUTES

Except as otherwise provided in this Contract, when a dispute arises between the parties and it cannot be resolved by direct negotiation, either party may request a dispute hearing with the Agency Director of COMMERCE, who may designate a neutral person to decide the dispute.

The request for a dispute hearing must:

- be in writing;
- state the disputed issues;
- state the relative positions of the parties;
- state the Contractor's name, address, and Contract number; and
- be mailed to the Director and the other party's (respondent's) Contract Representative within three (3) working days after the parties agree that they cannot resolve the dispute.

The respondent shall send a written answer to the requestor's statement to both the Director or the Director's designee and the requestor within five (5) working days.

The Director or designee shall review the written statements and reply in writing to both parties within ten (10) working days. The Director or designee may extend this period if necessary by notifying the parties.

The decision shall not be admissible in any succeeding judicial or quasi-judicial proceeding.

The parties agree that this dispute process shall precede any action in a judicial or quasi-judicial tribunal.

Nothing in this Contract shall be construed to limit the parties' choice of a mutually acceptable alternate dispute resolution (ADR) method in addition to the dispute hearing procedure outlined above.

2.17. DUPLICATE PAYMENT

The Contractor certifies that work to be performed under this contract does not duplicate any work to be charged against any other contract, subcontract, or other source.

2.18. GOVERNING LAW AND VENUE

This Contract shall be construed and interpreted in accordance with the laws of the state of Washington, and the venue of any action brought hereunder shall be in the Superior Court for Thurston County.

2.19. INDEMNIFICATION

To the fullest extent permitted by law, the Contractor shall indemnify, defend, and hold harmless the state of Washington, COMMERCE, agencies of the state and all officials, agents and employees of the state, for, from and against all claims for injuries or death arising out of or resulting from the performance of the contract. "Claim" as used in this contract, means any financial loss, claim, suit, action, damage, or expense, including but not limited to attorney's fees, attributable for bodily injury, sickness, disease, or death, or injury to or the destruction of tangible property including loss of use resulting therefrom.

The Contractor's obligation to indemnify, defend, and hold harmless includes any claim by Contractor's agents, employees, representatives, or any subcontractor or its employees.

The Contractor expressly agrees to indemnify, defend, and hold harmless the State for any claim arising out of or incident to the Contractor's or any subcontractor's performance or failure to perform the contract. Contractor's obligation to indemnify, defend, and hold harmless the State shall not be eliminated or reduced by any actual or alleged concurrent negligence of State or its agents, agencies, employees and officials.

The Contractor waives its immunity under Title 51 RCW to the extent it is required to indemnify, defend and hold harmless the state and its agencies, officers, agents or employees.

2.20. INDEPENDENT CAPACITY OF THE CONTRACTOR

The parties intend that an independent contractor relationship will be created by this Contract. The Contractor and its employees or agents performing under this Contract are not employees or agents of the state of Washington or COMMERCE. The Contractor will not hold itself out as or claim to be an officer or employee of COMMERCE or of the state of Washington by reason hereof, nor will the Contractor make any claim of right, privilege or benefit which would accrue to such officer or employee under law. Conduct and control of the work will be solely with the Contractor.

2.21. INDUSTRIAL INSURANCE COVERAGE

The Contractor shall comply with all applicable provisions of Title 51 RCW, Industrial Insurance. If the Contractor fails to provide industrial insurance coverage or fails to pay premiums or penalties on behalf of its employees as may be required by law, COMMERCE may collect from the Contractor the full amount payable to the Industrial Insurance Accident Fund. COMMERCE may deduct the amount owed by the Contractor to the accident fund from the amount payable to the Contractor by COMMERCE under this Contract, and transmit the deducted amount to the Department of Labor and Industries, (L&I) Division of Insurance Services. This provision does not waive any of L&I's rights to collect from the Contractor.

2.22. LAWS

The Contractor shall comply with all applicable laws, ordinances, codes, regulations, and policies of local, state, and federal governments, as now or hereafter amended, including, but not limited to:

Washington State Laws and Regulations

- A. Affirmative action, RCW 41.06.020 (1).
- B. Boards of directors or officers of non-profit corporations – Liability - Limitations, RCW 4.24.264.
- C. Disclosure-campaign finances-lobbying, Chapter 42.17A RCW.
- D. Discrimination-human rights commission, Chapter 49.60 RCW.
- E. Ethics in public service, Chapter 42.52 RCW.
- F. Housing assistance program, Chapter 43.185 RCW.
- G. Interlocal cooperation act, Chapter 39.34 RCW.
- H. Noise control, Chapter 70.107 RCW.
- I. Office of minority and women's business enterprises, Chapter 39.19 RCW and Chapter 326-02 WAC.
- J. Open public meetings act, Chapter 42.30 RCW.
- K. Prevailing wages on public works, Chapter 39.12 RCW.
- L. Public records act, Chapter 42.56 RCW.
- M. Relocation assistance - real property acquisition policy, Chapter 8.26 RCW.
- N. Shoreline management act of 1971, Chapter 90.58 RCW.
- O. State budgeting, accounting, and reporting system, Chapter 43.88 RCW.
- P. State building code, Chapter 19.27 RCW and Energy-related building standards, Chapter 19.27A RCW, and Provisions in buildings for aged and handicapped persons, Chapter 70.92 RCW.
- Q. State Coastal Zone Management Program, Publication 01-06-003, Shorelands and Environmental Assistance Program, Washington State Department of Ecology.
- R. State environmental policy, Chapter 43.21C RCW.
- S. State Executive Order 05-05 Archeological and Cultural Resources.

2.23. LICENSING, ACCREDITATION AND REGISTRATION

The Contractor shall comply with all applicable local, state, and federal licensing, accreditation and registration requirements or standards necessary for the performance of this Contract.

2.24. LIMITATION OF AUTHORITY

Only the Authorized Representative or Authorized Representative's designee by writing (designation to be made prior to action) shall have the express, implied, or apparent authority to alter, amend, modify, or waive any clause or condition of this Contract.

2.25. LOCAL PUBLIC TRANSPORTATION COORDINATION

Where applicable, Contractor shall participate in local public transportation forums and implement strategies designed to ensure access to services.

2.26. COMPLIANCE WITH NONDISCRIMINATION LAWS

During the performance of this Contract, the Contractor shall comply with all federal, state, and local nondiscrimination laws, regulations and policies. In the event of the Contractor's non-compliance or refusal to comply with any nondiscrimination law, regulation or policy, this contract may be rescinded, canceled or terminated in whole or in part, and the Contractor may be declared ineligible for further contracts with COMMERCE. The Contractor shall, however, be given a reasonable time in which to cure this noncompliance. Any dispute may be resolved in accordance with the "Disputes" procedure set forth herein.

2.27. POLITICAL ACTIVITIES

Political activity of Contractor employees and officers are limited by the State Campaign Finances and Lobbying provisions of Chapter 42.17 RCW and the Federal Hatch Act, 5 USC 1501 - 1508.

No funds may be used for working for or against ballot measures or for or against the candidacy of any person for public office.

2.28. PREVAILING WAGE LAWS

The Contractor certifies that all contractors and subcontractors performing work on the Project shall comply with state Prevailing Wages on Public Works, Chapter 39.12 RCW, as applicable to the Project funded by this contract, including but not limited to the filing of the "Statement of Intent to Pay Prevailing Wages" and "Affidavit of Wages Paid" as required by RCW 39.12.040. The Contractor shall maintain records sufficient to evidence compliance with Chapter 39.12 RCW, and shall make such records available for COMMERCE's review upon request.

2.29. PROHIBITION AGAINST PAYMENT OF BONUS OR COMMISSION

The funds provided under this Contract shall not be used in payment of any bonus or commission for the purpose of obtaining approval of the application for such funds or any other approval or concurrence under this Contract provided, however, that reasonable fees or bona fide technical consultant, managerial, or other such services, other than actual solicitation, are not hereby prohibited if otherwise eligible as project costs.

2.30. PUBLICITY

The Contractor agrees not to publish or use any advertising or publicity materials in which the state of Washington or COMMERCE's name is mentioned, or language used from which the connection with the state of Washington's or COMMERCE's name may reasonably be inferred or implied, without the prior written consent of COMMERCE.

2.31. RECAPTURE

In the event that the Contractor fails to perform this contract in accordance with state laws, federal laws, and/or the provisions of this contract, COMMERCE reserves the right to recapture funds in an amount to compensate COMMERCE for the noncompliance in addition to any other remedies available at law or in equity.

Repayment by the Contractor of funds under this recapture provision shall occur within the time period specified by COMMERCE. In the alternative, COMMERCE may recapture such funds from payments due under this contract.

2.32. RECORDS MAINTENANCE

The CONTRACTOR shall maintain books, records, documents, data and other evidence relating to this contract and performance of the services described herein, including but not limited to accounting procedures and practices that sufficiently and properly reflect all direct and indirect costs of any nature expended in the performance of this contract.

CONTRACTOR shall retain such records for a period of six years following the date of final payment. At no additional cost, these records, including materials generated under the contract, shall be subject at all reasonable times to inspection, review or audit by COMMERCE, personnel duly authorized by COMMERCE, the Office of the State Auditor, and federal and state officials so authorized by law, regulation or agreement.

If any litigation, claim or audit is started before the expiration of the six (6) year period, the records shall be retained until all litigation, claims, or audit findings involving the records have been resolved.

2.33. REGISTRATION WITH DEPARTMENT OF REVENUE

If required by law, the Contractor shall complete registration with the Washington State Department of Revenue.

2.34. RIGHT OF INSPECTION

At no additional cost all records relating to the Contractor's performance under this Contract shall be subject at all reasonable times to inspection, review, and audit by COMMERCE, the Office of the State Auditor, and federal and state officials so authorized by law, in order to monitor and evaluate performance, compliance, and quality assurance under this Contract. The Contractor shall provide access to its facilities for this purpose.

2.35. SAVINGS

In the event funding from state, federal, or other sources is withdrawn, reduced, or limited in any way after the effective date of this Contract and prior to normal completion, COMMERCE may terminate the Contract under the "Termination for Convenience" clause, without the ten business day notice requirement. In lieu of termination, the Contract may be amended to reflect the new funding limitations and conditions.

2.36. SEVERABILITY

If any provision of this Contract or any provision of any document incorporated by reference shall be held invalid, such invalidity shall not affect the other provisions of this Contract that can be given effect without the invalid provision, if such remainder conforms to the requirements of law and the fundamental purpose of this Contract and to this end the provisions of this Contract are declared to be severable.

2.37. SUBCONTRACTING

The Contractor may only subcontract work contemplated under this Contract if it obtains the prior written approval of COMMERCE.

If COMMERCE approves subcontracting, the Contractor shall maintain written procedures related to subcontracting, as well as copies of all subcontracts and records related to subcontracts. For cause, COMMERCE in writing may: (a) require the Contractor to amend its subcontracting procedures as they relate to this Contract; (b) prohibit the Contractor from subcontracting with a particular person or entity; or (c) require the Contractor to rescind or amend a subcontract.

Every subcontract shall bind the Subcontractor to follow all applicable terms of this Contract. The Contractor is responsible to COMMERCE if the Subcontractor fails to comply with any applicable term or condition of this Contract. The Contractor shall appropriately monitor the activities of the Subcontractor to assure fiscal conditions of this Contract. In no event shall the existence of a subcontract operate to release or reduce the liability of the Contractor to COMMERCE for any breach in the performance of the Contractor's duties.

Every subcontract shall include a term that COMMERCE and the State of Washington are not liable for claims or damages arising from a Subcontractor's performance of the subcontract.

2.38. SURVIVAL

The terms, conditions, and warranties contained in this Contract that by their sense and context are intended to survive the completion of the performance, cancellation or termination of this Contract shall so survive.

2.39. TAXES

All payments accrued on account of payroll taxes, unemployment contributions, the Contractor's income or gross receipts, any other taxes, insurance or expenses for the Contractor or its staff shall be the sole responsibility of the Contractor.

2.40. TERMINATION FOR CAUSE / SUSPENSION

In the event COMMERCE determines the Contractor has failed to comply with the conditions of this contract in a timely manner, COMMERCE has the right to suspend or terminate this contract. Before suspending or terminating the contract, COMMERCE shall notify the Contractor in writing of the need to take corrective action. If corrective action is not taken within 30 calendar days, the contract may be terminated or suspended.

In the event of termination or suspension, the Contractor shall be liable for damages as authorized by law including, but not limited to, any cost difference between the original contract and the replacement or cover contract and all administrative costs directly related to the replacement contract, e.g., cost of the competitive bidding, mailing, advertising and staff time.

COMMERCE reserves the right to suspend all or part of the contract, withhold further payments, or prohibit the Contractor from incurring additional obligations of funds during investigation of the alleged compliance breach and pending corrective action by the Contractor or a decision by COMMERCE to terminate the contract. A termination shall be deemed a "Termination for Convenience" if it is determined that the Contractor: (1) was not in default; or (2) failure to perform was outside of his or her control, fault or negligence.

The rights and remedies of COMMERCE provided in this contract are not exclusive and are, in addition to any other rights and remedies, provided by law.

2.41. TERMINATION FOR CONVENIENCE

Except as otherwise provided in this Contract, COMMERCE may, by ten (10) business days written notice, beginning on the second day after the mailing, terminate this Contract, in whole or in part. If this Contract is so terminated, COMMERCE shall be liable only for payment required under the terms of this Contract for services rendered or goods delivered prior to the effective date of termination.

2.42. TERMINATION PROCEDURES

Upon termination of this contract, COMMERCE, in addition to any other rights provided in this contract, may require the Contractor to deliver to COMMERCE any property specifically produced or acquired for the performance of such part of this contract as has been terminated. The provisions of the "Treatment of Assets" clause shall apply in such property transfer.

COMMERCE shall pay to the Contractor the agreed upon price, if separately stated, for completed work and services accepted by COMMERCE, and the amount agreed upon by the Contractor and COMMERCE for (i) completed work and services for which no separate price is stated, (ii) partially completed work and services, (iii) other property or services that are accepted by COMMERCE, and (iv) the protection and preservation of property, unless the termination is for default, in which case the Authorized Representative shall determine the extent of the liability of COMMERCE. Failure to agree with such determination shall be a dispute within the meaning of the "Disputes" clause of this contract. COMMERCE may withhold from any amounts due the Contractor such sum as the Authorized Representative determines to be necessary to protect COMMERCE against potential loss or liability.

The rights and remedies of COMMERCE provided in this section shall not be exclusive and are in addition to any other rights and remedies provided by law or under this contract.

After receipt of a notice of termination, and except as otherwise directed by the Authorized Representative, the Contractor shall:

1. Stop work under the contract on the date, and to the extent specified, in the notice;
2. Place no further orders or subcontracts for materials, services, or facilities except as may be necessary for completion of such portion of the work under the contract that is not terminated;
3. Assign to COMMERCE, in the manner, at the times, and to the extent directed by the Authorized Representative, all of the rights, title, and interest of the Contractor under the orders and subcontracts so terminated, in which case COMMERCE has the right, at its discretion, to settle or pay any or all claims arising out of the termination of such orders and subcontracts;
4. Settle all outstanding liabilities and all claims arising out of such termination of orders and subcontracts, with the approval or ratification of the Authorized Representative to the extent the Authorized Representative may require, which approval or ratification shall be final for all the purposes of this clause;
5. Transfer title to COMMERCE and deliver in the manner, at the times, and to the extent directed by the Authorized Representative any property which, if the contract had been completed, would have been required to be furnished to COMMERCE;
6. Complete performance of such part of the work as shall not have been terminated by the Authorized Representative; and
7. Take such action as may be necessary, or as the Authorized Representative may direct, for the protection and preservation of the property related to this contract, which is in the possession of the Contractor and in which COMMERCE has or may acquire an interest.

2.43. TREATMENT OF ASSETS

Title to all property furnished by COMMERCE shall remain in COMMERCE. Title to all property furnished by the Contractor, for the cost of which the Contractor is entitled to be reimbursed as a direct item of cost under this

contract, shall pass to and vest in COMMERCE upon delivery of such property by the Contractor. Title to other property, the cost of which is reimbursable to the Contractor under this contract, shall pass to and vest in COMMERCE upon (i) issuance for use of such property in the performance of this contract, or (ii) commencement of use of such property in the performance of this contract, or (iii) reimbursement of the cost thereof by COMMERCE in whole or in part, whichever first occurs.

- A. Any property of COMMERCE furnished to the Contractor shall, unless otherwise provided herein or approved by COMMERCE, be used only for the performance of this contract.
- B. The Contractor shall be responsible for any loss or damage to property of COMMERCE that results from the negligence of the Contractor or which results from the failure on the part of the Contractor to maintain and administer that property in accordance with sound management practices.
- C. If any COMMERCE property is lost, destroyed or damaged, the Contractor shall immediately notify COMMERCE and shall take all reasonable steps to protect the property from further damage.
- D. The Contractor shall surrender to COMMERCE all property of COMMERCE prior to settlement upon completion, termination or cancellation of this contract

All reference to the Contractor under this clause shall also include Contractor's employees, agents or Subcontractors.

2.44. WAIVER

Waiver of any default or breach shall not be deemed to be a waiver of any subsequent default or breach. Any waiver shall not be construed to be a modification of the terms of this Contract unless stated to be such in writing and signed by Authorized Representative of COMMERCE.

ATTACHMENT I: PROJECT SCOPE OF WORK

**Washington State Department of Commerce
DIRECT-APPROPRIATION GRANTS**

**Contractor: City of Des Moines
Contract Number: CD16-96503-030
Project Title: Redondo Boardwalk Repairs**

The project's scope of work is comprised of the following activities:

Work for the Redondo Boardwalk Repair project will include temporary and permanent traffic control, construction surveying, boardwalk demolition, precast deck and crossbeams installation, pedestrian railing and access ladders, boardwalk ADA curb ramp replacement, minor pavement repairs, pedestrian lighting, steel pile encasement, and pedestrian crossing safety improvements for approximately 2600 LF of boardwalk. Costs may include, but are not limited to design/engineering, environmental/cultural reviews, permits and associated coordination, material testing, as-built data gathering, construction, construction administration, and construction inspection.

If the above scope of work includes engineering, planning, or design activities, the Contractor shall make all plans and documents funded in whole or in part by this Contract available for Commerce's review upon reasonable request.

The Contractor, by its signature below, certifies that the project's scope of work and performance measures set forth above have been reviewed and approved by the Contractor's governing body as of the date and year written below.

SIGNATURE

NAME

TITLE

DATE

ATTACHMENT II: CERTIFICATION OF THE PAYMENT AND REPORTING OF PREVAILING WAGES

Washington State Department of Commerce DIRECT-APPROPRIATION GRANTS

Contractor: City of Des Moines
Contract Number: CD16-96503-030

The Contractor, by its signature below, certifies that all contractors and subcontractors performing work on the project as described in ATTACHMENT I: PROJECT SCOPE OF WORK shall comply with prevailing wage laws set forth in RCW 39.12, as applicable to the project funded by this Contract, including but not limited to the filing of the "Statement of Intent to Pay Prevailing Wages" and "Affidavit of Wages Paid" as required by RCW 39.12.040. The Contractor shall maintain records sufficient to evidence compliance with RCW 39.12, and shall make such records available for Commerce's review upon request.

If any state funds are used by the Contractor for the purpose of construction, applicable State Prevailing Wages must be paid.

The Contractor, by its signature below, certifies that the declaration set forth above has been reviewed and approved by the Contractor's governing body as of the date and year written below.

SIGNATURE

NAME

TITLE

DATE

**ATTACHMENT III:
CERTIFICATION OF THE INTENT TO ENTER THE LEADERSHIP IN ENERGY
AND ENVIRONMENTAL DESIGN (LEED)
CERTIFICATION PROCESS**

**Washington State Department of Commerce
DIRECT-APPROPRIATION GRANTS**

**Contractor: City of Des Moines
Contract Number: CD16-96503-030**

The Contractor, by its signature below, certifies that it will enter into the Leadership in Energy and Environmental Design (LEED) certification process, as stipulated in RCW 39.35D.060, as applicable to the project described in ATTACHMENT I: PROJECT SCOPE OF WORK funded by this Contract. The Contractor shall, upon receipt of LEED certification by the United States Green Building Council, provide documentation of such certification to Commerce.

The Contractor, by its signature below, certifies that the declaration set forth above has been reviewed and approved by the Contractor's governing body or board of directors, as applicable, as of the date and year written below.

EXEMPT (DO NOT SIGN)

SIGNATURE

NAME

TITLE

DATE

ATTACHMENT IV: CERTIFICATION OF THE AVAILABILITY OF FUNDS TO COMPLETE THE PROJECT

Washington State Department of Commerce
DIRECT-APPROPRIATION GRANTS
Contractor: City of Des Moines
Contract Number: CD16-96503-030

Type of Funding	Source Description	Amount
Grant	Washington State Department of Commerce	\$1,455,000
Other Grants		
Grant #1	FHWA Emergency Relief	\$2,438,865
Grant #2	TIB	\$360,000
Grant #3		\$0
Grant #4		\$0
Total Other Grants		\$2,798,865
Other Loans		
Loan #1		\$0
Loan #2		\$0
Loan #3		\$0
Loan #4		\$0
Total Loans		\$0
Other Local Revenue		
Source #1	REET	\$497,445
Source #2		\$0
Source #3		\$0
Source #4		\$0
Total Local Revenue		\$497,445
Other Funds		
Source #1		\$0
Source #2		\$0
Total Other Funds		\$0
Total Project Funding		\$4,751,310

CERTIFICATION PERFORMANCE MEASURE

The Grantee, by its signature, certifies that project funding from sources other than those provided by this contract and identified above are fully expended or committed, or both, in an amount sufficient to complete the project, or a distinct phase of the project that is useable to the public, and that the funding will be used for the purpose as described elsewhere in this contract, as of the date and year written below.

The Grantee shall maintain records sufficient to evidence that it has expended or has access to the funds needed to complete the Project, and shall make such records available for COMMERCE'S review upon reasonable request.

SIGNATURE

NAME

TITLE

DATE

Redondo Board Walk Repair			Project #	319.615.040	Summary Project Description:									
TOTAL PROJECT SCOPE					PROJECT ALLOCATIONS BY YEAR									
Expenditures	1/1/15 Current CIP Budget	2015 CIP Supplemental Request	2015 Revised CIP Budget Estimate	Project to Date 12/31/14	Project To Date 11/30/2015	2015 Year to Date 11/30/2015	2015 Remaining	Estimated Year End 2015	Planned Year 2016	Planned Year 2017	Planned Year 2018			
Design														
External Engineering		410,100	410,100	-	303,041	303,041	107,059	410,100						
Internal Engineering/Project Mgmt		30,000	30,000	-	39,210	39,210	(9,210)	30,000						
Other Professional Services (WSDOT)		-	-	-	-	-	-	-						
Permits		-	-	-	350	350	(350)	-						
Other Misc (Advertise, Postage, Etc.)		-	-	-	-	-	-	-						
Proprietary/Easements														
Construction														
External Engineering		-	-	-	-	-	-	-						
External Proj Mgmt/Inspect #2		370,000	370,000	-	-	-	-	-	370,000					
Internal Engr-Proj Mgmt/Inspect		40,000	40,000	-	-	-	-	-	40,000					
Construction Contract 1		3,298,610	3,298,610	-	-	-	-	-	3,298,610					
Other Professional Services		2,000	2,000	-	-	-	-	-	2,000					
Materials		-	-	-	-	-	-	-						
Other														
Interfund Financial Services		50,000	50,000	-	-	-	25,000	25,000	25,000					99
Contingencies		500,000	500,000	-	-	-	-	-	500,000					
Total Project Expense Budget:		4,700,710	4,700,710	-	342,601	342,601	122,499	465,100	4,235,610	-	-	-	-	-
Funding Sources	1/1/15 Current CIP Budget	2015 CIP Supplemental Request	2015 Revised CIP Budget Estimate	Project to Date 12/31/14	Project to Date 11/30/2015	2015 YTD 11/30/2015	2015 Remaining	Scheduled Year 2015	Scheduled Year 2016	Scheduled Year 2017	Scheduled Year 2018			
FH WA - PE 86.5% (LA8609)		286,315	286,315	-	285,450	285,450	865	286,315						
FH WA - CN 86.5% (Confirmed)		2,101,950	2,101,950	-	-	-	-	-	2,101,950					
TIB Confirmed - Construction only		360,000	360,000	-	-	-	-	-	360,000					
WA Capital Appropriation - Design and Construction		1,455,000	1,455,000	-	-	-	-	-	1,455,000					
REET 1		497,445	497,445	-	57,151	57,151	121,634	178,785	318,660					
Total Project Revenue Budget:	-	4,700,710	4,700,710	-	342,601	342,601	122,499	465,100	4,235,610	-	-	-	-	-

Removal of hazards, Close the damaged Boardwalk and complete

TOTAL PROJECT SCOPE				PROJECT ALLOCATIONS BY YEAR							
Expenditures	1/1/15 Current CIP Budget	2015 CIP Supplemental Request	2015 Revised CIP Budget Estimate	Project to Date 12/31/14	Project To Date 11/30/2015	2015 Year to Date 11/30/2015	2015 Remaining	Estimated Year End 2015	Planned Year 2016	Planned Year 2017	Planned Year 2018
Design											
Prop/ROW/Easements											
Construction											
Other											
Interfund Financial Services		533	533	-	533	533	-	533			
Interfund Parks Ops Services		459	459	-	459	459	-	459			
Interfund Street Ops Services		3,341	3,341	-	3,341	3,341	-	3,341			
Interfund Marina Ops Services		4,459	4,459	-	4,459	4,459	-	4,459			
Interfund SWM Ops Services		6,633	6,633	-	6,633	6,633	-	6,633			
Interfund Fleet Ops Services		645	645	-	645	645	-	645			
Other Services - Fence Rental		5,218	5,218	-	5,218	5,218	-	5,218			
Non-Capitalizable Services - Moffat Nichols/Excel Tech	28,131	3,910	32,041	28,131	32,041	3,910	-	3,910			
Contingencies		-	-	-	-	-	-	-			
Total Project Expense Budget:	28,131	25,198	53,329	28,131	53,329	25,198	-	25,198	-	-	-
Funding Sources	1/1/15 Current CIP Budget	2015 CIP Supplemental Request	2015 Revised CIP Budget Estimate	Project to Date 12/31/14	Project to Date 11/30/2015	2015 YTD 11/30/2015	2015 Remaining	Scheduled Year 2015	Scheduled Year 2016	Scheduled Year 2017	Scheduled Year 2018
FHWA ER (100%) - Emergency Repairs (180 days) - LAA8609	28,131	22,469	50,600	-	50,600	50,600	-	50,600			
REET 1		2,729	2,729	-	2,729	2,729	-	2,729			
Total Project Revenue Budget:	28,131	25,198	53,329	-	53,329	53,329	-	53,329	-	-	-

A G E N D A I T E M

BUSINESS OF THE CITY COUNCIL City of Des Moines, WA

SUBJECT: Memorandum of Understanding
between the City of Des Moines and Teamsters
Local 763 ("Teamsters")

FOR AGENDA OF: December 17, 2015

DEPT. OF ORIGIN: Administration

ATTACHMENTS:

DATE SUBMITTED: December 7, 2015

1. Memorandum of Understanding
2. Agreement by and Between City of Des Moines, Washington and Public, Professional & Office-Clerical Employees and Drivers Local Union No. 763 (Representing the Public Works, Parks and Marina Employees) dated November 11, 2014

CLEARANCES:

- ☒ Legal 15
- ☐ Economic Development N/A
- ☒ Finance DM
- ☐ Marina N/A
- ☐ Parks, Recreation & Senior Services N/A
- ☐ Planning, Building & Public Works N/A
- ☐ Police N/A
- ☐ Courts N/A

APPROVED BY CITY MANAGER

FOR SUBMITTAL MM/ACM

Purpose and Recommendation

The purpose of this agenda item is to approve the Memorandum of Understanding between the City of Des Moines and Teamsters Local 763 ("Teamsters") regarding the holiday pay provision in the January 1, 2014 through December 31, 2016 Collective Bargaining Agreement.

Suggested Motion

Motion: "I move to approve the attached Memorandum of Understanding between the City of Des Moines and Teamsters Local 763 regarding the holiday pay provision and to authorize the City Manager to sign the MOU substantially in the form as attached."

Background

The Teamsters entered into an Agreement with the City on November 21, 2014 to represent the Public Works, Parks and Marina employees. That Agreement has been disputed as to whether mutual agreement was reached on the issue of holiday pay during the contract negotiations. After the City filed an unfair labor practice complaint against the Teamsters and Teamsters filed a grievance against the City, the parties

entered into settlement negotiations and have agreed to resolve the holiday pay dispute through the attached MOU.

Discussion

The City and Teamsters wish to enter into this MOU to avoid the expense and inconvenience of further litigation and the MOU shall not represent an admission of wrongdoing by either party or an admission of the weakness of either party's own position or the strength of the other party's position.

Alternatives

The alternative would be to not approve the attached MOU.

Financial Impact

The financial impact has been estimated to be approximately \$575.00 per year.

Recommendation or Conclusion

It is recommended that the City Council approve this MOU with Teamsters,

MEMORANDUM OF UNDERSTANDING ("MOU")

Between

The City of Des Moines ("Des Moines")

and

Teamsters Local 763 ("Local 763")

With Respect To

Modification of Holiday Pay Provision of Collective Bargaining Agreement

WHEREAS, the City and Local 763 have a dispute as to whether mutual agreement was reached during the last contract negotiation on the issue of holiday pay; and

WHEREAS, the City filed an unfair labor practice complaint asserting that Local 763 bargained in bad faith and engaged in regressive bargaining when it included in its voting document a holiday pay provision that the City asserts was not agreed to by the parties; and

WHEREAS, Local 763 filed a grievance asserting that the City failed to pay its members holiday pay as mutually agreed to by the parties in the negotiation of the current collective bargaining agreement; and

WHEREAS, through settlement discussions the City and Local 763 have agreed to a resolution of their holiday pay dispute.

NOW THEREFORE, the City and Local 763 agree as follows:

1. The City will withdraw with prejudice the unfair labor practice complaint it filed in *City of Des Moines v. Teamsters Local 763*, Case No. 27276-U-15.
2. Local 763 will withdraw with prejudice the grievance it filed in *Teamsters Local 763 v. City of Des Moines*, No. 127426-P-15.
3. The City and Local 763 agree that Section 8.2.3 of the current collective bargaining agreement is clarified as follows:

Employees assigned to work Thanksgiving Day, Christmas Day, and Christmas Eve Day after 12:00 p.m. (noon) shall be paid two (2) times their regular rate of hourly pay for all hours worked on those days, in addition to their holiday pay. Employees assigned to work on any of the remaining holidays listed in Section 8.2 shall be paid one and one-half (1½) times their regular rate of hourly pay for all hours worked on these days, in addition to their holiday pay. For the purposes of this provision, holidays begin and end at midnight, except Christmas Eve Day, which begins at 12:00 p.m. (noon) and ends at midnight. Employees who are assigned to work on any holiday may choose to receive their eight (8) hours of holiday compensation on their next paycheck or, with their supervisor's approval, add eight (8) hours of time to their floating holiday balance.

These hours must be used in the calendar year they are earned and may not be carried over into the next calendar year.

4. The City and Local 763 agree to add a new sub paragraph to the current collective bargaining agreement, Section 8.2.3.1, which states:

With respect to holidays other than New Year's Day and Independence Day, employees working alternate schedules, such as 4/10 or 9/80, who are assigned to work on a holiday may not draw down accrued vacation, compensatory time, or floating holiday hours to supplement their holiday pay for that holiday.

5. The City will pay backpay under 8.2.3 retroactive to January 1, 2014. The new subparagraph set forth in Paragraph 3 above shall apply prospectively only (i.e., City cannot retroactively reverse accrued vacation draw downs). The City will provide Local 763 with an accounting of all holiday hours worked since January 1, 2014.
6. The parties enter into this Memorandum of Understanding solely to avoid the expense and inconvenience of further litigation. This Memorandum of Understanding does not represent and shall not be contended to represent an admission of wrongdoing by either party or an admission of the weakness of either party's own position or the strength of the other party's position.
7. This Memorandum of Understanding is contingent on ratification by Local 763's membership and approval by the Des Moines City Council.
8. Disagreements regarding the interpretation or application of this Memorandum of Understanding shall be resolved pursuant to the grievance and arbitration provisions of the collective bargaining agreement.

SIGNED AND DATED this ____ day of December, 2015.

For the City of Des Moines, Washington:

***For Public, Professional & Office-Clerical
Employees and Drivers Local 763, affiliated
with the International Brotherhood of
Teamsters:***

Anthony A. Piasecki
City Manager
As Directed by the Des Moines City
Council in Open Public Meeting on
December 17, 2015.

Scott A. Sullivan
Secretary-Treasurer

AGREEMENT

By and Between

CITY OF DES MOINES, WASHINGTON

and

PUBLIC, PROFESSIONAL & OFFICE-CLERICAL EMPLOYEES
AND DRIVERS
LOCAL UNION NO. 763
(Representing the Public Works, Parks and Marina Employees)

January 1, 2014 - December 31, 2016

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AGREEMENT
 by and between
 CITY OF DES MOINES, WASHINGTON
 and
 PUBLIC, PROFESSIONAL & OFFICE-CLERICAL EMPLOYEES AND DRIVERS
 LOCAL UNION NO. 763
 (Representing the Public Works, Parks and Marina Employees)

January 1, 2014 through December 31, 2016

THIS AGREEMENT is made and entered into by and between the CITY OF DES MOINES, WASHINGTON, hereinafter referred to as the Employer, and PUBLIC, PROFESSIONAL & OFFICE-CLERICAL EMPLOYEES AND DRIVERS LOCAL UNION NO. 763, affiliated with the International Brotherhood of Teamsters, hereinafter referred to as the Union.

ARTICLE I RECOGNITION, UNION MEMBERSHIP AND PAYROLL DEDUCTION

1.1 Recognition - The Employer recognizes the Union as the sole and exclusive collective bargaining representative for all regular full-time and regular part-time maintenance and operations employees within the City of Des Moines Public Works Maintenance Division, Park Maintenance Division, and the Marina excluding supervisors, confidential employees, clerical employees, seasonal and temporary employees and all other employees.

1.1.1 For the purposes of this Agreement, "temporary employee" or "seasonal employee" shall mean an individual appointed to a position for a period of time less than nine (9) months, absent a declaration by the City of emergency need. Should a temporary or seasonal employee be employed in the same position for more than twelve (12) months, the temporary or seasonal employee shall be considered a regular full-time or regular part-time employee. All benefits normally provided regular employees shall begin as of the date the employee changes status from temporary or seasonal to regular.

1.2 Union Membership - It shall be a condition of employment that all employees of the Employer covered by this Agreement shall become members in good standing and those who are not members in good standing on the effective date of this Agreement shall, on the thirty-first (31st) day following the effective date of this Agreement, become and remain members in good standing in the Union or pay a representation service fee to the Union equal to ninety percent (90%) of the dues uniformly levied for Union members or pay an amount of money equivalent to Union dues and initiation fee to a non-religious charity or to another charitable organization agreed upon by the employee and the Union. It shall also be a condition of employment that all employees covered by this Agreement hired on or after its effective date shall, on the thirty-first (31st) day following the beginning of such employment, become and remain members in good standing in the Union or pay a representation service fee to the Union equal to ninety percent (90%) of the dues uniformly levied for Union members or pay an amount of money equivalent to Union dues and initiation fee to a non-religious charity or to another charitable organization agreed upon by the employee and the Union. If the employee and the Union do not reach agreement on such matters, the Public Employment Relations Commission (PERC) shall designate the charitable organization.

- 1.2.1 As provided in R.C.W. 41.56.122, the right of non-association of employees based on bona fide religious tenets or teachings of a church or religious body of which an employee is a member shall be recognized. Such employee shall pay an amount of money equivalent to regular Union dues and initiation fee to a non-religious charity or to another charitable organization mutually agreed upon by the employee and the Union. The employee shall furnish written proof each month to the Union that such payment has been made or initiate and maintain a payroll deduction with the Employer. If the employee and the Union do not reach agreement on such matters, the Commission shall designate the charitable organization.
- 1.3 Payroll Deduction - The Employer shall deduct from the paycheck of each employee who has so authorized in writing the regular initiation fee and regular monthly dues uniformly required of members of the Union. The amounts deducted shall be transmitted monthly to the Union on behalf of the employees involved. Any employee who wishes to cancel the written authorization for dues deduction, must notify the Employer and Union in writing, at which time the Employer will discontinue the deduction.
- 1.3.1 The Union agrees to hold the Employer harmless from any liability whatsoever that might ensue as a result of actions taken to enforce the provisions of this Article. The Union shall defend and hold the Employer harmless against any and all claims, demands, suits, or other forms of liability that shall arise out of or by reason of action taken or not taken by the employer for the purpose of complying with any of the provisions of this Article.
- 1.4 Union Officials Time-Off - An employee who holds a Union position (Shop Steward and/or member of the Negotiating Committee) may be granted time-off while conducting business vital to the employees in the bargaining unit provided:
- They notify the Employer in writing at least forty-eight (48) hours prior to the time-off period;
 - The Employer is able to properly staff the employee's job duties during the time-off period;
 - The wage cost to the Employer is no greater than the cost that would have been incurred had the employee not taken time-off; and
 - Employees shall not transact Union business while working on shift, except up to three designated representatives may participate in contract negotiation meetings with the employer.
- 1.4.1 A shop steward shall be granted reasonable time to participate in grievance meetings with the Employer and/or to accompany an employee in an investigatory interview.
- 1.5 Union Notification - Within thirty (30) days from the date of hire of a new bargaining unit employee, the Employer shall forward to the Union the name, address, and telephone number of the new employee. The Employer shall promptly notify the Union of all bargaining unit employees leaving its employment.

- 1.6 Bulletin Boards - The Employer shall provide suitable space for two (2) bulletin boards, one at the maintenance facility and one at the Marina. Postings by the Union on the bulletin boards shall be confined to official business of the Union; provided such notices shall not be derogatory of the Employer, its elected officials or other personnel.
- 1.7 Union Visitation - An authorized representative of the Union shall have access to the City's workplace at reasonable times for the purpose of investigation of grievances, adjusting disputes and ascertaining that the Agreement is being adhered to, provided that such visit shall not interfere with the work process or cause undue interruption of the employees' work schedule.

ARTICLE II NON-DISCRIMINATION

- 2.1 Neither the Employer, the Union nor any employee shall in any manner whatsoever discriminate against any employee or applicant for employment on the basis of race; color; religion; creed; sex; marital status; national origin; age; or sensory, mental or physical disabilities. Nothing shall prevent the City from establishing bona fide occupational qualifications (BFOQ).
- 2.2 No employee shall be discriminated against because of membership or non-membership or lawful activity in the Union, provided such activity is not carried on so as to interfere with the normal work process.

ARTICLE III MANAGEMENT RIGHTS

- 3.1 The Employer retains and reserves all powers and authority to manage its operations in an effective manner with the sole and unquestioned right and prerogative in accordance with applicable laws, regulations, and City ordinances and policies whether or not specifically mentioned in this agreement and whether or not previously exercised, subject only to the limitations expressly stated in this Agreement. Such management rights shall include but not be limited to the following:
- 1) To plan, direct, control and determine all operations, functions, and policies of the City and to modify such operations, functions and policies as they may affect employees in the Bargaining Unit;
 - 2) To establish and administer a personnel system that provides for all types of personnel transactions, including determining procedures, standards for hiring, promotion, transfer, assignment, layoff, discipline, and classification of positions.
 - 3) To determine job descriptions and job content, with the understanding that job descriptions do not and cannot detail each and every minor or incidental duty employees are expected to perform; nevertheless, employees are expected and required to perform all such duties;
 - 4) To supervise and direct the workforce, to establish the qualifications for employment and to employ employees;

- 5) To schedule and assign work;
- 6) To establish reasonable work and performance standards and, from time to time, to change those standards. Such standards may be used to determine acceptable performance levels, prepare work schedules, and measure the performance and productivity of employees;
- 7) To assign overtime or not. The City has the right to schedule overtime work as required in a manner most advantageous to the City and consistent with the requirements of municipal employment and the public interest;
- 8) To determine the methods, means, organization and number of personnel by which operations and services shall be made or purchased; to subcontract work with either public or private sector agencies or assign work to other City non-bargaining unit personnel in accordance with Article 18;
- 9) To make and enforce rules and regulations, including but not limited to safety rules, operational policies and procedures, and rules of conduct;
- 10) To discipline or discharge for cause.
- 11) To layoff employees for lack of work, funds, or the occurrence of conditions beyond the control of the employer or where such condition of work would be wasteful and unproductive;
- 12) To change or eliminate existing methods, equipment or facilities, including past practices;
- 13) To lawfully inspect lockers, other spaces assigned to Employees, and City vehicles without consent provided that the Employee has a right to be present;

3.2 Probationary employment with the City is at will and the City expressly reserves the right to discharge probationary employees with cause or without cause or advanced notice and without compensation except for time actually worked.

3.3 The City's Personnel Manual shall apply to members of this bargaining unit. However, in the event of a conflict between a specific provision of this Agreement and any guideline, regulation, or rule of the City, the provision of this Agreement shall control. In addition, the parties agree that the City has the sole right to amend, modify, adopt, or change any such personnel policies, provided that the Union is given fifteen (15) days advance notice and an opportunity to comment.

3.4 The City has the right at any time to require an employee to provide evidence of a valid Washington State driver's license if the employee has or will at any time drive a City vehicle and CDL endorsement if such is required by the classification. Such requirement may include having the employee sign a release of driving record; payment of fee is to be paid by the employee.

- 3.5 The exercise of any management prerogative, function, or right which is not specifically modified by this Agreement is not subject to any grievance procedure or to bargaining during the term of this Agreement, except where such exercise is in violation of the express written terms of this Agreement.

ARTICLE IV HOURS OF WORK

- 4.1 Work Schedule - The normal work schedule for full-time employees shall be five (5) consecutive days of eight (8) hours of work exclusive of the lunch period, Monday through Friday, unless an alternate work schedule is scheduled by the City and fourteen (14) days notice is provided to the employee. Management will discuss with the Union any changes to the regular work schedule longer than thirty (30) days in duration.
- 4.1.1 The Employer shall continue its current practice relative to the work schedule for Marina employees except meal periods shall be unpaid throughout the year.
- 4.2 Shift Change - Each employee shall be assigned to a regular shift starting time which shall not normally be changed without forty-eight (48) hours notice, exclusive of emergencies, e.g. snow, ice, flood, earthquake, etc. In the event an employee's regular shift starting time is changed with less than forty-eight (48) hours notice, the employee shall be paid at the overtime rate up to the first sixteen (16) hours worked outside of the employee's regular shift hours during the remainder of the employee's scheduled work week.
- 4.3 Rest Periods - Employees shall receive a rest period of fifteen (15) minutes on the Employer's time for each four (4) hours of working time and shall be scheduled as near as possible to the midpoint of each four (4) hour work period. No employee shall be required to work more than three (3) hours without a rest period. By mutual agreement between the employee and the Employer, the rest periods may be taken at a time other than stated above.
- 4.4 Meal Periods - Employees shall receive a meal period of thirty (30) minutes which shall be on the employee's own time and which shall commence no less than three (3) nor more than five (5) hours from the beginning of the shift. By mutual agreement between the employee and the employer, the meal period may be taken at a time other than stated above. An employee who works more than three (3) hours longer than his normal workday may, at the option of the employee, receive an additional unpaid meal period before or during their overtime.

ARTICLE V OVERTIME, CALLBACK, AND STANDBY

- 5.1 Overtime - All hours worked in excess of the employee's regular schedule in a day, with an eight (8) hour minimum, or forty (40) hours in a week shall constitute overtime. Vacation and holiday time shall be considered hours of work for the purposes of calculating overtime. Overtime shall be paid at the rate of one and one-half (1-1/2) times the employee's regular straight-time hourly rate of pay.
- 5.1.1 Overtime shall be paid for in increments of fifteen (15) minutes with the major portion (eight (8) or more minutes) of each fifteen (15) minute increment being paid as fifteen (15) minutes. All work related calls to an employee who is off-duty shall be paid at a fifteen minute minimum.

- 5.1.2 Scheduled overtime work shall be offered to qualified employees who have designated the preference to work overtime by rotation when feasible. If an insufficient number of employees sign up to work the scheduled overtime, then employees will be assigned the overtime, by least senior to most senior employee, even if they have indicated they prefer not to work overtime, provided that no employee shall be mandated to work overtime more than one (1) time per quarter. Once an employee has been mandated to work overtime one (1) time per quarter, the next least senior employee shall be assigned overtime when an insufficient number of employees sign up to work overtime.
- 5.1.3 In lieu of overtime pay, compensatory time-off may be accrued upon the request of the employee and the approval of the employer. Scheduling of compensatory time-off shall be subject to the approval of the employee's supervisor. Compensatory time-off shall be taken at the rate of one and one-half (1 ½) times the hours worked. The maximum number of hours that can be accumulated is forty (40) hours.
- 5.1.4 Employees shall not accrue additional leave (sick leave or vacation), health or other insurance benefits while on overtime.
- 5.2 Callback - An employee who has left work and is called back to work after completion of a regular day's shift, is called in to work before the beginning of the employee's shift or is called in on the employee's day-off shall be paid a minimum of three (3) hours at one and one-half (1-1/2) times the employee's regular straight-time hourly rate of pay starting at the time the employee is contacted and reports for the assignment; provided however, if the employee's regular shift starts less than three (3) hours from the time the employee started work on the callback, the employee shall receive one and one-half (1-1/2) times the employee's regular straight-time hourly rate of pay only for such time as occurs prior to the commencement of the employee's regular shift.
- 5.2.1 Employees called back to work, as provided in Section 5.2, shall receive one-half (1/2) hour paid travel time to the shop, beginning at the time the call out is made and one-half (1/2) hour paid travel time from the city shop upon completion of the job. If the employee completes the call out assignment within the three (3) hours, including travel time, the employee shall receive the three (3) hour minimum at the appropriate overtime rate of pay (i.e. - travel time to shop thirty (30) minutes assignment takes one (1) hour forty-five (45) minutes and return travel time thirty (30) minutes equals two (2) hours forty-five (45) minutes, the employee would receive the three (3) hour minimum or if it takes the employee two and one half (2 ½) hours to complete the call out the employee would then receive three and one half (3½) hours of pay).
- 5.3 Standby - Employees may be placed on "Standby" status when it is anticipated that they may be called back to duty after going off shift. When placed on standby status, employees will remain near a telephone and will leave a number where they can be reached (unless equipped with a pager, cell phone or other communication device, in which case the employee shall remain within communication distance and within one and one-half (1½) hours or ninety (90 minutes) travel time to the City). It is the intent that standby status shall not preclude an employee from using the time for personal pursuits. While on

standby duty, it is the employee's responsibility to be ready and able to work if called (for example: be able to get to work and not be impaired by drugs or alcohol).

- 5.3.1 Employees on Standby and called back to work, as provided in Section 5.2, shall receive one-half (1/2) hour paid travel time to the shop, beginning at the time the call out is made and one-half (1/2) hour paid travel time from the city shop upon completion of the job. If the employee completes the call out assignment within the three (3) hours, including travel time, the employee shall receive the three (3) hour minimum at the appropriate overtime rate of pay (i.e. - travel time to shop thirty (30) minutes assignment takes one (1) hour forty-five (45) minutes and return travel time thirty (30) minutes equals two (2) hours forty-five (45) minutes, the employee would receive the three (3) hour minimum or if it takes the employee two and one half (2 ½) hours to complete the call out the employee would then receive three and one half (3½) hours of pay).
- 5.3.2 Employees shall be paid one dollar (\$1.00) or an additional five percent (5%) of base pay, whichever is greater, per non-working hour of standby time and overtime pay for the number of hours worked if called in to work, subject to the callback provisions of Section 5.2. Standby Duty shall not be counted as hours worked for the purposes of computing overtime or eligibility to receive fringe benefits.
- 5.3.3 Standby Duty shall be rotated amongst those eligible bargaining unit employees who have designated their preference to work Standby Duty. If no one volunteers or if an insufficient number of volunteers sign up for Standby Duty, then it shall be assigned to other employees by rotation, provided that no employee shall be mandated to be on standby duty more than one (1) time per quarter. Once an employee has been mandated to be on standby duty one (1) time per quarter, the next least senior employee shall be assigned standby duty when an insufficient number of employees sign up to be on standby.
- 5.4 Higher Classification - In the event an employee is assigned by management to work out-of-class in a higher classification within the bargaining unit, then the employee shall be paid at the first step of the higher pay range or may receive a one-step pay increase, whichever is higher, for the period the employee works in a higher classification within the bargaining unit, provided the employee has worked for a period of not less than three (3) consecutive workdays in the higher classification, retroactive to the first day worked in the higher classification.
- 5.5 Pyramiding of Compensation - No pyramiding or double application of Sections and/or Articles is permitted. Compensation shall not be paid more than once for the same hours under any provision or Section of this Article or Agreement, unless expressly stated in each Section or Article. On-call changes shall be approved in advance by the City so as not to require unnecessary overtime costs. The workdays and work periods specified herein shall not constitute guaranteed hours of work.

ARTICLE VI SENIORITY, LAYOFF, RECALL and JOB VACANCIES

- 6.1 Seniority - Seniority shall be the amount of continuous service within a regular bargaining unit position. Seniority shall date back to the employee's date of hire, in a regular status in the bargaining unit, but shall not be established until completion of the employee's "probationary period". An employee may be disciplined and/or discharged during his probationary period without recourse to the grievance procedure contained herein.
- 6.1.1 Each calendar year, upon the request of the Union, the Employer shall provide the Union with a seniority list showing the name, present classification, first date of compensated work in the bargaining unit and the employee's initial date of hire for each employee in the bargaining unit.
- 6.2 An employee's seniority shall be broken so that no prior period of employment shall be counted and their seniority shall cease upon:
1. Retirement
 2. Voluntary termination or job abandonment
 3. Discharge
 4. Failure of the employee to notify the employer of his willingness to return to work upon recall from a layoff within ten (10) calendar days after mailing a written notice from the employer to the employee's last known address appearing on the employer's records
 5. Failure to return to work promptly after an authorized leave of absence
 6. Layoff exceeding fifteen(15) months
 7. Unauthorized leave from work beyond three (3) working days
- 6.2.1 The period of layoff or unpaid leave of absence will not count toward the computation of the amount of "continuous time in service".
- 6.3 Layoff - Layoff shall be by classification. In case of a layoff, employees shall be retained on the basis of job performance. When job performance is relatively equal, the employee with the shortest length of continuous service shall be laid off first. Relative job performance shall be determined on the basis of qualifications, past job performance evaluations and current job evaluations. Qualifications shall be determined by the knowledge, abilities and skills required for the affected position, as stated in the classification descriptions, and the employee's ability to perform the remaining work without further training.
- 6.3.1 The employer shall use no less than the last three (3) job performance evaluations in the determination of which employee is to be laid off. However, if an employee has less than three years of work in any of the classifications (can be cumulative) then those job performance evaluations shall be utilized.
- 6.3.2 Such person designated for layoff may bump an employee in a lower bargaining unit job classification the employee has previously held and/or which the employee is qualified (skills and ability) to hold. The employee to be bumped and laid off from the lower classification shall be selected through the process described in this Article.

- 6.4 Recall - In the case of recall, those employees laid off last shall be recalled first. An employee on layoff shall keep both the Employer and the Union informed of the address and telephone number where he can be contacted. Failure of the employee to notify the Employer of his willingness to return to work upon recall from layoff within ten (10) calendar days after mailing of written notice from the Employer to the employee's last known address appearing on the Employer's records shall cause the Employer's obligation to recall the employee to cease.
- 6.4.1 The Employer shall have no obligation to recall an employee after he has been on continuous layoff for a period of fifteen (15) months.
- 6.4.2 During a period of lay-off recall, no temporary or seasonal employees may be hired until laid off bargaining unit members have been offered the position. The declination or acceptance of a temporary or seasonal position will not affect the recall status of the individual.
- 6.5 Job Vacancies - All job vacancies, whether existing positions or newly created positions, shall be posted on all work site bulletin board for not less than seven (7) calendar days, during which time employees who desire consideration for such openings shall notify the Employer in writing during the period the notice is posted. Bargaining unit employees who meet the minimum qualifications for the position and have completed their probation period shall be given first consideration for positions in the bargaining unit.
- 6.5.1 Posted job opportunities shall contain a current description of the job duties and the rate of pay. It is the intent of the parties to provide qualified employees with opportunities to help meet the needs of both the employee and the City.
- 6.5.2 Employees who are recalled from layoff shall have their sick leave balances restored to the number of hours that were in their sick leave banks at the time of layoff, less any amounts that were cashed out at separation.

ARTICLE VII SICK LEAVE, SHARED LEAVE, LIGHT DUTY, AND BEREAVEMENT LEAVE

- 7.1 Sick Leave - All full-time employees shall accrue sick leave benefits at the rate of eight (8) hours for each calendar month of continuous employment. Employees shall accrue one-half of their monthly sick leave accrual at the end of the first pay period of the month and the second half at the end of the second pay period. Part-time employees shall accrue sick leave benefits on a pro rata basis according to hours worked.
- 7.1.1 Sick leave benefits are earned from the date of employment, and may be utilized from date of employment. Employees do not earn sick leave benefits during a leave without pay. Employees do not earn sick leave benefits, and may not use any earned but unused sick leave benefits, during a suspension without pay. Employees continue to earn sick leave and vacation time while on paid sick leave.
- 7.1.2 Sick leave benefits not used during the calendar year in which they are earned may be carried over and used during succeeding calendar years. Such benefits may be carried over into successive calendar years so long as the employee remains employed by the City. Employees who transfer to another department retain any accumulated sick leave benefits after transfer to their new position.

- 7.1.3 Sick leave benefits may be used by eligible employees for any absence due to personal injury, bereavement, illness or temporary disability which keeps the employee from performing the employee's regular duties, paternity leave for ten (10) days after the birth or adoption of a child under the age of six, medical and dental appointments, absences of reasonable duration occasioned by the illness or injury of a minor child or spouse, or the need to accompany a minor child to a medical or dental appointment, provide care for a child with a health condition, provide care for a spouse, parent, parent-in-law, or grandparent of the employee who has a serious health condition or emergency condition, exposure to a contagious disease where on-the-job presence of the employee would jeopardize the health of others, or use of prescription drug which impairs job performance or safety. Sick leave benefits may be used for actual periods of temporary disability associated with pregnancy or childbirth during which the employee is physically unable to perform her duties as certified by a licensed physician. For the purposes of this section, "child" is defined by RCW 49.12.265. "Health condition", "serious health condition", "emergency condition" and "mental or physical disability" are defined by WAC 296-130-020(10-14).
- 7.1.4 In the event an employee exhausts his or her accrued sick leave, the employee has the option to use accrued vacation leave or compensatory time.
- 7.1.5 Employees injured on the job shall not simultaneously collect sick, vacation or compensatory leave and Worker's Compensation payments greater than the employee's regular pay. If the job related injury or illness requires the employee to be absent from work, the employee may elect to accept L&I time loss payments only or to accept L&I time loss payments and apply accrued sick leave to the remaining balance. At the option of the employee, when and if the employee's sick leave is exhausted, compensatory time or accrued vacation leave may be used. In any event, the Employer shall pay only up to the maximum of the difference between the payment received under Worker's Compensation by such employee and the employee's regular straight-time rate of compensation that the employee would have received from the Employer if able to work. Such payment by the Employer shall be limited to the period of time that such employee has accumulated paid leave credits. The foregoing shall be accomplished by the employee "buying back" sick and vacation leave used with the time loss money from Worker's Compensation by turning the check over to the Employer. Once the employee has bought back all available sick and vacation leave, the employee shall no longer accrue paid leave benefits and shall not be required to surrender the time loss payments from Worker's Compensation to the Employer.
- 7.1.6 Payment of sick leave benefits is conditioned upon the employee notifying the supervisor or Department Director, or designee, of the employee's absence(s) as outlined in Section 4.H Attendance and Tardiness/Absenteeism of the Personnel Manual. Failure to give the required notice may result in no payment of sick leave benefits or other compensation for such absence(s).
- 7.1.7 The employee may be required to provide certification of illness from a qualified health care provider whenever absent for two (2) or more days or has established a pattern which appears to indicate abuse and is requested by the employee's immediate supervisor or the Department Director, or designee. The employee

shall be required to provide a written release to return to work from a qualified health care provider whenever requested by the employee's immediate supervisor or the Department Director, or designee. The City may require any employee returning after an absence to be examined by a second qualified health care provider of the City's choice.

- 7.1.8 Any employee found to have abused sick leave privileges by falsification or misrepresentation shall be subject to corrective action, including but not limited to repayment to the City of any amounts paid to such employee for such periods of absence, or discipline, up to and including discharge.
- 7.1.9 Employees who utilize twenty-four (24) hours or less of sick leave in any calendar year shall receive 10 (ten) hours of vacation time. This is calculated per calendar year and is not available for people who work less than a full year. The employees who qualify for this additional vacation time, and the respective Department Director, shall receive a notice of the qualification in January immediately following the completion of the applicable calendar year. The time is immediately available upon notification and the use of this time follows the same guidelines as noted in Section 7.C of the Personnel Manual.
- 7.1.10 Employees with a sick leave balance of over two hundred (200) hours shall have one (1) hour of their monthly sick leave accrual of eight (8) hours cashed and deposited into the ICMA-RC 457 Plan. Employees whose balance is over three hundred (300) hours shall have two (2) hours of their monthly sick leave accrual of eight (8) hours cashed and deposited into the ICMA-RC 457 Plan.
- 7.1.10.1 Upon the separation from service of an employee in good standing with at least ten (10) years of service with the City of Des Moines in a position represented by the Union or upon the death of any employee regardless of years of service, the City will cash out 25% of the employee's sick leave balance or 200 hours, whichever is less. For employees with at least twenty (20) years of service, the City will cash out four hundred (400) hours or 50% of the employee's sick leave balance, whichever is less.
- 7.1.11 Employees who use all their accumulated sick leave and require more time off work due to illness or injury may submit a request to the City Manager for a leave of absence as specified by Section 7.I of the Personnel Manual.
- 7.1.12 Employees may take sick leave for care of family including spousal equivalent under the Washington Family Care Act and the Family Medical Leave Act as currently enacted or as may be amended.
- 7.2 Shared Leave - Employees shall be eligible for shared leave in accordance with the current Employer policy contained in Section 7.J. of the City of Des Moines Personnel Manual with the provision that employees applying for shared leave benefits may bank a total of forty (40) hours of leave. The Employer reserves the right to change the Shared Leave policy, provided that the Union is offered the opportunity to comment and provide input prior to the change and the change is applied uniformly to all employees covered by Section 7.J.
- 7.3 Light Duty - Light duty may be provided per Section 4.L of the City of Des Moines Personnel Manual.

- 7.4 Bereavement - When a death occurs in an employee's immediate family, the employee may take up to two (2) days of paid bereavement leave which is not counted against any other leave. In addition, the employee may use up to eight (8) hours of sick leave for bereavement leave for in-state deaths and up to twenty-four (24) hours of sick leave for out-of-state deaths. The timing of bereavement leave will be by mutual agreement between the employee and the Department Director, or designee. An employee is not paid for any days off if the employee would not otherwise have been entitled to compensation for that day. Bereavement leave pay shall be that amount the employee would have earned had the employee worked his or her regular work schedule during the leave. An employee may be granted a bereavement leave prior to completion of the trial period. "Immediate family" as used in this section is defined as an employee's spouse, spousal equivalent in a cohabitation relationship, parents, grandparents, children, adopted children, foster children, grandchildren, brothers, sisters, first cousins, nephews, nieces, aunts, or uncles, and/or corresponding in-laws and "step" relations. Additional paid bereavement leave using sick leave or other leaves may be approved by the City Manager on a case-by-case basis.

ARTICLE VIII VACATION AND HOLIDAY

- 8.1 Vacation - Each regular full-time employee shall accrue vacation leave at the following rates:

<u>Years of Employment</u>	<u>Vacation Hours Earned</u>	<u>Carryover Maximum</u>
0-3 years	8 hours/month	255
4-6 years	10 hours/month	270
7-10 years	12 hours/month	285
11-15 years	14 hours/month	300
16+ years	16 hours/month	315

- 8.1.1 Employees accrue one-half of their monthly vacation accrual at the end of the first pay period of the month and the second half at the end of the second pay period. Employees are eligible to use earned vacation leave after six (6) months of employment. The department director can waive the six-month waiting period. Regular part-time employees earn vacation leave on a pro-rated basis.
- 8.1.2 All vacation must be scheduled with and approved by the department director or designee. Vacations shall be scheduled at such times as the Employer finds most suitable after considering the wishes of the employee and the requirements of the department.
- 8.1.3 Employees are encouraged to use vacation in the year it is earned. The maximum vacation hours that any employee can carryover from one year to the next is according to the schedule listed in Section 8.1. Where City operations make it impractical for an employee to use his/her vacation time, the City Manager may authorize the employee to carryover more hours, provided that the employee submits a request to carryover the additional hours that includes an explanation of why he could not use all the hours over the maximum carryover amount in that year and details a plan to make sure he will not carryover more than the maximum the following year. This request must be endorsed by the department director.

- 8.1.4 Upon separation from employment, employees shall be paid for all accrued but unused vacation time on their final paycheck at their current straight-time rate. Employees who are retiring are encouraged to use unused vacation time prior to the effective date of their retirement. Retiring employees may be paid for that portion of unused vacation time that does not create a retirement financial liability or obligation for the City on their final paycheck.

- 8.2 Holidays - An employee is eligible for a paid holiday if he or she is on paid status during the work day before and after the holiday. Employees shall receive the following holidays off with eight (8) hours of compensation at their regular straight-time hourly rate of pay:

New Year's Day	January 1
Martin Luther King Jr.'s Birthday	3rd Monday in January
President's Day	3rd Monday in February
Memorial Day	Last Monday in May
Independence Day	July 4
Labor Day	1st Monday in September
Veteran's Day	November 11
Thanksgiving Day	4th Thursday in November
Day after Thanksgiving	Day after Thanksgiving
Christmas Day	December 25
16 hours of Floating Holiday	As scheduled by employee and approved by supervisor

Des Moines City Hall will close at 12:00 noon on Christmas Eve, December 24.

- 8.2.1 The above holidays shall be observed on those dates set by State law. Any holiday falling on a Sunday shall be observed on the following Monday. Any holiday falling on a Saturday shall be observed on the preceding Friday.
- 8.2.2 If a holiday occurs while an employee is on vacation or sick leave, the holiday shall be utilized rather than charged against the employee's accrued vacation or sick leave.
- 8.2.3 Employees assigned to work on any of the holidays listed in Section 8.2 shall be paid one and one-half (1 ½) times their regular rate of hourly pay for all hours worked on these days, in addition to their holiday pay. Employees assigned to work Thanksgiving Day, Christmas Day, and Christmas Eve Day after 12:00 p.m. (noon) shall be paid two (2) times their regular rate of hourly pay for all hours work on these days, in addition to their holiday pay. For the purposes of this provision, holidays begin and end at midnight, except Christmas Eve Day, which begins at 12:00 p.m. (noon) and ends at midnight. Employees who are assigned to work on any holiday may choose to receive their eight (8) hours of holiday compensation on their next paycheck or, with their supervisor's approval, add eight (8) hours of time to their floating holiday balance. These hours must be used in the calendar year they are earned and may not be carried over into the next calendar year.

- 8.2.4 In the event the observation of a holiday falls on an employee's regular day off, the employee may receive their eight (8) hours of holiday compensation on their next paycheck or, with their supervisor's approval, schedule an alternate day off with eight (8) hours of pay.
- 8.2.5 Employees are eligible to use their floating holiday after six (6) months of employment. The department director may waive this six (6) month waiting period. The annual floating holiday does not carryover from one year to the next. It must be used in the calendar year earned or is forfeited. The floating holiday is not compensated in any form upon separation of employment. The City Manager shall have the discretion to designate a particular day during the year as the floating holiday for all eligible employees. The City Manager may take an advisory ballot of all the eligible employees to determine for that year whether the employees wish to leave the floating holiday to individual discretion or to consolidate the floating holiday for one particular citywide day off.

ARTICLE IX GRIEVANCE PROCEDURE

- 9.1 Grievance Definition - A grievance is a complaint by a regular, full or part-time (non-trial period) employee or group of regular employees alleging a violation of a specific provision of this agreement. A complaint by an eligible employee regarding discipline that does not involve a loss of pay or monetary benefits may only be processed through Step 3 of the grievance procedure herein.
- 9.2 Grievance Procedure Steps - A grievance shall be handled in the following manner:
- 9.2.1 Step 1 - The aggrieved employee or group of employees shall present the grievance orally to the immediate supervisor within five (5) working days of its occurrence (or discovery of occurrence), not including the day of the occurrence. The supervisor shall give an oral reply within five (5) working days of the date of presentation of the grievance, not including the date of the presentation. If the grievance is resolved at Step 1, the supervisor shall prepare a memorandum to the grievant(s) setting forth the terms of the resolution. A copy of this memorandum should be sent to the Department Director and Personnel Director at the time it is sent to the grievant(s).
- 9.2.2 Step 2 - If the grievance is not settled at Step 1 it shall be: (1) reduced to writing, stating the specific section of this agreement that was allegedly violated and describing the remedy, adjustment, or other corrective action sought; (2) dated; (3) signed by the aggrieved employee or group of employees; and (4) presented to the Department Director within five (5) working days after the supervisor's oral reply is given, not including the day the answer is given. The Department Director shall reply in writing to the grievant(s) within five (5) working days of the date of the presentation of the written grievance, not including the day of the presentation. If the grievance is resolved at Step 2, the Department Director shall prepare a memorandum to the grievant(s) setting forth the terms of this resolution. The Personnel Director should be provided with a copy of this memorandum at the time it is sent to the grievant(s).

9.2.3 Step 3 - If the grievance is not settled at Step 2, the written grievance shall be presented, along with all pertinent correspondence and information to the City Manager within five working days after the Department Director's response is given, with a copy going to the Department Director. The City Manager may meet with the aggrieved employee or group of employees, the immediate supervisory personnel and the Department Director. The City Manager shall reply to the grievant(s) in writing within ten (10) working days of the date of presentation of the written grievance, not including the day of presentation.

9.2.4 Step 4 - If the grievance is not resolved by the City Manager, the grievance may, within fifteen (15) calendar days, be referred to a mediator. The Union or the City Manager shall forward a request to the executive director of the Public Employment Relations Commission (PERC) to assign a mediator from his or her staff. Upon designation of the mediator, the parties will make every attempt to schedule a date for mediation within fifteen (15) days.

- a. Proceedings before the mediator shall be confidential and informal in nature. No transcript or other official record of the mediation conference shall be made.
- b. The mediator shall attempt to ensure that all necessary facts and considerations are revealed. The mediator shall have the authority to meet jointly and/or separately with the parties and gather such evidence as deemed necessary.
- c. The mediator shall not have the authority to compel resolution of the grievance. If the mediator is successful in obtaining agreement between the parties, he/she shall reduce the grievance settlement to writing. Said settlement shall not constitute a precedent unless both parties so agree.
- d. If mediation fails to settle the dispute, the mediator may not serve as an arbitrator in the same matter nor appear as a witness for either party. Nothing said or done in mediation may be referred to or introduced into evidence at any subsequent arbitration hearing.

9.2.5 Step 5 - Arbitration Procedure. If a grievance concerning a violation of a specific provision of this Agreement which shall not include any disciplinary action is not settled in accordance with the foregoing procedures, the Union or Employer may refer the grievance to arbitration within thirty (30) calendar days after the completion of mediation or in the event mediation is bypassed, within thirty (30) calendar days after completion of Step 3. If the request for arbitration is not filed by the Union staff representative or the Employer within thirty (30) calendar days, the Union or Employer waives its right to pursue the grievance through the arbitration procedure. The City and the Union shall attempt to select a sole arbitrator by mutual agreement. In the event the parties are unable to agree upon an arbitrator, either party may request the Public Employment Relations Commission (PERC) to submit a panel of nine (9) arbitrators. Both the City representative and the Union representative shall have the right to strike four (4) names from the panel. The party striking the first name shall be determined by a flip of a coin. The other party shall then strike the next name and so on. The remaining person shall be the arbitrator. The arbitrator shall be notified of his/her selection by a joint letter from the Employer and the Union requesting that he/she

set a time and place subject to the availability of the City and the Union representatives. The arbitrator shall have no right to amend, modify, ignore, add to, or subtract from the provisions of this agreement. He/she shall consider and decide only the specific issue submitted to him/her in writing by the City and the Union, and shall have no authority to make a decision on any other issue not submitted to him/her. The arbitrator shall submit his/her decision in writing within thirty (30) calendar days following the close of the hearing or the submission of briefs by the parties, whichever is later, unless the parties agree to an extension thereof. The decision shall be based solely upon his/her interpretation of the meaning or application of the express terms of this Agreement to the facts of the grievance presented. The decision of the arbitrator shall be final and binding.

- 9.2.6 Step 5 - Arbitration Procedure (Discipline involving loss of pay or monetary benefits). If a grievance concerning discipline involving loss of pay or monetary benefits is not settled in accordance with the foregoing procedures, the Union or Employer may refer the grievance to arbitration within thirty (30) calendar days after the completion of mediation or in the event mediation is bypassed, within thirty (30) calendar days after completion of Step 3. If the request for arbitration is not filed by the Union staff representative or the Employer within thirty (30) calendar days, the Union or Employer waives its right to pursue the grievance through the arbitration procedure.

A panel of three (3) arbitrators determined by the Employer and Union representatives starting with a panel of eleven (11) professionally recognized arbitrators selected by the Employer and the Union. The Employer will then delete four (4) names. The Union will then delete four (4) names. The remaining three (3) arbitrators become the panel from which the Employer shall select an arbitrator if necessary during the term of the Agreement. The arbitrator shall be notified of his/her selection by a joint letter from the Employer and the Union requesting that he/she set a time and place subject to the availability of the City and the Union representatives. The arbitrator's authority is limited to either accepting the position of the Employer or accepting the position of the Union. The arbitrator shall submit his/her decision in writing within thirty (30) calendar days following the close of the hearing or the submission of briefs by the parties, whichever is later, unless the parties agree to an extension thereof. The decision shall be based solely upon his/her interpretation of the meaning or application of the express terms of this Agreement to the facts of the grievance presented. The decision of the arbitrator shall be final and binding.

9.3 Special Provisions

- a. The cost of the arbitration shall be borne equally by the parties including the arbitrator's fees and expenses, room rental and cost of record.
- b. Each party shall bear the cost of the preparation and presentation of its own case, including but not limited to witness fees and attorney fees.
- c. The term "Employee" as used in this article shall mean an individual employee, a group of employees, and/or their Union representative.
- d. An aggrieved party shall be granted time off without loss of pay for the purpose of hearing on a grievance.

- e. A grievance may be entertained in, or advanced to, any step in the grievance procedure if the parties so jointly agree.
- f. The time limits within which action must be taken or a decision made as specified in this procedure may be extended by mutual written consent of the parties involved. A statement of the duration of such extension of time must be signed by both parties.
- g. Any grievance shall be considered settled at the completion of any step if the Employee is satisfied or deemed withdrawn if the matter is not appealed within the prescribed period of time.
- h. Grievance claims involving retroactive compensation shall be limited to one hundred twenty (120) days prior to the written submission of the grievance.

9.4 Election of Remedies - It is specifically and expressly understood and agreed that taking a grievance appeal to arbitration constitutes an election of remedies and a waiver of any and all rights by the appealing employee, the Union, and all persons it represents to litigate or otherwise contest the appealed subject matter in any court or other available forum. Likewise, litigation or other contest of the subject matter of the grievance in any court or other available forum shall constitute an election of remedies and a waiver of the right to arbitrate the matter.

9.4.1 The Union, the appealing employee, and any other bargaining unit members do not have a right to bypass the arbitration provisions of this Agreement and resort to litigation or any other forum to appeal a grievance based on rights under this Agreement.

ARTICLE X EQUIPMENT, UNIFORMS, AND TRAINING

10.1 Equipment - The Employer shall provide each employee safety equipment and protective clothing as required by the Employer for the performance of all essential job functions.

10.2 Uniforms - The Employer shall provide each employee a sufficient number of uniforms. The Employer shall also provide laundering services for all uniform items. Following initial uniform issue, replacement of uniform items shall be based on need. The Employer shall have the sole and final authority to determine when items need replacement.

10.2.1 The Employer, for 2014 shall provide each employee with a boot allowance of up to one hundred eighty dollars (\$180) to purchase work boots. The allowance shall increase by one hundred percent (100%) of Seattle CPI-U of June of the previous year for subsequent years. Boots replacement shall be based on need, with the Employer having the sole and final authority to determine when replacement is needed. The boot allowance amount shall apply each time a pair of boots is replaced.

10.3 Training - The Employer shall compensate employees to attend employer required training. Employer required training shall be paid at the employee's regular, straight-time hourly rate of pay unless otherwise required by the Fair Labor Standards Act. The Employer shall reimburse costs reasonably related to such training.

10.3.1 Reimbursement for training and other related expenses shall be in accordance with the Employer's policy.

10.3.2 The Employer shall not be required to compensate an employee for time spent by the employee outside of regular working hours for acquisition or maintenance of certifications required by county, state, or federal law.

ARTICLE XI HEALTH, WELFARE, and RETIREMENT

11.1 Medical Insurance - Regular full-time employees and regular part-time employees budgeted for thirty-two (32) hours or more per week shall be eligible to participate in the City's medical insurance plans. Premiums shall be paid by the City on behalf of all full-time employees and on behalf of all part-time employees budgeted for thirty-two (32) or more per week on a pro rata basis according to the following schedule:

- 1) Effective January 1, 2014 through December 31, 2014, the City will pay one-hundred percent (100%) of the employee's premium and pay ninety percent (90.0%) of the spouse and dependents' premiums for the following Association of Washington Cities Health Insurance Plans:
 - i. Healthfirst Plan
 - ii. High Deductible Health Plan
 - iii. Group Health Cooperative Copay Plan 2 - \$10.00 Copay
- 2) Effective January 1, 2015 through December 31, 2015, the City will pay ninety-five percent (95%) of the eligible employee's premium and eighty-five percent (85%) of the spouse and dependents' premiums for the following Association of Washington Cities Health Insurance Plans:
 - i. Healthfirst Plan
 - ii. Group Health Cooperative Copay Plan 2 - \$10.00 Copay
- 3) Effective January 1, 2016 through December 31, 2016, the City will pay ninety percent (90%) of the employee's premium and eighty percent (80%) of the spouse and dependents' premiums for the following Association of Washington Cities Health Insurance Plans:
 - i. Healthfirst Plan
 - ii. Group Health Cooperative Copay Plan 2 - \$10.00 Copay
- 4) Effective January 1, 2015, through December 31, 2016, the City will pay one hundred percent (100%) of the eligible employee's premium and ninety percent (90%) of the spouse and dependents' premiums for the Association of Washington Cities High Deductible Health Plans.

- i. For employees who select a High Deductible Plan for 2015 and 2016, the City will provide a notional Health Reimbursement Arrangement (HRA) of one thousand five hundred dollars (\$1,500) for employee only coverage or three thousand dollars (\$3,000) for any family coverage. The City will fund the notional HRA by preloading a benefits debit card for each employee on an annual basis.
 - ii. Once the deductible has been met, and the employee has paid the coinsurance costs of one thousand five hundred dollars (\$1,500) above any beyond the deductible for employee only coverage, or three thousand dollars (\$3,000) above and beyond the deductible for any family coverage, the City will pay any further coinsurance costs which apply to the employee's annual-out-of pocket limit.
 - iii. The unused balance in the notional HRA will be rolled over into the employee's HRA VEBA account in April of the following year.
- 5) For those employees who select the HealthFirst Plan or the Group Health Copay Plan 2 (\$10 copay), the City will provide a Health Reimbursement Arrangement (HRA) with the following contributions made by the City.
- i. Employee only: five hundred eighty dollars (\$580)
 - ii. Employee plus dependents one thousand one hundred thirty dollars (\$1,130)

The City will change from the current HRA provider and carry over any balance in the employees current HRA account to the new provider HRA VEBA account.

- 6) Should the City voluntarily agree to a higher HRA or HSA amount with any other group, the Union members covered by this agreement, shall receive the same amount(s). This provision shall not apply to any HRA or HSA amounts imposed on the Employer as a result of any arbitration or court decision.

11.2 Dental Insurance - For regular full-time employees and regular part-time employees whose positions are budgeted for thirty-two (32) or more hours per week, the City shall pay each month one-hundred percent (100%) of the premium necessary for the purchase of employee coverage and dependent coverage under the Association of Washington Cities (AWC) Washington Dental Service Plan F and Plan II Orthodontia.

11.3 Vision Insurance - For regular full-time employees and regular part-time employees whose positions are budgeted for thirty-two (32) or more hours per week, the City shall pay each month one-hundred percent (100%) of the premium necessary for the purchase of employee coverage and dependent coverage under the Association of Washington Cities (AWC) Vision Service Plan (VSP), Full Family \$25 Deductible.

- 11.4 Long-term Disability (LTD), Term Life, Accidental Death and Dismemberment (AD&D), and Survivor's Income Benefit (SIB) Insurance - As the City of Des Moines has withdrawn from the Social Security System, the Employer will provide a package of benefits that is intended to replicate the benefits that employees would be eligible for under Social Security. For regular full-time employees and regular part-time employees whose positions are budgeted for twenty-one (21) or more hours per week, the Employer shall pay each month one-hundred percent (100%) of the premium necessary for the purchase of employee coverage for LTD, Term Life, AD&D, and SIB coverage. The Employer will pay into the Social Security System for employees not eligible for these benefits.
- i. In addition to the current LTD SIB and Term Life Insurance (\$5,000 and \$10,000 AD&D) coverage the City provides, the City will contribute an additional point three five three percent (0.353%) for each employee, covered by the Teamsters Collective Bargaining Agreement, to their 457(a) account from the savings realized by the City from the LTD and SIB Programs.
 - ii. The City will modify the terms of the 401(a) Social Security Replacement and 457 Deferred Compensation Plans it purchases from ICMARC to allow retired employees represented by the Union to annually withdraw, tax free, the maximum amount allowed by law to pay for health insurance premiums, when federal law or regulation is changed to allow such withdrawals.
- 11.5 Payment of Premiums - The Employer will pay premiums for the coverages described in this Article for eligible employees if the employee is on paid status during the first ten (10) working days of the month.
- 11.6 The Employer reserves the right to select other insurance plans and carriers or to self-insure to provide the benefits outlined in Article 11, provided that the benefits are comparable with those currently offered. The Teamsters agree to accept externally imposed benefit changes.
- 11.7 Public Employees Retirement System (PERS) - The Employer and eligible employees shall contribute to the PERS system as required by State law.
- 11.8 Social Security - The City of Des Moines does not participate in the Social Security System. In lieu of the retirement benefit of Social Security, the City has a 401(a) Defined Contribution Plan through the International City/County Management Associations Retirement Corporation (ICMA-RC). For regular full-time employees and regular part-time employees whose positions are budgeted for twenty-one (21) or more hours per week, the Employer shall contribute an amount equal to five percent (5%) of base pay and employees shall contribute an amount equal to six and two-tenths percent (6.2%) of base pay. Vesting of the City's share of the 401(a) plan is as follows: after two years of service - 25%, after three years of service - 50%, after four years of service - 75%, and after five years of service - 100%.
- 11.9 The Employer shall pay into the Labor and Industries system as required by law for all employees covered by this agreement.

- 11.10 Part 125 Plan - Effective January 1, 2008 through December 31, 2009, the City shall allow an employee to participate in a Part 125 Plan if he/she so desires.
- 11.11 Teamsters Pension Plan - In the event employees elect to join the Teamsters Pension Plan, the City agrees to withhold from their salary each month the amount necessary for their participation in the plan and to remit such amounts to the Plan on a monthly basis provided administration costs are the only cost to the City.

ARTICLE XII LABOR-MANAGEMENT CONFERENCE COMMITTEE

- 12.1 Labor-Management Conference Committee - The Employer and the Union shall establish a Joint Labor-Management Conference Committee which shall be comprised of participants from both the Employer and the Union. The function of the Committee shall be to meet periodically to discuss issues of general interest and/or concern, as opposed to individual complaints, for the purpose of establishing a harmonious working relationship between the employees, the Employer and the Union. It is not the purpose of the Committee to reopen collective bargaining negotiations or to change the terms of this Agreement. Either the Employer or the Union may request a meeting of the Committee. The party requesting the meeting shall do so in writing listing the issues they wish to discuss.

ARTICLE XIII COMPENSATION

- 13.1 Base Wage - The classifications of work and monthly rates of pay for employees covered by this Agreement shall be set forth within Appendix "A" to this Agreement which by this reference shall be incorporated herein as if set forth in full.
- 13.2 Military Paid Leave of Absence - An employee who is a member of the reserves or any branch of the uniformed service, who is ordered to involuntary active duty by the United States government, thus requiring a leave of absence from his or her City position, and who has exhausted annual military leave as provided by RCW 38.40.060 will be granted a paid leave of absence from their City position at their regular base rate of pay less the amount of military pay to which they are entitled.

ARTICLE XIV PERFORMANCE OF DUTY

- 14.1 Employees shall perform their assigned duties to the best of their abilities. The Union and the Employer agree that there shall be no strikes, walk outs, slow downs, stoppages of work, "sick outs", or any interference with the efficient operation of the departments.

ARTICLE XV SAVINGS

- 15.1 Should any provision of this Agreement be rendered invalid by reason of any existing or subsequently enacted legislation or by any decree of a court of competent jurisdiction, such invalidation shall not invalidate the remaining portions of this Agreement, and the remaining portions shall remain in full force and effect.

ARTICLE XVI SAFETY

- 16.1 Safety - The Employer agrees to provide a work environment that complies with all applicable state and federal laws to insure worker safety.
- 16.2 Drug and Alcohol Testing - The parties have agreed to implement the Department of Transportation requirements for CDL drug and alcohol testing and the City's Drug and Alcohol Testing Policy and Procedures.

ARTICLE XVII EMPLOYEE RIGHTS

- 17.1 The Employer recognizes and agrees that employees covered by this Agreement are entitled to all rights and privileges accorded ordinary citizens under all applicable provisions of the United States and State Constitutions as well as the rights and privileges granted by any and all applicable laws and this Agreement. If a meeting is called for disciplinary action, and employee may request a Union Representative to be present.
- 17.2 Employees shall have the right to review their personnel file on break time, lunchtime, or leave status, and request in writing amendments of any statements in their file. Any Employer's decision regarding a proposed amendment shall be in writing. If amendment is refused, the employee shall be entitled to have a rebuttal statement placed in the file. All performance evaluations shall be reviewed with the employee before being included in their personnel file. Employees shall sign the evaluation as evidence that it has been reviewed with them. An employee's signature does not necessarily indicate agreement.

ARTICLE XVIII SUBCONTRACTING

- 18.1 At least ninety (90) days prior to the implementation of contracting out to public or private agencies, the City shall meet with the Union to:
- 1) Provide the City's reasons and goals for contracting out or reassignment of the work,
 - 2) Discuss alternatives to contracting out or reassignment that would meet the City's goals, and
 - 3) If the implementation should result in a reduction of the workforce, bargain the impacts of such contracting out or reassignment.

ARTICLE XIX COMPLETE AGREEMENT

- 19.1 All matters not specifically covered in this Agreement shall be deemed to have been raised and disposed of as if specifically covered herein. It is agreed that this document contains the full and complete agreement on all bargainable issues between the parties hereto and for all for whose benefit this Agreement is made, and no party shall be required during the term of this Agreement to negotiate or bargain upon any issue unless mutually agreed otherwise.
- 19.2 Any and all agreements, written and verbal, previously entered into between the parties hereto are mutually canceled and superseded by this Agreement.

ARTICLE XX TERM OF AGREEMENT

- 20.1 This Agreement shall be effective January 01, 2014 and shall remain in full force and effect through December 31, 2016. Either party may upon written notice to the other no later than ninety (90) days prior to the expiration of the Agreement of their intent to meet and negotiate a successor agreement.
- 20.2 Notwithstanding the provisions of Section 20.1, this Agreement and all of its terms and provisions shall continue to remain in full force and effect during the course of negotiations on a new Labor Agreement until such time as the terms of a new Agreement have been reached or an impasse has been reached and declared by the Employer and/or the Union, whichever is the sooner; provided however, in no event shall an impasse be declared earlier than one (1) year following the expiration date of this Agreement.

ARTICLE XXI MISCELLANEOUS

- 21.1 Deductions shall be made for tardiness in increments of fifteen (15) minutes with the major portion (eight (8) or more minutes) of each fifteen (15) minute increment being deducted as fifteen (15) minutes.
- 21.2 Should the Mayor, City Manager or a Designee close City Hall, due to inclement weather or related conditions and releases non-essential personnel on administrative leave during regular City Hall business hours, then the City shall add an equal amount of time to the vacation balances of each employee covered under this agreement who is assigned to work during the normal City Hall business hours while City Hall is closed.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement this 21st day of November, 2014.

PUBLIC, PROFESSIONAL & OFFICE-
CLERICAL EMPLOYEES AND DRIVERS
LOCAL UNION NO. 763, affiliated with the
International Brotherhood of Teamsters

By

Scott A. Sullivan
Scott A. Sullivan
Secretary-Treasurer

By

CITY OF DES MOINES, WASHINGTON

Anthony A. Piasecki
Anthony A. Piasecki
City Manager

Date

11-21-14

Date

11/21/14

APPENDIX "A"
to the
AGREEMENT
by and between
CITY OF DES MOINES, WASHINGTON
and
PUBLIC, PROFESSIONAL & OFFICE-CLERICAL EMPLOYEES AND DRIVERS
LOCAL UNION NO. 763
(Representing the Public Works, Parks and Marina Employees)

January 01, 2014 through December 31, 2016

THIS APPENDIX is supplemental to the AGREEMENT by and between the CITY OF DES MOINES, WASHINGTON, hereinafter referred to as the Employer, and PUBLIC, PROFESSIONAL & OFFICE-CLERICAL EMPLOYEES AND DRIVERS LOCAL UNION NO. 763, affiliated with the International Brotherhood of Teamsters, hereinafter referred to as the Union.

- A.1 Effective January 1, 2014, the base wage rates in effect December 31, 2013, shall be increased by an amount equal to one-hundred percent (100%) of the Seattle CPI-U for June 2012 to June 2013 [one point four percent (1.4%)], plus point five percent (0.5%) market adjustment, with a minimum of zero percent (0.0%).

RANGE	POSITION	A	B	C	D	E
T15	Maintenance Worker Harbor Attendant	\$4,079	\$4,283	\$4,497	\$4,722	\$4,958
T16	Traffic Control Specialist	\$4,242	\$4,454	\$4,677	\$4,911	\$5,157
T17	Facilities Worker	\$4,412	\$4,633	\$4,865	\$5,108	\$5,363
T18	Sr. Maintenance Worker (Lead)	\$4,588	\$4,817	\$5,058	\$5,311	\$5,577

- A.2 Effective January 1, 2015, the base wage rates in effect December 31, 2014, shall be increased by an amount equal to one-hundred percent (100%) of the Seattle CPI-U for June 2013 to June 2014 [two percent (2.0%)], plus point five percent (0.5%) market adjustment, with a minimum of zero percent (0.0%).

RANGE	POSITION	A	B	C	D	E
T15	Maintenance Worker Harbor Attendant	\$4,181	\$4,390	\$4,610	\$4,841	\$5,083
T16	Traffic Control Specialist	\$4,348	\$4,565	\$4,793	\$5,033	\$5,285

RANGE	POSITION	A	B	C	D	E
T17	Facilities Worker	\$4,522	\$4,748	\$4,985	\$5,234	\$5,496
T18	Sr. Maintenance Worker (Lead)	\$4,703	\$4,938	\$5,185	\$5,444	\$5,716

A.3 Effective January 1, 2016, the base wage rates in effect December 31, 2015, shall be increased by an amount equal to one-hundred percent (100%) of the Seattle CPI-U for June 2014 to June 2015 [TBD], plus one percent (1.0%) market adjustment, with a minimum of zero percent (0.0%).

A.4 The rates of pay provided for in APPENDIX "A" of this Agreement are contract minimums. Nothing herein shall prohibit the Employer from paying an employee in excess of the minimum amounts.

PUBLIC, PROFESSIONAL & OFFICE-
CLERICAL EMPLOYEES AND DRIVERS
LOCAL UNION NO. 763, affiliated with the
International Brotherhood of Teamsters

CITY OF DES MOINES, WASHINGTON

By

Scott A. Sullivan
Scott A. Sullivan
Secretary-Treasurer

By

Anthony A. Piasecki
Anthony A. Piasecki
City Manager

Date

11-21-14

Date

11/21/14

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A G E N D A I T E M

BUSINESS OF THE CITY COUNCIL City of Des Moines, WA

SUBJECT: Draft Resolution 15-155 Setting
Combined Public Hearing Date for:

- 1) Draft Resolution 15-215 approving the Second Addendum to the Amended & Restated Second Development Agreement for the Des Moines Creek Business Park.
- 2) Draft Ordinance 15-216 Vacating DMCBP Tract E (South 214th Street) Right of Way.
- 3) Draft Ordinance 15-217 Amending the approved DMCBP Master Plan

ATTACHMENTS:

1. Draft Resolution No. 15-155

FOR AGENDA OF: December 17, 2015

DEPT. OF ORIGIN: Planning, Building & Public Works

DATE SUBMITTED: December 10, 2015

CLEARANCES:

- ☒ Legal DSB
☐ Finance N/A
☐ Marina N/A
☐ Parks, Recreation & Senior Services N/A
☒ Planning, Building & Public Works DSB
☐ Police N/A
☒ Economic Development Manager nee

APPROVED BY CITY MANAGER

FOR SUBMITTAL: MM/ACM

Purpose and Recommendation

The purpose of this agenda item is for City Council to set a combined public hearing date to consider Draft Resolution 15-215 approving the Second Addendum (hereinafter "Addendum") to the Amended & Restated Second Development Agreement for the Des Moines Creek Business Park (DMCBP) approved by City Council on February 20, 2014 and amended on September 25, 2014 (hereinafter "Development Agreement") and to consider Draft Ordinance 15-216 vacating DMCBP Tract E (South 214th Street) Right of Way and Draft Ordinance 15-217 amending the approved DMCBP Master Plan. The City Council can move forward with the consideration of this resolution by passing the motion below, setting the required public hearings. The following motion will appear on the consent calendar:

Suggested Motion

Motion: "I move to adopt Draft Resolution No. 15-155 setting a combined public hearing on January 21, 2016 to consider Draft Resolution No. 15-215, approving the Second Addendum to the Amended & Restated Second Development Agreement for the Des Moines Creek Business Park; Draft Ordinance No. 15-216, vacating DMCBP Tract E (South 214th Street) Right of Way; and Draft Ordinance No. 15-217, amending the approved Des Moines Creek Business Park Master Plan."

Background

On February 20, 2014, the City Council approved Resolution No. 1252 approving the Restated and Amended Second Development Agreement By and Between the City of Des Moines and the Port of Seattle and the DMCBP Master Plan which covers the northern two-thirds of the site. That Development Agreement was approved and signed by the Port on June 10, 2014. On September 25, 2014, the City Council approved Resolution No. 1278 approving the First Addendum to the Development Agreement. The First Addendum was approved and signed by the Port on November 6, 2014.

The Port and its developer were successful in being awarded the Federal Aviation Administration (FAA) regional headquarters lease development project on the four DMCBP parcels fronting on South 216th Street, the southern third of the site, after the City approved the First Addendum.

With the FAA project being slated for the southern third of the site, an amendment to the approved Master Plan is required. In order to accommodate the FAA facility, a number of revisions to the site plan and transportation infrastructure will be needed and are proposed with the Master Plan Amendment.

As part of the Master Plan approval process, the City will need to amend our current Development Agreement in order to reflect the proposed revisions to the site plan. The City will also need to vacate the South 214th Street right-of-way (Tract E). All three of these actions (Addendum to the Development Agreement, the Right-of-Way Vacation, and the Master Plan Amendment) require a decision by the City Council. Given that all three of the issues are related, staff is proposing a combined public hearing.

Discussion:

The combined public hearing will be in three parts: approving the Second Addendum to the Development Agreement, vacating the DMCBP Tract E (South 214th Street) right-of-way, and finally approving the Master Plan Amendment.

At the public hearing, Council will consider the realignment the internal loop road from a South 214th Street/20th Avenue South alignment to a South 211th Street/20th Avenue South alignment. This will require the vacation of Tract E (South 214th Street) and the creation of a new dedicated right-of-way on the west side of the developer's Phase II development connecting South 211th Street to the extension of 20th Avenue South north of South 216th Street. The required Joint Use Access Path originally proposed to be constructed in the 66-foot dedicated Tract E (South 214th Street), is now proposed to be built along the same general alignment but within a 20-foot easement or dedicated tract. There is no longer a dedicated public road proposed along South 214th Street because of FAA security concerns.

Council will also consider the proposed Master Plan Amendment and Second Addendum modifying the approved Master Plan with changes to the property descriptions, adjustments to the landscaping development regulations, adoption of a modified Master Plan for the full DMCBP and changes to the transportation infrastructure. Both the proposed modified Master Plan and proposed changes to the transportation infrastructure assume that Council will adopt the draft ordinance vacating the current Tract E along South 214th Street. The public hearing date is in compliance with DMMC 12.10.040 and RCW 35.79.010.

Alternatives:

The City Council may:

1. Adopt the proposed Draft Resolution.

2. Adopt the Draft Resolutions with a different hearing date for the combined public hearing.
3. Decline to adopt the Draft Resolution.

Financial Impact:

If the FAA were to re-site its regional headquarters because of compromised security, the City would lose a substantial amount of leasehold excise tax from FAA. There are generally equivalent values associated with the vacation of Tract E (South 214th Street) and the addition of the new right-of-way to be dedicated to the City in the new tract to be created west of Phase II.

Recommendations/Conclusion:

Administration recommends that the City Council approve the Draft Resolution No. 15-155 setting the combined public hearing.

Concurrence:

Planning, Building, and Public Works, Legal and Finance Departments concur.

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PLANNING, BUILDING, AND PUBLIC WORKS FIRST DRAFT 12/7/2015

DRAFT RESOLUTION NO. 15-155

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF DES MOINES, WASHINGTON, setting a combined public hearing date for a draft ordinance vacating Des Moines Creek Business Park (DMCBP) Tract E Right of Way (S. 214th Street), amendment to the approved DMCBP Master Plan, and a Second Addendum to the Amended & Restated Second Development Agreement for the Des Moines Creek Business Park.

WHEREAS, the DMCBP developer's award of the Federal Aviation Administration (FAA) regional headquarters lease development project on the southern third of the site requires some changes to the transportation infrastructure to accommodate the FAA project including the vacation of the Tract E right-of-way (a portion of South 214th Street), and

WHEREAS, the City Council intends to consider the vacation of DMCBP Tract E, changes to the approved DMCBP Master Plan and a Second Addendum to the Amended and Restated Second Development Agreement for the Des Moines Creek Business Park between the City and the Port of Seattle at the combined public hearing set by this Draft Resolution, and

WHEREAS, a public hearing is required for amendments to City Council-approved master plans, development agreements, and vacation of City right-of-way per RCW 35.79.010; now therefore,

THE CITY COUNCIL OF THE CITY OF DES MOINES RESOLVES AS FOLLOWS:

The matter of vacation of City right-of-way, amendment to City Council-approved Des Moines Creek Business Park master plan, and addendum to the Des Moines Creek Business Park development agreement, is set for a public hearing before the City Council on Thursday, January 21, 2016, at 7:00 p.m., or as soon thereafter as the matter may be heard, in the City Council Chambers, 21630 11th Avenue South, Suite B, Des Moines, Washington.

ADOPTED BY the City Council of the City of Des Moines, Washington this ____th day of _____ and signed in authentication thereof this ____ day of _____.

Resolution No. _____
Page 2 of 2

M A Y O R

APPROVED AS TO FORM:

City Attorney

ATTEST:

City Clerk

A G E N D A I T E M

BUSINESS OF THE CITY COUNCIL City of Des Moines, WA

SUBJECT: Draft Resolution 15-206 Setting a Public Hearing Date for Draft Ordinance 15-206, related to public notice requirements for Essential Public Facilities.

ATTACHMENTS:

1. Draft Resolution No. 15-206 setting a public hearing date for Draft Ordinance 15-206.

FOR AGENDA OF: December 17, 2015

DEPT. OF ORIGIN: Planning, Building & Public Works

DATE SUBMITTED: December 9, 2015

CLEARANCES:

☒ Legal JG

☐ Finance N/A

☐ Marina N/A

☐ Parks, Recreation & Senior Services N/A

☒ Planning, Building & Public Works DSB

☐ Police N/A

☐ Economic Development Manager

APPROVED BY CITY MANAGER

FOR SUBMITTAL: MW/ACM

Purpose and Recommendation

The purpose of this agenda item is for City Council to set a public hearing date to consider Draft Ordinance No. 15-206, amending portions of Title 16 and Title 18 as necessary to establish specific noticing requirements for essential public facilities which are defined in RCW 47.06.140. The City Council can move forward with the consideration of this Draft Ordinance by passing the motion below, setting a date for the required public hearing. The following motion will appear on the consent calendar:

Suggested Motion

Motion 1: "I move to adopt Draft Resolution No. 15-206 setting a public hearing on February 11, 2016 or as soon thereafter as the matter may be heard to consider Draft Ordinance 15-206 amending portions of Title 16 and Title 18 of the Des Moines Municipal Code as necessary to establish specific noticing requirements for essential public facilities which are defined in RCW 47.06.140."

Background

The Des Moines 2035 Comprehensive Plan establishes the policy framework for siting essential public facilities:

Goal LU 5 *Maintain regulations and procedures that allow for siting of essential public facilities.*

LU 5.1 Ensure land use decisions on essential public facilities meet the following criteria to be made consistent with the process and criteria set forth in the DMMC:

1. The facility meets the Growth Management Act definition of an essential public facility, as defined in RCW 36.70A.200(1) and as amended; or
2. The facility is on the statewide list maintained by the Office of Financial Management, ref. RCW 36.70A.200(4) or on the countywide list of essential public facilities; and
3. The facility is not otherwise regulated by the Des Moines Municipal Code (DMMC).

LU 5.1.1 Recognize and use the Conditional Use Permit process and criteria to site essential public facilities as regulated by the DMMC.

LU 5.1.2 Consider social equity and health issues when siting essential public facilities, to provide protection from exposure to harmful substances and environments.

CF 1.3 Ensure essential capital facilities/utilities (i.e., domestic water, fire protection, sanitary and storm sewer, transportation, etc.) are available at the time of development.

CF 1.3.1 Adopt procedures that encourage mutual review of, and comment on, proposed actions and policies between Des Moines and other providers of public services. Review of development proposals by providers of public facilities and utilities should ensure that there will be sufficient capacity at the time of development.

CF 1.4 City plans and development regulations should identify, and provide a process for consideration of the siting of essential public facilities. Essential public facilities should include: A) domestic water, sanitary sewer, public schools, and fire protection; B) difficult-to-site facilities such as those identified by RCW 36.70A.200 and County-wide Planning Policies; and C) essential state facilities specified by the office of financial management. Des Moines should not accept a disproportionate share of the adverse impacts resulting from the siting of essential public facilities.

CF 1.4.1 Utilize the plans of public facility and utility providers, and the Des Moines Capital Improvement Plan, to identify lands useful for public facility or utility purposes. Essential Public Facilities as defined by RCW 36.70A.200 are processed as Unclassified Use Permits (UUP) unless the use is permitted outright in a given zoning classification.

CF 1.4.2 Work cooperatively with surrounding municipalities and King County during the siting and development of facilities of regional significance.

CF 1.4.3 As permitted by state and federal law, including the lawful exercise by the City of its SEPA authority pursuant to RCW 43.21C.060, City approvals related to essential public facilities, operations and activities within the City of Des Moines, including but not limited to, necessary support activities, connected-actions and projects, require a Conditional Use Permit and may include conditions that are necessary to mitigate specific adverse environmental impacts on the City of Des Moines identified in environmental documents prepared pursuant to SEPA.

Essential public facilities are permitted through the City's Conditional Use Permit (CUP) and Unclassified Use Permit (UUP) processes pursuant to the criteria established in Chapter 18.140 DMMC. CUPs are a Type III land use decision made by the Hearing Examiner while UUPs are a Type IV land use decision made by the City Council.

Public noticing requirements for land use actions are provided for in Title 16 and Title 18 of the Des Moines Municipal Code. Currently, for a State Environmental Policy Act (SEPA) Determination of Nonsignificance (DNS), mitigated DNS or Determination of Significance, the noticing requirement to adjacent property owners and occupants is a 300 foot radius (DMMC 16.05.190(5)).

Discussion

During Fall 2015, the Des Moines City Council directed staff to develop an ordinance to establish specific noticing requirements for essential public facilities which are defined in RCW 47.06.140.

Pursuant to DMMC 18.20.210, amendments of the Zoning Code (Title 18 DMMC) are legislative (Type VI) land use decisions, and pursuant to DMMC 18.30.070 amendments to the Zoning Code (Title 18 DMMC) require the City Council to conduct a public hearing to receive public comment regarding these proposals. DMMC 18.30.100(3) requires that the date of the public hearing to consider amendments to Title 18 DMMC be set by motion of the City Council and that a 15-day public hearing notice be published.

In addition, RCW 36.70A.106, 60-day notice to the Department of Commerce is required prior to amending the City's development regulations.

Alternatives

The City Council may:

- 1) Adopt the proposed Draft Resolution.
- 2) Adopt the Draft Resolutions with a different hearing date for the Draft Ordinance.
- 3) Decline to adopt the Draft Resolution.

Financial Impact

Amended development regulations to establish specific noticing requirements for essential public facilities will help to provide for broader dissemination of information about these facilities to the entire community.

Recommendation or Conclusion

Staff recommends that the City Council adopt Draft Resolutions No. 15-206 as written or amend the Resolution to establish a different hearing date.

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CITY ATTORNEY'S FIRST DRAFT 12/17/2015

DRAFT RESOLUTION NO. 15-206

A RESOLUTION OF THE CITY OF DES MOINES, WASHINGTON relating to essential public facilities notification and amending portions of Title 16 and Title 18 of the Des Moines Municipal Code.

WHEREAS, the City Council is considering amendments to portions of Title 16 and Title 18 as necessary to establish specific noticing requirements for essential public facilities, and

WHEREAS, a public hearing is necessary to receive public comment regarding this proposal, and

WHEREAS, a public hearing is required for adoption of an ordinance which amends Title 16 Environment and Title 18 Zoning Code; now therefore,

THE CITY COUNCIL OF THE CITY OF DES MOINES RESOLVES AS FOLLOWS:

The matter of amendments to portions of Title 16 and Title 18 relating to noticing requirements for essential public facilities is set for a public hearing before the City Council on Thursday, February 11, 2016, at 7:00 p.m., or as soon thereafter as the matter may be heard, in the City Council Chambers, 21630 11th Avenue South, Suite B, Des Moines, Washington.

ADOPTED BY the City Council of the City of Des Moines, Washington this 17th day of December 2015 and signed in authentication thereof this ____ day of December, 2015.

M A Y O R

APPROVED AS TO FORM:

City Attorney

ATTEST:

City Clerk

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A G E N D A I T E M

SUBJECT: Contract with Recreation and Conservation Office (RCO) for the Des Moines Beach Park Historic Picnic Shelter/Restrooms Rehabilitation Project

ATTACHMENTS:

1. RCO Project Agreement
2. Adopted 2015-2020 MCI CIP Budget Worksheet

AGENDA OF: December 17, 2015

DEPT. OF ORIGIN: Parks, Recreation & Senior Services

DATE SUBMITTED: December 10, 2015

CLEARANCES:

☒ Legal *JB*

☒ Finance *DM*

☐ Marina N/A

☒ Parks, Recreation & Senior Services *JB*

☒ Planning, Building & Public Works *DSB*

☐ Police NA

☐ Courts NA

APPROVED BY CITY MANAGER

FOR SUBMITTAL: *WMC/AC 01*

Purpose and Recommendation:

The purpose of this item is to request City Council approval of the Project Agreement with the Recreation and Conservation Office (RCO) for the Des Moines Beach Park Historic Picnic Shelter/Restrooms Rehabilitation Project. The following motion will appear on the consent calendar:

Suggested Motion:

Motion: "I move to approve the Project Agreement with the Recreation and Conservation Office (RCO) for the Des Moines Beach Park Historic Picnic Shelter/Restrooms Rehabilitation Project in the amount of \$293,243.00, and additionally to authorize the City Manager to sign the Project Agreement substantially in the form as submitted."

Background:

The Des Moines Beach Park Historic Picnic Shelter/Restrooms Rehabilitation is in the 2015-2016 Capital Improvement Plan. Funding for the project comes from a voter approved 2014-2019 King County Parks Levy that provides funds in the amount of \$293,000. The Levy funds are matched by Recreation and Conservation Office Washington Wildlife and Recreation Program funds in the amount of \$293,243 that are authorized in the Washington State Capital Budget and Des Moines Real Estate Excise Tax funds in the amount of \$41,074 that are authorized by City Council for this project. The Beach Park Picnic Shelter/Restrooms Rehabilitation project is a number one priority of the 2010 Parks, Recreation and Senior Services Master Plan adopted by City Council.

Discussion:

The design of the Des Moines Beach Park Historic Picnic Shelter/Restrooms Rehabilitation project is underway. The approval of the Recreation and Conservation Office Washington Wildlife and Recreation Program funds in the amount of \$293,243 will complete the project funding package.

Financial Impact:

There are sufficient funds budgeted for this design work, as illustrated in Attachment 2.

Recommendation/Conclusion:

Staff recommends that Council approve the Project Agreement with the Recreation and Conservation Office (RCO) for the Des Moines Beach Park Historic Picnic Shelter/Restrooms Rehabilitation Project in the amount of \$293,243.00 for the Des Moines Beach Park Historic Picnic Shelter/Restrooms Rehabilitation.

Concurrence:

The Finance, Legal, Parks, and Planning, Building & Public Works Departments concur.



RCO Project Agreement For Office Administered Programs

Project Sponsor: City of Des Moines

Project Number: 14-1357D

Project Title: Beach Park Picnic Shelter & Restroom

Approval Date: 7/10/2015

A. PARTIES OF THE AGREEMENT

This Project Agreement (Agreement) is entered into between the State of Washington the Recreation and Conservation Office, P.O. Box 40917, Olympia, Washington 98504-0917 and City of Des Moines (sponsor), 21630 11th Ave S Ste A, Des Moines, WA 98198 and shall be binding on the agents and all persons acting by or through the parties.

B. PURPOSE OF AGREEMENT

This Agreement sets out the terms and conditions by which a grant is made from the State Building Construction Account and ORA of the State of Washington. The grant is administered by the Recreation and Conservation Office (RCO) to the sponsor for the project named above per the director's authority granted in RCW 79A.25.020.

C. DESCRIPTION OF PROJECT

The City of Des Moines will use this grant to renovate the historic picnic shelter and restrooms in the 19-acre Des Moines Beach Park, also known as Covenant Beach Camp, and listed on both the Washington and National Historic Registers. Des Moines Beach Park is located at the end of Cliff Avenue South in the city of Des Moines, in south King County. The City's Parks Master Plan has identified this project as its number 1 priority. The primary recreation opportunity provided by the project is a picnic shelter and restroom facilities.

D. PERIOD OF PERFORMANCE

The period of performance begins on December 7, 2015 (project start date) and ends on June 30, 2017 (project end date). No allowable cost incurred before or after this period is eligible for reimbursement unless specifically provided for by written amendment or addendum to this Agreement or specifically provided for by policies published in RCO manuals as of the effective date of this agreement.

The sponsor must request extensions of the period of performance at least 60 days before the project end date.

The sponsor has obligations beyond this period of performance as described in Section E: On-going Obligations.

E. ON-GOING OBLIGATIONS

For this development and renovation project, the sponsor's on-going obligations shall be in perpetuity and shall survive the completion/termination of this Project Agreement unless otherwise identified in the Agreement or as approved by the funding board. It is the intent of the funding board's conversion policy (see Section 24: Restriction of Conversion) that all lands acquired and/or facilities and areas developed, renovated, or restored with funding assistance remain in the public domain in perpetuity.

F. PROJECT FUNDING

The total grant award for this project shall not exceed \$293,243.00. RCO shall not pay any amount beyond that approved for grant funding of the project and within the RCO's percentage as identified below. The sponsor shall be responsible for all total project costs that exceed this amount. The minimum matching share provided by the sponsor shall be as indicated below:

	Percentage	Dollar Amount	Source of Funding
Office - RRG Local Parks	50.00%	\$293,243.00	State
Project Sponsor	50.00%	\$293,244.00	
Total Project Cost	100.00%	\$586,487.00	

G. FEDERAL FUND INFORMATION

This Agreement is not a federal subaward. This Agreement is funded with a grant from the State of Washington.

H. RIGHTS AND OBLIGATIONS INTERPRETED IN LIGHT OF RELATED DOCUMENTS

All rights and obligations of the parties under this Agreement shall be interpreted in light of the information provided in the sponsor's application and the project summary under which the Agreement has been approved as well as documents produced in the course of administering the Agreement, including the eligible scope activities and milestones report incorporated herein by reference. Provided, to the extent that information contained in such documents is inconsistent with this Agreement, it shall not be used to vary the terms of the Agreement, unless those terms are shown to be subject to an unintended error or omission. This "Agreement" as used here and elsewhere in this document, unless otherwise specifically stated, has the meaning set forth in the definition of the Standard Terms and Conditions.

I. AMENDMENTS MUST BE SIGNED IN WRITING

Except as provided herein, no amendment/deletions of any of the terms or conditions of this Agreement will be effective unless provided in writing and signed by both parties. Except, extensions of the period of performance and minor scope adjustments need only be signed by RCO's director or designee, unless the consent of the sponsor to an extension is required by its auditing policies, regulations, or legal requirements, in which case, no extension shall be effective until so consented.

J. COMPLIANCE WITH APPLICABLE STATUTES, RULES, AND RCFB-SRFB POLICIES

This agreement is governed by, and the sponsor shall comply with, all applicable state and federal laws and regulations, including any applicable policies published in RCO manuals as of the effective date of this agreement, all of which are incorporated herein by this reference as if fully set forth.

K. SPECIAL CONDITIONS**1. Archaeological, Historic, and Cultural Resource Consultation**

Section 8 of this agreement requires compliance with Executive Order 05-05 and/or Section 106 of the National Historic Preservation Act. The Recreation and Conservation Office has initiated consultation and is ongoing for this project. No ground disturbing activities may be initiated until the sponsor has received notice from RCO that the appropriate cultural resource review process has been completed. Construction started without a Notice to Proceed will be considered a breach of contract.

L. AGREEMENT CONTACTS

The parties will provide all written communications and notices under this Agreement to the mail address or the email address listed below if not both:

Project Contact

Name: Patrice Thorell
Title: Director, Parks & Recreation
Address: 1000 S. 220th St
Des Moines, WA 98198
Email: pthorell@desmoineswa.gov

Office

Recreation and Conservation Office
Natural Resources Building
PO Box 40917
Olympia, Washington 98504-0917

These addresses shall be effective until receipt by one party from the other of a written notice of any change.

M. ENTIRE AGREEMENT

This Agreement, with all amendments and attachments, constitutes the entire Agreement of the parties. No other understandings, oral or otherwise, regarding this Agreement shall exist or bind any of the parties.

N. EFFECTIVE DATE

This Agreement, for project 14-1357D, shall be subject to the written approval of the RCO's authorized representative and shall not be effective and binding until the date signed by both the sponsor and the RCO, whichever is later (Effective Date). Reimbursements for eligible and allowable costs incurred within the period of performance identified in Section D: Period of Performance are allowed only when this Agreement is fully executed and an original is received by RCO.

The sponsor has read, fully understands, and agrees to be bound by all terms and conditions as set forth in this Agreement. The signators listed below represent and warrant their authority to bind the parties to this Agreement.

City of Des Moines

By: _____

Date: _____

Name: (printed) _____

Title: _____

State of Washington, Recreation Conservation Office

By: _____

Date: _____

Kaleen Cottingham
Director
Recreation and Conservation Office

Pre-approved as to form:

By: _____ /s/ _____

Assistant Attorney General

Date: August 26, 2015

Standard Terms and Conditions of the Project Agreement

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SECTION 1. CITATIONS, HEADINGS AND DEFINITIONS

- A. Any citations referencing specific documents refer to the current version at the date of project Agreement and/or any revisions in the future.
- B. Headings used in this Agreement are for reference purposes only and shall not be considered a substantive part of this Agreement.
- C. Definitions. As used throughout this Agreement, the following terms shall have the meaning set forth below:
- acquisition project** - A project that purchases or receives a donation of fee or less than fee interests in real property. These interests include, but are not limited to, conservation easements, access/trail easements, covenants, water rights, leases, and mineral rights.
- Agreement or Project Agreement** - The document entitled "Project Agreement" accepted by all Parties to the present transaction, including without limitation these Standard Terms and Conditions, all attachments, addendums, and amendments, and any intergovernmental agreements or other documents that are incorporated into the Project Agreement subject to any limitations on their effect.
- applicant** - Any party that meets the qualifying standards, including deadlines, for submission of an application soliciting a grant of funds.
- application** - The documents and other materials that an applicant submits to the RCO to support the applicant's request for grant funds; this includes materials required for the "Application" in the RCO's automated project information system, and other documents as noted on the application checklist including but not limited to legal opinions, maps, plans, evaluation presentations and scripts.
- C.F.R.** - Code of Federal Regulations
- contractor** - An entity that receives a contract from a sponsor. A contract is a legal instrument by which a non-Federal entity (sponsor) purchases property or services to carry out the project or program under a Federal award. A contractor is not the same as the sponsor or subrecipient. A contract is for the purpose of obtaining goods and services for the non-Federal entity's (sponsor's) own use and creates a procurement relationship with the contractor (2 C.F.R. § 200.23 (2013)).
- development project** - A project that results in the construction of or work resulting in new elements, including but not limited to structures, facilities, and/or materials to enhance outdoor recreation resources.
- director** - The chief executive officer of the Recreation and Conservation Office or that person's designee.
- education project** - A project that provides information, education, and outreach programs for the benefit of outdoor recreationists.
- education and enforcement project** - A project that provides information, education, and outreach programs; encourages responsible recreational behavior, and may provide law enforcement for the benefit of outdoor recreationists.
- equipment** - Tangible personal property (including information technology systems) having a useful life of more than one year and a per-unit acquisition cost which equals or exceeds the lesser of the capitalization level established by the sponsor or \$5,000 (2 C.F.R. § 200.33 (2013)).
- indirect cost** - Costs incurred for a common or joint purpose benefitting more than one cost objective, and not readily assignable to the cost objectives specifically benefitted, without effort disproportionate to the results achieved (2 C.F.R. § 200.56 (2013)).
- landowner agreement** - An agreement that is required between a sponsor and landowner for projects located on land not owned, or otherwise controlled, by the sponsor.
- maintenance project** - A project that maintains existing areas and facilities through repairs and upkeep for the benefit of outdoor recreationists.
- maintenance and operation project** - A project that maintains existing areas and facilities through repairs, upkeep, and routine servicing for the benefit of outdoor recreationists.
- match or matching share** - The portion of the total project cost provided by the sponsor.
- milestone** - An important event with a defined date to track an activity related to implementation of a funded project and monitor significant stages of project accomplishment.
- pass-through entity** - A non-Federal entity that provides a subaward to a subrecipient to carry out part of a Federal program (2 C. F. R. § 200.74 (2013)). If this Agreement is a federal subaward, the RCO is the pass-through or is acting as the pass-through entity on behalf of another state agency as identified in Section A: Parties to the Agreement.
- period of performance** - The time during which the sponsor may incur new obligations to carry out the work authorized under this Agreement (2 C.F.R. § 200.77 (2013)).
- planning project** - A project that results in an assessment, inventory, study, plan, project designs, constructions plans and specifications or permits.
- pre-agreement cost** - A project cost incurred before the period of performance.
- project** - An undertaking that is, or may be, funded in whole or in part with funds administered by RCO.
- project cost** - The total allowable costs incurred under this Agreement and all required match share and voluntary committed matching share, including third-party contributions (2 C.F.R. § 200.83 (2013)).
- RCO** - Recreation and Conservation Office - The state office that administers the grant under this Agreement.
- reimbursement** - RCO's payment of funds from eligible and allowable costs that have already been paid by the sponsor per the terms of the Agreement.
- renovation project** - A project intended to improve an existing site or structure in order to increase its useful service life beyond original expectations or functions. This does not include maintenance activities to maintain the facility for its originally expected useful service life.
- restoration project** - A project that brings a site back to its historic function as part of a natural ecosystem or improves the ecological functionality of a site.
- RCW** - Revised Code of Washington

secondary sponsor - one of two or more eligible organizations that sponsors a grant-funded project. Of these two sponsors, only one - the primary sponsor - may be the fiscal agent.

sponsor or primary sponsor - The eligible applicant who has been awarded a grant of funds and is bound by this executed Agreement; includes its officers, employees, agents and successors. For projects funded with federal money, the sponsor is a subrecipient, which is a non-Federal entity that receives a subaward from a pass-through entity to carry out part of a Federal program; but does not include an individual that is a beneficiary of such program. A subrecipient may also be a recipient of other Federal awards directly from a Federal awarding agency (2 C.F.R. § 200.93 (2013)).

subaward - An award provided by a pass-through entity to a subrecipient for the subrecipient to carry out part of a Federal award received by the pass-through entity. It does not include payments to a contractor or payments to an individual that is a beneficiary of a Federal program. A subaward may be provided through any form of legal agreement, including an agreement that the pass-through entity considers a contract (2 C.F.R. § 200.92 (2013)). A subaward is for the purpose of carrying out a portion of a Federal award and creates a Federal assistance relationship with the subrecipient (2 C.F.R. § 200.330 (2013)). If this Agreement is a Federal subaward, the subaward amount is the grant program amount in Section F: Project Funding Amount.

subrecipient - Subrecipient means a non-Federal entity that receives a subaward from a pass-through entity to carry out part of a Federal program; but does not include an individual that is a beneficiary of such program. A subrecipient may also be a recipient of other Federal awards directly from a Federal awarding agency (2 C.F.R. § 200.93 (2013)). If this Agreement is a Federal subaward, the sponsor is the subrecipient.

WAC - Washington Administrative Code.

SECTION 2. PERFORMANCE BY THE SPONSOR

The sponsor and secondary sponsor where applicable, shall undertake the project as described in this Agreement, the sponsor's application, and in accordance with the sponsor's proposed goals and objectives described in the application or documents submitted with the application, all as finally approved by the RCO. All submitted documents are incorporated by this reference as if fully set forth herein. Also see Section 29: Order of Precedence.

Timely completion of the project and submission of required documents, including progress and final reports, is important. Failure to meet critical milestones or complete the project, as set out in this Agreement, is a material breach of the Agreement.

SECTION 3. ASSIGNMENT

Neither this Agreement, nor any claim arising under this Agreement, shall be transferred or assigned by the sponsor without prior written consent of the RCO.

SECTION 4. RESPONSIBILITY FOR PROJECT

While the RCO undertakes to assist the sponsor with the project by providing a grant pursuant to this Agreement, the project itself remains the sole responsibility of the sponsor. The RCO undertakes no responsibilities to the sponsor, a secondary sponsor, or to any third party, other than as is expressly set out in this Agreement. The responsibility for the implementation of the project is solely that of the sponsor, as is the responsibility for any claim or suit of any nature by any third party related in any way to the project. When a project is sponsored by more than one entity, any and all sponsors are equally responsible for the project and all post-completion stewardship responsibilities.

SECTION 5. INDEMNIFICATION

The sponsor shall defend, indemnify, and hold the State and its officers and employees harmless from all claims, demands, or suits at law or equity arising in whole or in part from the actual or alleged acts, errors, omissions or negligence of, or the breach of any obligation under this Agreement by, the sponsor or the sponsor's agents, employees, contractors, subcontractors, or vendors, of any tier, or any other persons for whom the sponsor may be legally liable.

Provided that nothing herein shall require a sponsor to defend or indemnify the State against and hold harmless the State from claims, demands or suits based solely upon the negligence of the State, its employees and agents for whom the State is vicariously liable.

Provided further that if the claims or suits are caused by or result from the concurrent negligence of (a) the sponsor or the sponsor's agents, employees, contractors, subcontractors or vendors, of any tier, or any other persons for whom the Sponsor is legally liable, and (b) the State its employees and agents for whom it is vicariously liable, the indemnity obligation shall be valid and enforceable only to the extent of the sponsor's negligence or the negligence of the sponsor's agents, employees, contractors, subcontractors or vendors, of any tier, or any other persons for whom the sponsor may be legally liable.

This provision shall be included in any Agreement between sponsor and any contractors, subcontractors and vendors, of any tier.

The sponsor shall also defend, indemnify, and hold the State and its officers and employees harmless from all claims, demands, or suits at law or equity arising in whole or in part from an alleged patent or copyright infringement or other allegedly improper appropriation or use of trade secrets, patents, proprietary information, know-how, copyright rights or inventions by the sponsor or the sponsor's agents, employees, contractors, subcontractors or vendors, of any tier, or any other persons for whom the sponsor may be legally liable, in performance of the Work under this Agreement or arising out of any use in connection with the Agreement of methods, processes, designs, information or other items furnished or communicated to State, its agents, officers and employees pursuant to the Agreement; provided that this indemnity shall not apply to any alleged patent or copyright infringement or other allegedly improper appropriation or use of trade secrets, patents, proprietary information, know-how, copyright rights or inventions resulting from State's, its agents', officers' and employees' failure to comply with specific written instructions regarding use provided to State, its agents, officers and employees by the sponsor, its agents, employees, contractors, subcontractors or vendors, of any tier, or

any other persons for whom the sponsor may be legally liable.

The sponsor specifically assumes potential liability for actions brought by the sponsor's own employees or its agents against the State and, solely for the purpose of this indemnification and defense, the sponsor specifically waives any immunity under the state industrial insurance law, RCW Title 51.

The RCO is included within the term State, as are all other agencies, departments, boards, or other entities of state government.

SECTION 6. INDEPENDENT CAPACITY OF THE SPONSOR

The sponsor and its employees or agents performing under this Agreement are not officers, employees or agents of the RCO. The sponsor will not hold itself out as nor claim to be an officer, employee or agent of the RCO or of the state of Washington, nor will the sponsor make any claim of right, privilege or benefit which would accrue to an employee under RCW 41.06 or 28B.

The sponsor is responsible for withholding and/or paying employment taxes, insurance, or deductions of any kind required by federal, state, and/or local laws.

SECTION 7. CONFLICT OF INTEREST

Notwithstanding any determination by the Executive Ethics Board or other tribunal, RCO may, in its sole discretion, by written notice to the sponsor terminate this Agreement if it is found after due notice and examination by RCO that there is a violation of the Ethics in Public Service Act, RCW 42.52; or any similar statute involving the sponsor in the procurement of, or performance under, this Agreement.

In the event this Agreement is terminated as provided herein, RCO shall be entitled to pursue the same remedies against the sponsor as it could pursue in the event of a breach of the Agreement by the sponsor. The rights and remedies of RCO provided for in this clause shall not be exclusive and are in addition to any other rights and remedies provided by law or this Agreement.

SECTION 8. COMPLIANCE WITH APPLICABLE LAW

The sponsor will implement the Agreement in accordance with applicable federal, state, and local laws, regulations and the RCO policies regardless of whether the sponsor is a public or non-public organization.

Pursuant to RCW 43.21C.0382, all of RCO's activities and programs are exempt from threshold determinations and environmental impact statement requirements.

The sponsor shall comply with, and RCO is not responsible for determining compliance with, any and all applicable federal, state, and local laws, regulations, and/or policies, including, but not limited to: State Environmental Policy Act; Industrial Insurance Coverage; Architectural Barriers Act; permits (shoreline, Hydraulics Project Approval, demolition); land use regulations (critical areas ordinances, Growth Management Act); federal and state safety and health regulations (Occupational Safety and Health Administration/Washington Industrial Safety and Health Act); and Buy American Act.

- A. **Nondiscrimination Laws.** The sponsor shall not discriminate against users of projects assisted with board funds on the basis of race, creed, color, sex, religion, national origin, disability, marital status, or sexual orientation and must comply with all applicable federal, state, and local nondiscrimination laws and/or policies, including but not limited to: the Americans with Disabilities Act; Civil Rights Act; and the Age Discrimination Act. In the event of the sponsor's noncompliance or refusal to comply with any nondiscrimination law or policy, the Agreement may be rescinded, cancelled, or terminated in whole or in part, and the sponsor may be declared ineligible for further grant awards from the RCO. The sponsor is responsible for any and all costs or liability arising from the sponsor's failure to so comply with applicable law.
- B. **Wages and Job Safety.** The sponsor agrees to comply with all applicable laws, regulations, and policies of the United States and the State of Washington, which affect wages and job safety. The sponsor agrees when state prevailing wage laws (RCW 39.12) are applicable, to comply with such laws, to pay the prevailing rate of wage to all workers, laborers, or mechanics employed in the performance of any part of this contract, and to file a statement of intent to pay prevailing wage with the Washington State Department of Labor and Industries as required by RCW 39.12.040. The sponsor also agrees to comply with the provisions of the rules and regulations of the Washington State Department of Labor and Industries.
- C. **Archaeological and Cultural Resources.** The RCO facilitates the review of applicable projects for potential impacts to archaeological sites and state cultural resources. The sponsor must assist RCO in compliance with Executive Order 05-05 or the National Historic Preservation Act before initiating ground-disturbing activity. The RCO requires documented compliance with Executive Order 05-05 or Section 106 of the National Historic Preservation Act, whichever is applicable to the project. If a federal agency declines to consult, the sponsor shall comply with the requirements of Executive Order 05-05. In the event that archaeological or historic materials are discovered during project activities, work in the location of discovery and immediate vicinity must stop instantly, the area must be secured, and notification must be provided to the following: concerned Tribes' cultural staff and cultural committees, RCO, and the State Department of Archaeology and Historic Preservation. If human remains are discovered during project activity, work in the location of discovery and immediate vicinity must stop instantly, the area must be secured, and notification provided to the concerned Tribe's cultural staff and cultural committee, RCO, State Department of Archaeology, the coroner and local law enforcement in the most expeditious manner possible according to RCW 68.50.

- D. **Restrictions on Grant Use.** No part of any funds provided under this grant shall be used, other than for normal and recognized executive-legislative relationships, for publicity or propaganda purposes, or for the preparation, distribution, or use of any kit, pamphlet, booklet, publication, radio, television, or video presentation designed to support or defeat legislation pending before the U.S. Congress or any state legislature.

No part of any funds provided under this grant shall be used to pay the salary or expenses of any sponsor, or agent acting for such sponsor, related to any activity designed to influence legislation or appropriations pending before the U.S. Congress or any state legislature.

- E. **Debarment and Certification.** By signing the Agreement with RCO, the sponsor certifies that neither it nor its principals nor any other lower tier participant are presently debarred, suspended, proposed for debarment, declared ineligible or voluntarily excluded from participation in this transaction by Washington State Labor and Industries. Further, the sponsor agrees not to enter into any arrangements or contracts related to this Agreement with any party that is on the "Contractors not Allowed to Bid on Public Works Projects" list.

SECTION 9. RECORDS

- A. **Maintenance.** The sponsor shall maintain books, records, documents, data and other evidence relating to this Agreement and performance of the services described herein, including but not limited to accounting procedures and practices, which sufficiently and properly reflect all direct and indirect costs of any nature expended in the performance of this Agreement. Sponsor shall retain such records for a period of six years from the date RCO deems the project complete, as defined in Section 11: Project Reimbursements. If any litigation, claim or audit is started before the expiration of the six (6) year period, the records shall be retained until all litigation, claims, or audit findings involving the records have been resolved.
- B. **Access to Records and Data.** At no additional cost, the records relating to the Agreement, including materials generated under the Agreement, shall be subject at all reasonable times to inspection, review or audit by RCO, personnel duly authorized by RCO, the Office of the State Auditor, and federal and state officials so authorized by law, regulation or Agreement. This includes access to all information that supports the costs submitted for payment under the grant and all findings, conclusions, and recommendations of the sponsor's reports, including computer models and methodology for those models.
- C. **Public Records.** Sponsor acknowledges that the RCO is subject to RCW 42.56 and that this Agreement and any records sponsor submits or has submitted to the State shall be a public record as defined in RCW 42.56. RCO administers public records requests per WAC 286-06. By submitting any record to the state, sponsor understands that the State may be requested to disclose or copy that record under the state public records law, currently codified at RCW 42.56. The sponsor warrants that it possesses such legal rights as are necessary to permit the State to disclose and copy such document to respond to a request under state public records laws. The sponsor hereby agrees to release the State from any claims arising out of allowing such review or copying pursuant to a public records act request, and to indemnify against any claims arising from allowing such review or copying and pay the reasonable cost of state's defense of such claims.

SECTION 10. PROJECT FUNDING AND COSTS

- A. **Additional Amounts.** The RCO shall not be obligated to pay any amount beyond the dollar amount as identified in this Agreement, unless an additional amount has been approved in advance by the director and incorporated by written amendment into this Agreement.
- B. **Before the Agreement.** No expenditure made, or obligation incurred, by the sponsor before the project start date shall be eligible for grant funds, in whole or in part, unless specifically provided for by RCO policy or the director, such as a waiver of retroactivity or program specific eligible pre-Agreement costs. For reimbursements of such costs, this Agreement must be fully executed and an original received by RCO. The dollar amounts identified in this Agreement may be reduced as necessary to exclude any such expenditure from reimbursement.
- C. **Requirements for Federal Subawards.** Pre-agreements costs before the federal award date in Section F: Project Funding Amount are ineligible unless approved by the federal award agency (2 C.F.R. § 200.458 (2013)).
- D. **After the Period of Performance.** No expenditure made, or obligation incurred, following the period of performance shall be eligible, in whole or in part, for grant funds hereunder. In addition to any remedy the RCO may have under this Agreement, the grant amounts identified in this Agreement shall be reduced to exclude any such expenditure from participation.

SECTION 11. PROJECT REIMBURSEMENTS

- A. **Reimbursement Basis.** This Agreement is administered on a reimbursement basis. The sponsors may only request reimbursement for eligible and allowable costs incurred during the period of performance. The sponsor may only request reimbursement after (1) this Agreement has been fully executed and (2) the sponsor has remitted payment to its vendors. RCO will authorize disbursement of project funds only on a reimbursable basis at the percentage as defined in Section F: Project Funding Amount.

Reimbursement shall not be approved for any expenditure not incurred by the sponsor or for a donation used as part of its matching share. RCO does not reimburse for donations, which the sponsor may use as part of its percentage. All reimbursement requests must include proper documentation of expenditures as required by RCO.

- B. **Escrow Payments.** Direct payment to an escrow account of the RCO's share of the approved cost of real property and related costs may be made following RCO approval when the sponsor indicates a temporary lack of funds to purchase the property on a reimbursement basis. Prior to release of the RCO's share into escrow, the sponsor must provide the RCO with a copy of a binding agreement between the sponsor and the seller, all required documentation, and evidence of deposit of the sponsor's share into an escrow account.
- C. **Reimbursement Request Frequency.** Sponsors are encouraged to send RCO a reimbursement request at least quarterly. Sponsors are required to submit a reimbursement request to RCO, at a minimum for each project at least once a year for reimbursable activities occurring between July 1 and June 30 or as identified in the milestones. Sponsors must refer to the most recently published/adopted RCO policies and procedures regarding reimbursement requirements.
- D. **Compliance and Payment.** The obligation of RCO to pay any amount(s) under this Agreement is expressly conditioned on strict compliance with the terms of this Agreement by the sponsor.
- E. **Retainage Held Until Project Complete.** RCO reserves the right to withhold disbursement of up to the final ten percent (10%) of the total amount of the grant to the sponsor until the project has been completed. A project is considered "complete" when:
1. All approved or required activities outlined in the Agreement are done;
 2. On-site signs are in place (if applicable);
 3. A final project report is submitted to and accepted by RCO;
 4. Any other required documents are complete and submitted to RCO;
 5. A final reimbursement request is submitted to RCO;
 6. The completed project has been accepted by RCO;
 7. Final amendments have been processed;
 8. Fiscal transactions are complete; and
 9. RCO has accepted a final boundary map, if required for the project, for which the Agreement terms will apply in the future.
- F. **Sources of Eligible Match.** Applicant resources used to match board funds must be eligible in the grant program. Sources of matching resources include, but are not limited to, any one or more of the following:
1. Appropriations and cash;
 2. Value of the applicant's expenses for labor, materials, and equipment;
 3. Value of donated real property, labor, services, materials, and equipment use; and
 4. Other state or federal funds.
- G. **Requirements for Federal Subawards: Match.** The sponsor's matching share must comply with 2 C.F.R. § 200.306 (2013). Any shared costs or matching funds and all contributions, including cash and third party in-kind contributions, must be accepted as part of the sponsor's matching share when such contributions meet all of the following criteria:
1. Are verifiable from the non-Federal entity's (sponsor's) records;
 2. Are not included as contributions for any other Federal award;
 3. Are necessary and reasonable for accomplishment of project or program objectives;
 4. Are allowable under 2 C.F.R. Part 200, Subpart E-Cost Principles (2013);
 5. Are not paid by the Federal Government under another Federal award, except where the Federal statute authorizing a program specifically provides that Federal funds made available for such program can be applied to matching or cost sharing requirements of other Federal programs;
 6. Are provided for in the approved budget when required by the Federal awarding agency identified in Section G: Federal Fund Information of this Agreement; and
 7. Conform to other provisions of 2 C.F.R. Part 200, Subpart D-Post Federal Award Requirements (2013), as applicable.

- H. **Requirements for Federal Subawards: Close out.** Per 2 C.F.R. § 200.343 (2013), the non-Federal entity (sponsor) must:
1. Submit, no later than 90 calendar days after the end date of the period of performance, all financial, performance, and other reports as required by the terms and conditions of the Federal award. The Federal awarding agency or pass-through entity (RCO) may approve extensions when requested by the sponsor.
 2. Liquidate all obligations incurred under the Federal award no later than 90 calendar days after the end date of the period of performance as specified in the terms and conditions of the Federal award.
 3. Refund any balances of unobligated cash that the Federal awarding agency or pass-through entity (RCO) paid in advance or paid and that are not authorized to be retained by the non-Federal entity (sponsor) for use in other projects. See OMB Circular A-129 and see 2 C.F.R. § 200.345 Collection of amounts due (2013), for requirements regarding unreturned amounts that become delinquent debts.
 4. Account for any real and personal property acquired with Federal funds or received from the Federal Government in accordance with 2 C.F.R. §§ 200.310 Insurance coverage through 200.316 Property trust relationship and 200.329 Reporting on real property (2013).

SECTION 12. ADVANCE PAYMENTS

Advance payments of or in anticipation of goods or services are not allowed unless approved by the RCO director and are consistent with legal requirements and Manual 8: Reimbursements.

SECTION 13. RECOVERY OF PAYMENTS

- A. **Recovery for Noncompliance.** In the event that the sponsor fails to expend funds under this Agreement in accordance with state and federal laws, an applicable report from the state auditor's office, and/or the provisions of the Agreement, or meet its percentage of the project total, RCO reserves the right to recover grant award funds in the amount equivalent to the extent of noncompliance in addition to any other remedies available at law or in equity.
- B. **Overpayment Payments.** The sponsor shall reimburse RCO for any overpayment or erroneous payments made under the Agreement. Repayment by the sponsor of such funds under this recovery provision shall occur within 30 days of demand by RCO. Interest shall accrue at the rate of twelve percent (12%) per annum from the time that payment becomes due and owing.
- C. **Requirements for Federal Subawards.** The pass-through entity (RCO) may impose any of the remedies as authorized in 2 C.F.R. §§ 200.207 Specific conditions and/or 200.338 Remedies for noncompliance (2013).
- D. **Deposit in State Account.** Any recovery of payments in this section will be deposited to the appropriate state account as identified in Section F: Project Funding.

SECTION 14. COVENANT AGAINST CONTINGENT FEES

The sponsor warrants that no person or selling agent has been employed or retained to solicit or secure this Agreement on an Agreement or understanding for a commission, percentage, brokerage or contingent fee, excepting bona fide employees or bona fide established agents maintained by the sponsor for the purpose of securing business. RCO shall have the right, in the event of breach of this clause by the sponsor, to terminate this Agreement without liability or, in its discretion, to deduct from the Agreement grant amount or consideration or recover by other means the full amount of such commission, percentage, brokerage or contingent fee.

SECTION 15. INCOME AND USE OF INCOME

- A. **Income.**
 1. **Compatible source.** The source of any income generated in a funded project or project area must be compatible with the funding source and the Agreement.
 2. **Fees.** User and/or other fees may be charged in connection with land acquired or facilities developed, maintained, renovated, or restored if the fees are consistent with the:
 - a. Value of any service(s) furnished;
 - b. Value of any opportunities furnished; and
 - c. Prevailing range of public fees in the state for the activity involved.
- B. **Use of Income.** Regardless of whether income or fees in a project work site (including entrance, utility corridor permit, cattle grazing, timber harvesting, farming, etc.) are gained during or after the reimbursement period cited in the Agreement, unless precluded by state or federal law, the revenue may only be used to offset:
 1. The sponsor's matching resources;
 2. The project's total cost;
 3. The expense of operation, maintenance, stewardship, monitoring, and/or repair of the facility or program assisted by this project;
 4. The expense of operation, maintenance, stewardship, monitoring, and/or repair of other similar units in the sponsor's system; and/or
 5. Capital expenses for similar acquisition and/or development and renovation.
- C. **Requirements for Federal Subawards.** Sponsors must also comply with 2 C.F.R. § 200.307 Program income (2013).

SECTION 16. PROCUREMENT REQUIREMENTS

- A. **Procurement Requirements.** If sponsors have a procurement process that follows applicable state and/or required federal procurement principles, it must be followed. If no such process exists the sponsor must follow these minimum procedures:
1. Publish a notice to the public requesting bids/proposals for the project;
 2. Specify in the notice the date for submittal of bids/proposals;
 3. Specify in the notice the date for submittal of bids/proposals;
 4. Comply with the same legal standards regarding unlawful discrimination based upon race, ethnicity, sex, or sex-orientation that are applicable to state agencies in selecting a bidder or proposer.
- This procedure creates no rights for the benefit of third parties, including any proposers, and may not be enforced or subject to review of any kind or manner by any other entity other than the RCO. Sponsors may be required to certify to the RCO that they have followed any applicable state and/or federal procedures or the above minimum procedure where state or federal procedures do not apply.
- B. **Requirements for Federal Subawards.** For all Federal subawards, non-Federal entities (sponsors) must follow 2 C.F.R §§ 200.318 General procurement standards through 200.326 Contract Provisions (2013).

SECTION 17. TREATMENT OF EQUIPMENT

- A. **Discontinued Use.** Equipment shall remain in the possession of the sponsor for the duration of the project or applicable grant program. When the sponsor discontinues use of the equipment for the purpose for which it was funded, RCO will require the sponsor to deliver the equipment to RCO, dispose of the equipment according to RCO policies, or return the fair market value of the equipment to RCO. Equipment shall be used only for the purpose of this Agreement, unless otherwise provided herein or approved by RCO in writing.
- B. **Loss or Damage.** The sponsor shall be responsible for any loss or damage to equipment which results from the negligence of the sponsor or which results from the failure on the part of the sponsor to maintain and administer that equipment in accordance with sound management practices.
- C. **Requirements for Federal Subawards.** Procedures for managing equipment (including replacement equipment), whether acquired in whole or in part under a Federal award, until disposition takes place will, as a minimum, meet the following requirements (2 C.F.R § 200.313 (2013)):
1. Property records must be maintained that include a description of the property, a serial number or other identification number, the source of funding for the property (including the FAIN), who holds title, the acquisition date, and cost of the property, percentage of Federal participation in the project costs for the Federal award under which the property was acquired, the location, use and condition of the property, and any ultimate disposition data including the date of disposal and sale price of the property.
 2. A physical inventory of the property must be taken and the results reconciled with the property records at least once every two years.
 3. A control system must be developed to ensure adequate safeguards to prevent loss, damage, or theft of the property. Any loss, damage, or theft must be investigated.
 4. Adequate maintenance procedures must be developed to keep the property in good condition.
 5. If the non-Federal entity is authorized or required to sell the property, proper sales procedures must be established to ensure the highest possible return.

SECTION 18. RIGHT OF INSPECTION

The sponsor shall provide right of access to the project to the RCO, or any of its officers, or to any other authorized agent or official of the state of Washington or the federal government, at all reasonable times, in order to monitor and evaluate performance, compliance, and/or quality assurance under this Agreement.

If a landowner agreement or other form of control and tenure as described in Section 22.B: Control and Tenure has been executed, it will further stipulate and define the RCO right to inspect and access lands acquired or developed with funding assistance.

SECTION 19. STEWARDSHIP AND MONITORING

Sponsor agrees to perform monitoring and stewardship functions as stated in policy documents approved by the RCO. Sponsor further agrees to utilize, where applicable and financially feasible, any monitoring protocols recommended by the RCO.

SECTION 20. PREFERENCES FOR RESIDENTS

Sponsors shall not express a preference for users of grant assisted projects on the basis of residence (including preferential reservation, membership, and/or permit systems) except that reasonable differences in admission and other fees may be maintained on the basis of residence. Even so, the RCO discourages the imposition of differential fees. Fees for nonresidents must not exceed twice the fee imposed on residents. Where there is no fee for residents but a fee is charged to nonresidents, the nonresident fee shall not exceed the amount that would be imposed on residents at comparable state or local public facilities.

SECTION 21. ACKNOWLEDGMENT AND SIGNS

- A. **Publications.** The sponsor shall include language which acknowledges the funding contribution of the applicable grant program to this project in any release or other publication developed or modified for, or referring to, the project during the project period and in the future.
- B. **Signs.** The sponsor also shall post signs or other appropriate media during the period of performance and in the future at project entrances and other locations on the project which acknowledge the applicable grant program's funding contribution, unless exempted in the RCO policy or waived by the director.
- C. **Ceremonies.** The sponsor shall notify RCO no later than two weeks before a dedication ceremony for this project. The sponsor shall verbally acknowledge the applicable grant program's funding contribution at all dedication ceremonies.
- D. **Federally Funded Projects.** When issuing statements, press releases, requests for proposals, bid solicitations, and other documents describing a project funded in whole or in part with federal money provided for in this grant, sponsors shall clearly state:
 - 1. The fund source;
 - 2. The percentage of the total costs of the project that is financed with federal money;
 - 3. The dollar amount of federal funds for the project; and
 - 4. The percentage and dollar amount of the total costs of the project that is financed by nongovernmental sources.

SECTION 22. PROVISIONS APPLYING TO DEVELOPMENT, MAINTENANCE, RENOVATION, AND RESTORATION PROJECTS

The following provisions shall be in force only if the project described in this Agreement is for construction of land or facilities in a development, maintenance, renovation or restoration project:

- A. **Document Review and Approval.** The sponsor agrees to submit one copy of all construction plans and specifications to RCO for review prior to implementation or as otherwise identified in the milestones. Review and approval by RCO will be for compliance with the terms of this Agreement. Only change orders that impact the amount of funding or changes to the scope of the project as described to and approved by the RCO must receive prior written approval.
- B. **Control and Tenure.** The sponsor must provide documentation that shows appropriate tenure (landowner agreement, long-term lease, easement, or fee simple ownership) for the land proposed for construction. The documentation must meet current RCO requirements identified in the appropriate grant program policy manual as of the effective date of this Agreement.
- C. **Nondiscrimination.** Except where a nondiscrimination clause required by a federal funding agency is used, the sponsor shall insert the following nondiscrimination clause in each contract for construction of this project:
 "During the performance of this contract, the contractor agrees to comply with all federal and state nondiscrimination laws, regulations and policies."
- D. **Use of Best Management Practices.** Sponsors are encouraged to use best management practices developed as part of the Washington State Aquatic Habitat Guidelines (AHG) Program. AHG documents include "Integrated Streambank Protection Guidelines", 2002; "Protecting Nearshore Habitat and Functions in Puget Sound", 2010; "Stream Habitat Restoration Guidelines", 2012; "Water Crossing Design Guidelines", 2013; and "Marine Shoreline Design Guidelines", 2014. These documents, along with new and updated guidance documents, and other information are available on the AHG Web site. Sponsors are also encouraged to use best management practices developed by the Washington Invasive Species Council (WISC) described in "Reducing Accidental Introductions of Invasive Species" which is available on the WISC Web site.

SECTION 23. PROVISIONS APPLYING TO ACQUISITION PROJECTS

The following provisions shall be in force only if the project described in this Agreement is an acquisition project:

- A. **Evidence of Land Value.** Before disbursement of funds by RCO as provided under this Agreement, the sponsor agrees to supply documentation acceptable to RCO that the cost of the property rights acquired has been established according to RCO policy.
- B. **Evidence of Title.** The sponsor agrees to provide documentation that shows the type of ownership interest for the property that has been acquired. This shall be done before any payment of financial assistance.
- C. **Legal Description of Real Property Rights Acquired.** The legal description of the real property rights purchased with funding assistance provided through this project Agreement (and protected by a recorded conveyance of rights to the State of Washington) shall be incorporated into the Agreement before final payment.
- D. **Conveyance of Rights to the State of Washington.** When real property rights (both fee simple and lesser interests) are acquired, the sponsor agrees to execute an appropriate document conveying certain rights and responsibilities to RCO, on behalf of the State of Washington. These documents include a Deed of Right, Assignment of Rights, Easements and/or Leases as described below. The sponsor agrees to use document language provided by RCO, to record the executed document in the County where the real property lies, and to provide a copy of the recorded document to RCO. The document required will vary depending on the project type, the real property rights being acquired and whether or not those rights are being acquired in perpetuity.
 - 1. **Deed of Right.** The Deed of Right conveys to the people of the state of Washington the right to preserve, protect, and/or use the property for public purposes consistent with the fund source. Sponsors shall use this document when acquiring real property rights that include the underlying land. This document may also be applicable for those easements where the sponsor has acquired a perpetual easement for public purposes.

2. **Assignment of Rights.** The Assignment of Rights document transfers certain rights such as access and enforcement to RCO. Sponsors shall use this document when an easement or lease is being acquired for habitat conservation or salmon recovery purposes. The Assignment of Rights requires the signature of the underlying landowner and must be incorporated by reference in the easement document.
3. **Easements and Leases.** The sponsor may incorporate required language from the Deed of Right or Assignment of Rights directly into the easement or lease document, thereby eliminating the requirement for a separate document. Language will depend on the situation; sponsor must obtain RCO approval on the draft language prior to executing the easement or lease.

E. Real Property Acquisition and Relocation Assistance.

1. **Federal Acquisition Policies.** When federal funds are part of this Agreement, the sponsor agrees to comply with the terms and conditions of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, 84 Stat. 1894 (1970)–Public Law 91-646, as amended by the Surface Transportation and Uniform Relocation Assistance Act, PL 100-17-1987, and applicable regulations and procedures of the federal agency implementing that Act.
2. **State Acquisition Policies.** When state funds are part of this Agreement, the sponsor agrees to comply with the terms and conditions of the Uniform Relocation Assistance and Real Property Acquisition Policy of the State of Washington, RCW 8.26, and WAC 468-100.
3. **Housing and Relocation.** In the event that housing and relocation costs, as required by federal law set out in subsection (1) above and/or state law set out in subsection (2) above, are involved in the execution of this project, the sponsor agrees to provide any housing and relocation assistance required.
4. **Condemnation.** Acquisition of real property through or as a direct result of condemnation is not eligible for funding in this Agreement. Acquisition of real property must be on a willing-seller basis.

F. Buildings and Structures. In general, grant funds are to be used for outdoor recreation, habitat conservation, or salmon recovery. Sponsors agree to remove or demolish ineligible structures. Sponsors must consult RCO regarding compliance with Section 8.C.: Archaeological and Cultural Resources before structures are removed or demolished.

G. Hazardous Substances.

1. **Certification.** The sponsor shall inspect, investigate, and conduct an environmental audit of the proposed acquisition site for the presence of hazardous substances, as defined in RCW 70.105D.020(10), and certify:
 - a. No hazardous substances were found on the site, or
 - b. Any hazardous substances found have been treated and/or disposed of in compliance with applicable state and federal laws, and the site deemed "clean."
2. **Responsibility.** Nothing in this provision alters the sponsor's duties and liabilities regarding hazardous substances as set forth in RCW 70.105D.
3. **Hold Harmless.** The sponsor will defend, protect and hold harmless the RCO and any and all of its employees and/or agents, from and against any and all liability, cost (including but not limited to all costs of defense and attorneys' fees) and any and all loss of any nature from any and all claims or suits resulting from the presence of, or the release or threatened release of, hazardous substances on the property the sponsor is acquiring.

H. Requirements for Federal Subawards. The non-Federal entity (sponsor) must submit reports at least annually on the status of real property in which the Federal Government retains an interest, unless the Federal interest in the real property extends 15 years or longer. In those instances where the Federal interest attached is for a period of 15 years or more, the Federal awarding agency or the pass-through entity (RCO), at its option, may require the sponsor to report at various multi-year frequencies (e.g., every two years or every three years, not to exceed a five-year reporting period; or a Federal awarding agency or RCO may require annual reporting for the first three years of a Federal award and thereafter require reporting every five years) (2 C.F.R § 200.329 (2013)).

SECTION 24. RESTRICTION ON CONVERSION OF REAL PROPERTY AND/OR FACILITIES TO OTHER USES

A. Restriction on Conversion. The sponsor shall not at any time convert any real property (including any interest therein) acquired or facility developed, maintained, renovated, and/or restored pursuant to this Agreement to uses other than those purposes for which funds were approved without prior approval of the RCO in compliance with applicable statutes, rules, and RCO policies.

It is the intent of the RCO's conversion policy, current or as amended in the future, that all real property acquired or any project facilities developed, maintained, renovated, and/or restored with funding assistance remain in the public domain in perpetuity unless otherwise identified in Section E: On-going Obligations or as approved by the RCO.

B. Conversions Defined. A conversion occurs under any of the following circumstances:

1. **Conveyance.** Interests in real property are conveyed for purposes inconsistent with the intent of the Agreement and the funding source. Interests in real property include, but are not limited to, options, rights of first refusal, conservation easements, leases, and mineral rights.
2. **Use.** Non-eligible uses (public or private) are made of the project area or a portion of the project area.
3. **Eligibility.** Non-eligible facilities are developed with the project area without prior approve of the RCO.
4. **Termination of Use/Non-Conformance.** The property acquired or the project developed or restored no longer meets or conforms to the purpose of this Agreement or the funding source.
5. **Public Access.** Closure of public access sites is for longer than 180 consecutive days.

- C. **Remedies for a Conversion.** The RCO shall only approve a conversion when the sponsor has demonstrated the following:
1. All practical alternatives to the conversion have been evaluated and rejected; and
 2. The sponsor agrees to replace the entire project area or the portion of the project area affected by the conversion and assume the obligations described in Section E: On-going Obligations on the replacement property or facilities. The replacement must:
 - (a) Be of equivalent or greater usefulness and location as the original project in this Agreement;
 - (b) Be managed by the sponsor unless otherwise approved by the RCO;
 - (c) Be eligible to receive a grant from the source of funds from which this project was originally funded, unless otherwise authorized by RCO;
 - (d) If an acquisition project, be interest in real property of at least equal market value and public benefit at the time of replacement;
 - (e) If a development, renovation, or maintenance project, provide a facility of at least equal market value and public benefit as that which existed at the time of the original investment of RCO funds; and
 - (f) If a restoration project, provide restoration activities necessary to replicate the ecological benefit intended by the project; and
 3. Publish a notice of the proposed conversion and replacement and provide the public an opportunity to comment;
- D. **Change of Use.** When approved by RCO, certain activities within the eligible scope activities of this project may be removed from this Agreement without invoking a conversion. Removing activities is allowed when the RCO determines that the activities are not needed or cannot be retained due to one or more of the following conditions:
1. Obsolescence,
 2. Extraordinary vandalism,
 3. Acts of nature,
 4. Designed useful service life expectancy reached,
 5. Fire,
 6. Property or property rights lost as a result of legal action, or
 7. National Trails System Act reversion order.
- E. **Documentation.** Any conversion or change of use will be documented through a formal written amendment to this Agreement and signed by RCO and the sponsor.

SECTION 25. CONSTRUCTION, OPERATION, USE AND MAINTENANCE OF ASSISTED PROJECTS

The following provisions shall be in force only if the project described in this Agreement is an acquisition, development, maintenance, renovation or restoration project:

- A. **Property and facility operation and maintenance.** Sponsor must ensure that properties or facilities assisted with the RCO funds, including undeveloped sites, are built, operated, used, and maintained:
1. According to applicable federal, state, and local laws and regulations, including public health standards and building codes.
 2. In a reasonably safe condition for the project's intended use.
 3. Throughout its estimated useful service life so as to prevent undue deterioration.
 4. In compliance with all federal and state nondiscrimination laws, regulations and policies.
- B. **Open to the public.** Facilities open and accessible to the general public must:
1. Be constructed and maintained to meet or exceed the minimum requirements of the most current local or state codes, Uniform Federal Accessibility Standards, guidelines, or rules, including but not limited to: the International Building Code, the Americans with Disabilities Act, and the Architectural Barriers Act, as updated.
 2. Appear attractive and inviting to the public except for brief installation, construction, or maintenance periods.
 3. Be available for use by the general public without reservation at reasonable hours and times of the year, according to the type of area or facility.

SECTION 26. PROVISIONS RELATED TO CORPORATE (INCLUDING NONPROFIT) SPONSORS

A corporate sponsor, including any nonprofit sponsor, shall:

- A. Maintain corporate status with the state, including registering with the Washington Secretary of State's office, throughout the sponsor's obligation to the project as identified in the Agreement.
- B. Notify RCO prior to corporate dissolution at any time during the period of performance or long-term obligations. Within 30 days of dissolution, the sponsor shall name a qualified successor that will agree in writing to assume any on-going project responsibilities. A qualified successor is any party eligible to apply for funds in the subject grant program and capable of complying with the terms and conditions of this Agreement. RCO will process an amendment transferring the sponsor's obligation to the qualified successor if requirements are met.
- C. Sites or facilities open to the public may not require exclusive use, (e.g., members only).

SECTION 27. PROVISIONS FOR FEDERAL SUBAWARDS ONLY

The following provisions shall be in force only if the project described in this Agreement is funded with a federal subaward as identified in Section G: Federal Fund Information.

- A. **Equal Employment Opportunity.** Except as otherwise provided under 41 C.F.R. 60, all contracts that meet the definition of "federally assisted construction contract" in 41 C.F.R. § 60-1.3 must include the equal opportunity clause provided under 41 C.F.R. § 60-1.4(b), in accordance with Executive Order 11246, "Equal Employment Opportunity" (30 Fed. Reg. 12319, 12935, 3 C.F.R. 1964, 1965 Comp., p. 339), as amended by Executive Order 11375, "Amending Executive Order 11246 Relating to Equal Employment Opportunity," and implementing regulations at 41 C.F.R. § 60, "Office of Federal Contract Compliance Programs, Equal Employment Opportunity, Department of Labor."

Federally assisted construction contract means any agreement or modification thereof between any applicant and a person for construction work which is paid for in whole or in part with funds obtained from the Government or borrowed on the credit of the Government pursuant to any Federal program involving a grant, contract, loan, insurance, or guarantee, or undertaken pursuant to any Federal program involving such grant, contract, loan, insurance, or guarantee, or any application or modification thereof approved by the Government for a grant, contract, loan, insurance, or guarantee under which the applicant itself participates in the construction work. (41 C.F.R. § 60-1.3)

Construction work means the construction, rehabilitation, alteration, conversion, extension, demolition or repair of buildings, highways, or other changes or improvements to real property, including facilities providing utility services. The term also includes the supervision, inspection, and other onsite functions incidental to the actual construction. (41 C.F.R. § 60-1.3)

- B. **Davis-Bacon Act, as amended (40 U.S.C. 3141-3148).** When required by Federal program legislation, all prime construction contracts in excess of \$2,000 awarded by non-Federal entities (sponsors) must include a provision for compliance with the Davis-Bacon Act (40 U.S.C. 3141-3144, and 3146-3148) as supplemented by Department of Labor regulations (29 C.F.R. § 5, "Labor Standards Provisions Applicable to Contracts Covering Federally Financed and Assisted Construction").

In accordance with the statute, contractors must be required to pay wages to laborers and mechanics at a rate not less than the prevailing wages specified in a wage determination made by the Secretary of Labor. In addition, contractors must be required to pay wages not less than once a week. The non-Federal entity (sponsor) must place a copy of the current prevailing wage determination issued by the Department of Labor in each solicitation. The decision to award a contract or subcontract must be conditioned upon the acceptance of the wage determination. The non-Federal entity (sponsor) must report all suspected or reported violations to the Federal awarding agency identified in Section G: Federal Fund Information.

The contracts must also include a provision for compliance with the Copeland "Anti-Kickback" Act (40 U.S.C. 3145), as supplemented by Department of Labor regulations (29 C.F.R. Part 3, "Contractors and Subcontractors on Public Building or Public Work Financed in Whole or in Part by Loans or Grants from the United States"). The Act provides that each contractor or subrecipient (sponsor) must be prohibited from inducing, by any means, any person employed in the construction, completion, or repair of public work, to give up any part of the compensation to which he or she is otherwise entitled. The non-Federal entity (sponsor) must report all suspected or reported violations to the Federal awarding agency identified in Section G: Federal Fund Information.

- C. **Contract Work Hours and Safety Standards Act (40 U.S.C. 3701-3708).** Where applicable, all contracts awarded by the non-Federal entity (sponsor) in excess of \$100,000 that involve the employment of mechanics or laborers must include a provision for compliance with 40 U.S.C. 3702 and 3704, as supplemented by Department of Labor regulations (29 C.F.R. Part 5). Under 40 U.S.C. 3702 of the Act, each contractor must be required to compute the wages of every mechanic and laborer on the basis of a standard work week of 40 hours. Work in excess of the standard work week is permissible provided that the worker is compensated at a rate of not less than one and a half times the basic rate of pay for all hours worked in excess of 40 hours in the work week.

The requirements of 40 U.S.C. 3704 are applicable to construction work and provide that no laborer or mechanic must be required to work in surroundings or under working conditions which are unsanitary, hazardous or dangerous. These requirements do not apply to the purchases of supplies or materials or articles ordinarily available on the open market, or contracts for transportation or transmission of intelligence.

- D. **Rights to Inventions Made Under a Contract or Agreement.** If the Federal award meets the definition of "funding agreement" under 37 C.F.R. § 401.2(a) and the recipient or subrecipient (sponsor) wishes to enter into a contract with a small business firm or nonprofit organization regarding the substitution of parties, assignment or performance of experimental, developmental, or research work under that "funding agreement," the recipient or subrecipient (sponsor) must comply with the requirements of 37 C.F.R. Part 401, "Rights to Inventions Made by Nonprofit Organizations and Small Business Firms Under Government Grants, Contracts and Cooperative Agreements," and any implementing regulations issued by the awarding agency.
- E. **Clean Air Act (42 U.S.C. 7401-7671q.) and the Federal Water Pollution Control Act (33 U.S.C. 1251-1387), as Amended.** Contracts and subgrants of amounts in excess of \$150,000 must contain a provision that requires the non-Federal award to agree to comply with all applicable standards, orders or regulations issued pursuant to the Clean Air Act (42 U.S.C. 7401-7671q) and the Federal Water Pollution Control Act as amended (33 U.S.C. 1251-1387). Violations must be reported to the Federal awarding agency identified in Section G: Federal Fund Information and the Regional Office of the Environmental Protection Agency (EPA).

- F. **Byrd Anti-Lobbying Amendment (31 U.S.C. 1352).** Contractors that apply or bid for an award exceeding \$100,000 must file the required certification. Each tier certifies to the tier above that it will not and has not used Federal appropriated funds to pay any person or organization for influencing or attempting to influence an officer or employee of any agency, a member of Congress, officer or employee of Congress, or an employee of a member of Congress in connection with obtaining any Federal contract, grant or any other award covered by 31 U.S.C. 1352. Each tier must also disclose any lobbying with non-Federal funds that takes place in connection with obtaining any Federal award. Such disclosures are forwarded from tier to tier up to the non-Federal award.
- G. **Procurement of Recovered Materials.** A non-Federal entity (sponsor) that is a state agency or agency of a political subdivision of a state and its contractors must comply with section 6002 of the Solid Waste Disposal Act, as amended by the Resource Conservation and Recovery Act. The requirements of Section 6002 include procuring only items designated in guidelines of the Environmental Protection Agency (EPA) at 40 C.F.R. part 247 that contain the highest percentage of recovered materials practicable, consistent with maintaining a satisfactory level of competition, where the purchase price of the item exceeds \$10,000 or the value of the quantity acquired during the preceding fiscal year exceeded \$10,000; procuring solid waste management services in a manner that maximizes energy and resource recovery; and establishing an affirmative procurement program for procurement of recovered materials identified in the EPA guidelines.
- H. **Required Insurance.** The non-Federal entity (sponsor) must, at a minimum, provide the equivalent insurance coverage for real property and equipment acquired or improved with Federal funds as provided to property owned by the non-Federal entity. Federally-owned property need not be insured unless required by the terms and conditions of the Federal award (2 C.F.R. § 200.310 (2013)).
- I. **Debarment and Suspension (Executive Orders 12549 and 12689).** The sponsor must not award a contract (see 2 C.F.R. § 180.220) to parties listed on the government-wide exclusions in the System for Award Management (SAM), in accordance with the Office of Management and Budget (OMB) guidelines at 2 C.F.R. § 180 that implement Executive Orders 12549 (3 C.F.R. part 1986 Comp., p. 189) and 12689 (3 C.F.R. part 1989 Comp., p. 235). "Debarment and Suspension," SAM Exclusions contains the names of parties debarred, suspended, or otherwise excluded by agencies, as well as parties declared ineligible under statutory or regulatory authority other than Executive Order 12549.

SECTION 28. PROVISIONS FOR ESTUARY AND SALMON RESTORATION PROGRAM PROJECTS ONLY

The following provisions shall be in force only if the project described in this Agreement is funded from the Estuary and Salmon Restoration Program or the Marine Shoreline Protection program.

The sponsor shall comply with all applicable federal, State, and local laws, rules, and regulations in carrying out the terms and conditions of this Agreement.

A. Administrative Conditions

1. **Cost Principles.** The sponsor agrees to comply with the cost principles of 2 C.F.R. Part 200 (2013). Unless otherwise indicated, the Cost Principles apply to the use of funds provided under this Agreement and In-kind matching donations. The applicability of the Cost Principles depends on the type of organization incurring the costs.
2. **Audit Requirements.** The sponsor shall fully comply with requirements of 2 C.F.R. Part 200, Subpart F- Audit Requirements (2013), if applicable. See also Section F: Project Funding Amount.
3. **Hotel-Motel Fire Safety Act.** Pursuant to 40 C.F.R. 30.18, if applicable, and 15 U.S.C 2225a, sponsor agrees to ensure that all space for conferences, meetings, conventions, or training seminars funded in whole or in part with federal funds complies with the protection and control guidelines of the Hotel and Motel Fire Safety Act (PL 101-391, as amended). The sponsor may search the Hotel-Motel National Master List at: <http://www.usfa.dhs.gov/applications/hotel> to see if a property is in compliance (FEMA ID is currently not required), or to find other information about the Act.
4. **Recycled Paper**
 - a. **Institutions of Higher Education Hospitals and Non-Profit Organizations.** In accordance with 40 C.F.R. 30.16, sponsor agrees to use recycled paper and double-sided printing for all reports which are prepared as a part of this Agreement and delivered to EPA. This requirement does not apply to reports prepared on forms supplied by EPA, or to Standard Forms, which are printed on recycled paper and are available through the General Services Administration.
 - b. **State Agencies and Political Subdivisions.** In accordance with Section 6002 of the Resource Conservation and Recovery Act (RCRA) (42 U.S.C. 6962) any State agency or agency of a political subdivision of a State which is using appropriated Federal funds shall comply with the requirements set forth. Regulations issued under RCRA Section 6002 apply to any acquisition of an item where the purchase price exceeds \$10,000 or where the quantity of such items acquired in the course of the preceding fiscal year was \$10,000 or more. RCRA Section 6002 requires that preference be given in procurement programs to the purchases of specific products containing recycled materials identified in guidelines developed by EPA. These guidelines are listed in 40 C.F.R. 247.
 - c. **State and Local Institutions of Higher Education and Non-Profit Organizations.** In accordance with 40 C.F.R. § 30.16, State and local institutions of higher education, hospitals, and non-profit organizations that receive direct Federal funds shall give preference in their procurement programs funded with Federal funds to the purchase of recycled products pursuant to EPA's guidelines.

- d. **State Tribal and Local Government Recipients.** In accordance with the policies set forth in EPA Order 1000.25 and Executive Order 13423, Strengthening Federal Environmental, Energy and Transportation Management (January 24, 2007), the sponsor agrees to use recycled paper and double sided printing for all reports which are prepared a part of this Agreement and delivered to EPA. This requirement does not apply to reports prepared on forms supplied by EPA, or to Standard Forms, which are printed on recycled paper and are available through the General Services Administration.

5. **Lobbying.** The sponsor agrees to comply with Title 40 C.F.R. Part 34, New Restrictions on Lobbying. The sponsor shall include the language of this provision in award documents for all sub-awards exceeding \$100,000, and require that sub-awardees submit certification and disclosure forms accordingly.

In accordance with the Byrd Anti-Lobbying Amendment, any recipient who makes a prohibited expenditure under Title 40 C.F.R. Part 34 or fails to file the required certification or lobbying forms shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each expenditure. See also Section 11: Compliance with Applicable Federal Laws.

- a. **Part 30 Recipients.** All contracts awarded by the sponsor shall contain, when applicable, the anti-lobbying provisions as stipulated in the Appendix at Title 40 CFR Part 30.

Pursuant to Section 18 of the Lobbying Disclosure Act, the sponsor affirms that it is not a non-profit organization described in Section 501(c)(4) of the Internal Revenue Code of 1986; or that it is a non-profit organization described in Section 501(c)(4) of the Code but does not and will not engage in lobbying activities as defined in Section 3 of the Lobbying Disclosure Act.

- b. **Lobbying and Litigation.** The sponsor's chief executive officer shall ensure that no grant funds awarded under this Agreement are used to engage in lobbying of the Federal Government or in litigation against the United States unless authorized under existing law. The sponsor shall abide by its respective Appendix in 2 C.F.R. Part 200, which prohibits the use of Federal grant funds for litigation against the United States or for lobbying or other political activities.

6. **Suspension and Debarment.** The sponsor shall fully comply with Subpart C of 2 C.F.R. Part 180 and 2 C.F.R. Part 1532, entitled 'Responsibilities of Participants Regarding Transaction (Doing Business with Other Persons)'. The sponsor is responsible for ensuring that any lower tier covered transaction as described in Subpart B of 2 C.F.R. Part 180 and 2 C.F.R. Part 1532, entitled 'Covered Transactions', includes a term or condition requiring compliance with Subpart C. The sponsor is responsible for further requiring the inclusion of a similar term or condition in any subsequent lower tier covered transactions. The sponsor acknowledges that failing to disclose the information as required at 2 C.F.R. § 180.335 may result in the delay or negation of this assistance agreement, or pursuance of legal remedies, including suspension and debarment.

The sponsor may access the Excluded Parties List System at: <http://www.epls.gov>. This term and condition supersedes EPA Form 5700-49, 'Certification Regarding Debarment, Suspension, and Other Responsibility Matters'. See also Section 27: Provisions for Federal Subawards Only.

7. **Drug-Free Workplace Certification.** The sponsor must make an ongoing, good faith effort to maintain a drug-free workplace pursuant to the specific requirements set forth in 2 C.F.R. Part 1536 Subpart B. Additionally, in accordance with these regulations, the sponsor must identify all known workplaces under its federal award; and keep this information on file during the performance of the award.

- a. Sponsors who are individuals must comply with the drug-free provisions set forth in 2 C.F.R. Part 1536 Subpart C.
- b. The consequences for violating this condition are detailed under 2 C.F.R. Part 1536 Subpart E. The sponsor can access 2 C.F.R. Part 1536 at <http://ecfr.gpoaccess.gov>.

8. **Management Fees.** Management fees or similar charges in excess of the direct costs and approved indirect rates are not allowable. The term "management fees or similar charges" refers to expenses added to the direct costs in order to accumulate and reserve funds for ongoing business expenses, unforeseen liabilities, or for other similar costs which are not allowable under this assistance agreement. Management fees or similar charges may not be used to improve or expand the project funded under this Agreement, except to the extent authorized as a direct cost of carrying out the scope of work.

9. **Reimbursement Limitation.** If the sponsor expends more than the grant amount in this Agreement in its approved budget in anticipation of receiving additional funds, it does so at its own risk. The Federal Government and RCO is not legally obligated to reimburse the sponsor for costs incurred in excess of the approved budget. See also Section 11: Project Reimbursements.

10. **Trafficking in Persons.** The following prohibition statement applies to the sponsor, and all sub-awardees of the sponsor. The sponsor must include this statement in all sub-awards made to any private entity under this Agreement.

"YOU AS THE SUB-RECIPIENT, YOUR EMPLOYEES, SUB-AWARDEES UNDER THIS AWARD, AND SUB-AWARDEES' EMPLOYEES MAY NOT ENGAGE IN SEVERE FORMS OF TRAFFICKING IN PERSONS DURING THE PERIOD OF TIME THAT THE AWARD IS IN EFFECT; PROCURE A COMMERCIAL SEX ACT DURING THE PERIOD OF TIME THAT THE AWARD IS IN EFFECT; OR USE FORCED LABOR IN THE PERFORMANCE OF THE AWARD OR SUB-AWARDS UNDER THIS AWARD."

11. **DUNS and CCR Requirements.** Unless otherwise exempted from this requirement under 2 C.F.R. § 25.110, the sponsor must maintain the currency of its information in the Central Contractor Registry (CCR) until submission of its final financial report required under this Agreement or receive the final payment, whichever is later.

The sponsor may not make a sub-award to any entity unless the entity has provided its DUNS number to the sponsor.

12. **FY2011 ACORN Funding Restriction.** No funds provided under this Agreement may be used for sub-awards/sub-grants or contracts to the Association of Community Organizations for Reform NOW (ACORN) or any of its subsidiaries.
13. **Disadvantaged Business Enterprise Requirements, General Compliance.** The sponsor agrees to comply with the requirements of EPA's Program for Utilization of Small, Minority and Women's Business Enterprises in procurement under assistance agreements, contained in 40 C.F.R. Part 33.
14. **Sub-Awards.** If the sponsor makes sub-awards under this Agreement, the sponsor is responsible for selecting its sub-awardees and, if applicable, for conducting sub-award competitions. The sponsor agrees to:
 - a. Establish all sub-award agreements in writing;
 - b. Maintain primary responsibility for ensuring successful completion of the approved project (SPONSORS CANNOT DELEGATE OR TRANSFER THIS RESPONSIBILITY TO A SUB-AWARDEE);
 - c. Ensure that any sub-awards comply with the standards in 2 C.F.R. Part 200, and are not used to acquire commercial goods or services for the sub-awardee;
 - d. Ensure that any sub-awards to 501(c)(4) organizations do not involve lobbying activities;
 - e. Monitor the performance of sub-awardees, and ensure sub-awardees comply with all applicable regulations, statutes, and terms and conditions which flow down in the sub-award;
 - f. Obtain RCO's consent before making a sub-award to a foreign or international organization, or a sub-award to be performed in a foreign country; and
 - g. Obtain approval from RCO for any new sub-award work that is not outlined in the approved work plan in accordance with 40 C.F.R. Parts 30.25 and 31.30, as applicable.
15. **Federal Employees.** No Subcontract or grant funds may be used to provide any Federal Employee transportation assistance, reimbursement, and any other expense.
16. **Fly America Act.** The sponsor agrees to comply with 49 U.S.C. 40118 (the "Fly America" act) in accordance with the General Services Administration's regulations at 41 C.F.R. Part 301-10, which provide that recipients and subrecipients of Federal funds and their contractors are required to use U.S. Flag air carriers for U.S. Government-financed international air travel and transportation of their personal effects or property, to the extent such service is available, unless travel by foreign air carrier is a matter of necessity, as defined by the Fly America Act. The sponsor shall submit, if a foreign air carrier was used, an appropriate certification or memorandum adequately explaining why service by U.S. flag air carrier was not available or why it was necessary to use a foreign air carrier and shall, in any event, provide a certificate of compliance with the Fly America requirements. The sponsor agrees to include the requirements of this section in all subcontracts that may involve international air transportation.
17. **Recovered Materials.** The sponsor agrees to comply with all the requirements of Section 6002 of the Resource Conservation and Recovery Act (RCRA), as amended (42 U.S.C. 6962), including but not limited to the regulatory provisions of 40 C.F.R. Part 247, and Executive Order 12873, as they apply to the procurement of the items designated in Subpart B of 40 C.F.R. Part 247. See also Section 27: Provisions for Federal Subawards Only.
18. **Copeland "Anti-Kickback" Act.** All contracts and subgrants in excess of \$2,000 for construction or repair awarded by recipients and subrecipients shall include a provision for compliance with the Copeland "Anti-Kickback" Act (18 U.S.C. 874), as supplemented by Department of Labor regulations (29 C.F.R. Part 3, "Contractors and Subcontractors on Public Building or Public Work Financed in Whole or in Part by Loans or Grants from the United States"). The Act provides that each contractor or subrecipient shall be prohibited from inducing, by any means, any person employed in the construction, completion, or repair of public work, to give up any part of the compensation to which he is otherwise entitled. The recipient shall report all suspected or reported violations to the Federal awarding agency. See also Section 27: Provisions for Federal Subawards Only.
19. **Davis-Bacon Act, as amended (40 U.S.C. 276a to a-7).** When required by Federal program legislation, all construction contracts awarded by the recipients and subrecipients of more than \$2,000 shall include a provision for compliance with the Davis-Bacon Act (40 U.S.C. 276a to a-7) and as supplemented by Department of Labor regulations (29 C.F.R. Part 5, "Labor Standards Provisions Applicable to Contracts Governing Federally Financed and Assisted Construction"). Under this Act, contractors shall be required to pay wages to laborers and mechanics at a rate not less than the minimum wages specified in a wage determination made by the Secretary of Labor. In addition, contractors shall be required to pay wages not less than once a week. The recipient shall place a copy of the current prevailing wage determination issued by the Department of Labor in each solicitation and the award of a contract shall be conditioned upon the acceptance of the wage determination. The recipient shall report all suspected or reported violations to the Federal awarding agency. See also Section 27: Provisions for Federal Subawards Only.

20. **Contract Work Hours and Safety Standards Act (40 U.S.C. 327-333).** Where applicable, all contracts awarded by recipients in excess of \$2000 for construction contracts and in excess of \$2,500 for other contracts that involve the employment of mechanics or laborers shall include a provision for compliance with Sections 102 and 107 of the Contract Work Hours and Safety Standards Act (40 U.S.C. 327-333), as supplemented by Department of Labor regulations (29 C.F.R. Part 5). Under Section 102 of the Act, each contractor shall be required to compute the wages of every mechanic and laborer on the basis of a standard work week of 40 hours. Work in excess of the standard work week is permissible provided that the worker is compensated at a rate of not less than 1 1/2 times the basic rate of pay for all hours worked in excess of 40 hours in the work week. Section 107 of the Act is applicable to construction work and provides that no laborer or mechanic shall be required to work in surroundings or under working conditions which are unsanitary, hazardous or dangerous. These requirements do not apply to the purchases of supplies or materials or articles ordinarily available on the open market, or contracts for transportation or transmission of intelligence. See also Section 27: Provisions for Federal Subawards Only.
21. **Rights to Inventions Made Under a Contract or Agreement.** Contracts or agreements for the performance of experimental, developmental, or research work shall provide for the rights of the Federal Government and the recipient in any resulting invention in accordance with 37 C.F.R. Part 401, "Rights to Inventions made by Nonprofit Organizations and Small Business Firms Under Government Grants, Contracts and Cooperative Agreements," and any implementing regulations issued by the awarding agency. See also Section 27: Provisions for Federal Subawards Only.
22. **FY12 APPR ACT: Unpaid Federal Tax liabilities and Federal Felony Convictions.** This Agreement is subject to the provisions contained in the Department of Interior, Environment, and Related Agencies Appropriations Act, 2012, HR 2055, Division E, Sections 433 and 434 regarding unpaid federal tax liabilities and federal felony convictions. Accordingly, by accepting this award the recipient acknowledges that it (1) is not subject to any unpaid Federal tax liability that has been assessed, for which all judicial and administrative remedies have been exhausted or have lapsed, and that is not being paid in a timely manner pursuant to an agreement with the authority responsible for collecting the tax liability, and (2) has not been convicted (or had an officer or agent acting on its behalf convicted) of a felony criminal conviction under and Federal law within 24 months preceding the award, unless EPA has considered suspension or debarment of the corporation, or such officer or agent, based on these tax liabilities or convictions and determined that such action is not necessary to such action is not necessary to protect the Government's interests. If the recipient fails to comply with these provisions, EPA will annul this agreement and may recover any funds the recipient has expended in violation of sections 433 and 434.

B. Programmatic Conditions:

1. **Semi-Annual Financial and Ecosystem Accounting Tracking System (FEATS) Performance Reports.** The sponsor is required to submit performance reports every six months, unless a different reporting frequency is outlined in the Scope of Work, using the reporting tool supplied by RCO. The sponsor agrees to include brief information on each of the following areas:
 - (a) Comparison of actual accomplishments to the outputs/outcomes established in the assistance agreement work plan for the period;
 - (b) The reasons for slippages if established outputs/outcomes were not met; AND
 - (c) Additional pertinent information, including when appropriate, analysis and information of cost overruns or high unit costs.

Reporting periods are from October 1 to March 31 and April 1 to September 30. Performance reports are due to RCO 15 calendar days after the end of each reporting period.

2. **Final Performance Report.** In addition to the periodic performance reports, the sub-recipient will submit a final performance report to RCO within 60 calendar days after the expiration or termination of the award. The report shall be submitted to the RCO Grant Manager and must be provided electronically. The report shall generally contain the same information as in the periodic reports, but should cover the entire project period.
3. **Recognition of EPA Funding.** Reports, documents, signage, videos, or other media, developed as part of projects funded by this Agreement shall contain the following statement:

"THIS PROJECT HAS BEEN FUNDED WHOLLY OR IN PART BY THE UNITED STATES ENVIRONMENTAL PROTECTION AGENCY UNDER ASSISTANCE AGREEMENT [EPA agreement number] TO WASHINGTON DEPARTMENT OF FISH AND WILDLIFE. THE CONTENTS OF THIS DOCUMENT DO NOT NECESSARILY REFLECT THE VIEWS AND POLICIES OF THE ENVIRONMENTAL PROTECTION AGENCY, NOR DOES MENTION OF TRADE NAMES OR COMMERCIAL PRODUCTS CONSTITUTE ENDORSEMENT OR RECOMMENDATION FOR USE."

4. **Copyrighted Material.** EPA has the right to reproduce, publish, use, and authorize others to use copyrighted works or other data developed under this assistance agreement for Federal purposes.

RCO acknowledges that EPA may authorize another grantee to use copyrighted works or other data developed under this Agreement as a result of: a) the selection of another grantee by EPA to perform a project that will involve the use of the copyrighted works or other data or; b) termination or expiration of this agreement.

5. **Peer Review.** The results of this project may affect management decisions relating to Puget Sound. Prior to finalizing any significant technical products, the Principal Investigator (PI) of this project must solicit advice, review and feedback from a technical review or advisory group consisting of relevant subject matter specialists. A record of comments and a brief description of how respective comments are addressed by the PI will be provided to the RCO Grants Manager prior to releasing any final reports or products resulting from the funded study.

6. **Quality Assurance Requirements.** Acceptable Quality Assurance documentation must be submitted to the Grant Program within 30 days of acceptance of this agreement or another date as negotiated with the RCO Grants Manager. The National Estuary Program (NEP) Quality Coordinator supports quality assurance for EPA-funded NEP projects. No work involving direct measurements or data generation, environmental modeling, compilation of data from literature or electronic media, and data supporting the design, construction, and operation of environmental technology shall be initiated under an agreement until RCO or the NEP Quality Coordinator has approved the quality assurance document. The sponsor will submit all Quality Assurance documentation to the following address. Please copy the Grant Program on all correspondence with the NEP Quality Coordinator: Thomas H. Gries, NEP Quality Coordinator Department of Ecology Tgri460@ecy.wa.gov 360.407.6327.
7. **Environmental Data and Information Technology.** Sub-recipients are required to institute standardized reporting requirements into their work plans and include such costs in their budgets. All environmental data will be required to be entered into the EPA's Storage and Retrieval data system (STORET). The best method (local or state consolidated) for reporting will be determined on a project-by-project basis between the DFW grant manager and sub-recipient. More information about STORET can be found at <http://www.epa.gov/STORET>.

SECTION 29. ORDER OF PRECEDENCE

This Agreement is entered into, pursuant to, and under the authority granted by applicable federal and state laws. The provisions of the Agreement shall be construed to conform to those laws. In the event of an inconsistency in the terms of this Agreement, or between its terms and any applicable statute, rule, or policy or procedure, the inconsistency shall be resolved by giving precedence in the following order:

- A. Federal law and binding executive orders;
- B. Code of federal regulations;
- C. Terms and conditions of a grant award to the state from the federal government;
- D. Federal grant program policies and procedures adopted by a federal agency;
- E. State law;
- F. Washington Administrative Code;
- G. Project Agreement;
- H. The RCO policies and procedures.

SECTION 30. LIMITATION OF AUTHORITY

Only RCO or RCO's delegate by writing (delegation to be made prior to action) shall have the express, implied, or apparent authority to alter, amend, modify, or waive any clause or condition of this Agreement. Furthermore, any alteration, amendment, modification, or waiver of any clause or condition of this Agreement is not effective or binding unless made in writing and signed by RCO.

SECTION 31. WAIVER OF DEFAULT

Waiver of any default shall not be deemed to be a waiver of any subsequent default. Waiver or breach of any provision of the Agreement shall not be deemed to be a waiver of any other or subsequent breach and shall not be construed to be a modification of the terms of the Agreement unless stated to be such in writing, signed by the director, or the director's designee, and attached to the original Agreement.

SECTION 32. APPLICATION REPRESENTATIONS -- MISREPRESENTATIONS OR INACCURACY OR BREACH

The RCO rely on the sponsor's application in making its determinations as to eligibility for, selection for, and scope of, funding grants. Any misrepresentation, error or inaccuracy in any part of the application may be deemed a breach of this Agreement.

SECTION 33. SPECIFIC PERFORMANCE

The RCO may enforce this Agreement by the remedy of specific performance, which usually will mean completion of the project as described in this Agreement. However, the remedy of specific performance shall not be the sole or exclusive remedy available to RCO. No remedy available to the RCO shall be deemed exclusive. The RCO may elect to exercise any, a combination of, or all of the remedies available to it under this Agreement, or under any provision of law, common law, or equity.

SECTION 34. TERMINATION

The RCO will require strict compliance by the sponsor with all the terms of this Agreement including, but not limited to, the requirements of the applicable statutes, rules and all the RCO policies, and with the representations of the sponsor in its application for a grant as finally approved by the RCO. For federal awards, notification of termination will comply with 2 C.F.R. § 200.340.

- A. **For Cause.** The director may suspend or terminate the obligation to provide funding to the sponsor under this Agreement:
 1. In the event of any breach by the sponsor of any of the sponsor's obligations under this Agreement; or
 2. If the sponsor fails to make progress satisfactory to the director toward completion of the project by the completion date set out in this Agreement. Included in progress is adherence to milestones and other defined deadlines.

In the event this Agreement is terminated by the director, under this section or any other section after any portion of the grant amount has been paid to the sponsor under this Agreement, the director may require that any amount paid be repaid to RCO for redeposit into the account from which the funds were derived.

- B. **Non Availability of Funds.** The obligation of the RCO to make payments is contingent on the availability of state and federal funds through legislative appropriation and state allotment. If amounts sufficient to fund the grant made under this Agreement are not appropriated to RCO for expenditure for this Agreement in any biennial fiscal period, RCO shall not be obligated to pay any remaining unpaid portion of this grant unless and until the necessary action by the Legislature or the Office of Financial Management occurs. If RCO participation is suspended under this section for a continuous period of one year, RCO's obligation to provide any future funding under this Agreement shall terminate. Termination of the Agreement under this section is not subject to appeal by the sponsor.
- C. **For Convenience.** Except as otherwise provided in this Agreement, RCO may, by ten (10) days written notice, beginning on the second day after the mailing, terminate this Agreement, in whole or in part. If this Agreement is so terminated, RCO shall be liable only for payment required under the terms of this Agreement for services rendered or goods delivered prior to the effective date of termination.

SECTION 35. DISPUTE HEARING

Except as may otherwise be provided in this Agreement, when a dispute arises between the sponsor and the RCO, which cannot be resolved, either party may request a dispute hearing according to the process set out in this section. Either party's request for a dispute hearing must be in writing and clearly state:

- A. The disputed issues;
- B. The relative positions of the Parties;
- C. The sponsor's name, address, project title, and the assigned project number.

In order for this section to apply to the resolution of any specific dispute or disputes, the other party must agree in writing that the procedure under this section shall be used to resolve those specific issues. The dispute shall be heard by a panel of three persons consisting of one person chosen by the sponsor, one person chosen by the director, and a third person chosen by the two persons initially appointed. If a third person cannot be agreed on, the third person shall be chosen by the director.

Any hearing under this section shall be informal, with the specific processes to be determined by the disputes panel according to the nature and complexity of the issues involved. The process may be solely based on written material if the Parties so agree. The disputes panel shall be governed by the provisions of this Agreement in deciding the disputes.

The Parties shall be bound by the decision of the disputes panel, unless the remedy directed by that panel shall be without the authority of an affected Party to perform, as necessary, or is otherwise unlawful.

Request for a disputes hearing under this section by either party shall be delivered or mailed to the other party. The request shall be delivered or mailed within thirty (30) days of the date the requesting party has received notice of the action or position of the other party which it wishes to dispute. The written Agreement to use the process under this section for resolution of those issues shall be delivered or mailed by the receiving party to the requesting party within thirty (30) days of receipt by the receiving party of the request.

All costs associated with the implementation of this process shall be shared equally by the Parties.

SECTION 36. ATTORNEYS' FEES

In the event of litigation or other action brought to enforce contract terms, each party agrees to bear its own attorney fees and costs.

SECTION 37. GOVERNING LAW/VENUE

This Agreement shall be construed and interpreted in accordance with the laws of the State of Washington. In the event of a lawsuit involving this Agreement, venue shall be in Thurston County Superior Court if legally proper; otherwise, venue shall be in a county where the project is situated. The sponsor, by execution of this Agreement acknowledges the jurisdiction of the courts of the State of Washington.

SECTION 38. PROVISIONS APPLICABLE ONLY IF FEDERALLY RECOGNIZED INDIAN TRIBE IS THE SPONSOR

In the cases where this Agreement is between the RCO (State) and a federally recognized Indian Tribe, the following governing law/venue applies, but only between those Parties:

- A. Notwithstanding the above venue provision, if the State of Washington intends to initiate a lawsuit against a federally recognized Indian tribe relating to the performance, breach or enforcement of this Agreement, it shall so notify the Tribe. If the Tribe believes that a good faith basis exists for subject matter jurisdiction of such a lawsuit in federal court, the Tribe shall so notify the State within five days of receipt of such notice and state the basis for such jurisdiction. If the Tribe so notifies the State, the State shall bring such lawsuit in federal court, otherwise the State may sue the Tribe in the Thurston County Superior Court. Interpretation of the Agreement shall be according to applicable State law, except to the extent preempted by federal law. In the event suit is brought in federal court and the federal court determines that it lacks subject matter jurisdiction to resolve the dispute between the State and Tribal Party, then the Parties agree to venue in Thurston County Superior Court.
- B. Any judicial award, determination, order, decree or other relief, whether in law or equity or otherwise, resulting from such a lawsuit shall be binding and enforceable on the Parties. Any money judgment or award against a Tribe, tribal officers, employees, and members, or the State of Washington and its officers and employees may exceed the amount provided for in Section F: Project Funding Amount of the Agreement in order to satisfy the judgment.

- C. The Tribe hereby waives its sovereign immunity for suit in federal and state court for the limited purpose of allowing the State to bring such actions as it determines necessary to give effect to this section and to the enforcement of any judgment relating to the performance, or breach of this Agreement. This waiver is not for the benefit of any third party and shall not be enforceable by any third party or by any assignee of the Parties. In any enforcement action, the Parties shall bear their own enforcement costs, including attorneys' fees.

For purposes of this provision, the State includes the RCO and any other state agencies that may be assigned or otherwise obtain the right of the RCO to enforce this Agreement.

SECTION 39. SEVERABILITY

The provisions of this Agreement are intended to be severable. If any term or provision is illegal or invalid for any reason whatsoever, such illegality or invalidity shall not affect the validity of the remainder of the Agreement.

Eligible Scope Activities

Project Sponsor: City of Des Moines

Project Number: 14-1357

Project Title: Beach Park Picnic Shelter & Restroom

Project Type: Development

Program: RRG Local Parks

Approval: 7/10/2015

Project Metrics

Sites Improved

Project acres developed:	0.00
Project acres renovated:	0.09

Development Metrics

Worksite #1, Des Moines Beach Park

Buildings and Structures

Construct / install restroom

Number of restrooms:	0 new, 1 renovated
Select the restroom type:	Restroom

General Site Improvements

Construct picnic shelter

Number of group picnic shelters:	0 new, 1 renovated
----------------------------------	--------------------

Site Preparation

General site preparation

Cultural Resources

Cultural resources

Permits

Obtain permits

Architectural & Engineering

Architectural & Engineering (A&E)

Milestone Report By Project

Project Number: 14-1357 D
Project Name: Beach Park Picnic Shelter & Restroom
Sponsor: Des Moines City of

X	!	Milestone	Target Date	Comments/Description
		Project Start	12/07/2015	
		Design Initiated	12/07/2015	
		Applied for Permits	02/01/2016	
		60% Plans to RCO	02/29/2016	
		SEPA/NEPA Completed	03/31/2016	
		All Bid Docs/Plans to RCO	04/30/2016	
	!	Special Conditions Met	05/01/2016	Evidence of compliance with Executive Order 05-05 and/or Section 106 required, see Special Conditions #1.
		Bid Awarded/Contractor Hired	05/30/2016	
	!	Construction Started	06/01/2016	
	!	Progress Report Submitted	06/30/2016	
	!	Annual Project Billing	07/31/2016	
		RCO Interim Inspection	08/31/2016	
		50% Construction Complete	08/31/2016	
		90% Construction Complete	11/01/2016	
		Construction Complete	12/31/2016	
	!	Progress Report Submitted	12/31/2016	
		Funding Acknowl Sign Posted	02/28/2017	
		RCO Final Inspection	06/30/2017	
	!	Agreement End Date	06/30/2017	
		Final Billing to RCO	08/15/2017	
		Final Report in PRISM	08/30/2017	

X = Milestone Complete

! = Critical Milestone

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DMBP Picnic Shelter/Restrooms			Project #	310.061.045	Summary Project Description:							
TOTAL PROJECT SCOPE					PROJECT ALLOCATIONS BY YEAR							
Expenditures	1/1/15 Current CIP Budget	2015 CIP Supplemental Request	2015 Revised CIP Budget Estimate	Project to Date 12/31/14	Project To Date 12/31/2015	2015 Year to Date 12/31/2015	2015 Remaining	Estimated Year End 2015	Planned Year 2016	Planned Year 2017	Planned Year 2018	Planned Year 2019
Design												
External Engineering (Dave Clark)	45,000	-	45,000	-	-		30,000	30,000	15,000			
Internal Engineering/Project Mgmt	10,275	-	10,275	-	878	878	4,397	5,275	5,000			
Surveying Services		-	-	-	-		-					
Other Professional Services		-	-	-			-					
Permits	17,000	-	17,000	-	-		-		17,000			
Other Misc (Advertise, Postage, Etc.)	725	-	725		722	722	3	725				
Prop/ROW/Easements												
Construction												
External Engineering	25,000	-	25,000	-	-		-		25,000			
Internal Engr-Proj Mgmt/ Inspect	8,000	-	8,000	-	-		-		8,000			
Construction Contract 1	413,000	-	413,000	-	-		-		413,000			
Other												
Interfund Financial Services	6,230	-	6,230	-			360	360	5,870			
Contingencies	227,299	(129,529)	97,770	-	-		-		97,770			
Total Project Expense Budget:				-	1,600	1,600	34,760	36,360	586,640	-	-	-

Funding Sources	1/1/15 Current CIP Budget	2015 CIP Supplemental Request	2015 Revised CIP Budget Estimate	Project to Date 12/31/14	Project to Date 12/31/2015	2015 YTD 12/31/2015	2015 Remaining	Scheduled Year 2015	Scheduled Year 2016	Scheduled Year 2017	Scheduled Year 2018	Scheduled Year 2019
REET 1	-	41,074	41,074	-	-	-	-	-	171,144	(54,000)	(54,000)	(22,070)
KC Park Levy (2014-2019)	293,000	(4,074)	288,926	49,356	49,356	-	54,750	54,750	54,750	54,000	54,000	22,070
Washington State RCO	287,971	5,029	293,000	-	-	-	-	-	293,000	-	-	-
Misc Revenues	171,558	(171,558)	-	-	-	-	-	-	-	-	-	-
Total Project Revenue Budget:	752,529	(129,529)	623,000	49,356	49,356	-	54,750	54,750	518,894	-	-	-

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A G E N D A I T E M

BUSINESS OF THE CITY COUNCIL City of Des Moines, WA

SUBJECT: Adding a New Chapter 3.51 DMMC
Entitled "Special Revenue Funds"

ATTACHMENTS:

1. Draft Ordinance No. 15-218

FOR AGENDA OF: December 17, 2015

DEPT. OF ORIGIN: Finance

DATE SUBMITTED: December 10, 2015

CLEARANCES:

- ☒ Legal *JS*
- ☒ Finance *BM*
- ☐ Marina _____
- ☐ Parks, Recreation & Senior Services _____
- ☐ Planning, Building & Public Works _____
- ☐ Police _____
- ☐ Courts _____

APPROVED BY CITY MANAGER
FOR SUBMITTAL: *mm/ACM*

Purpose and Recommendation

To create authorization and legally define various special revenue funds. This authority is necessary for some funds in order for the city to report the activity in Special Revenue funds (as defined by generally accepted accounting principles).

Suggested Motions

FIRST MOTION: "I move to suspend Rule 26(a) in order to enact Draft Ordinance No. 15-218 on first reading."

SECOND MOTION: "I move to enact Draft Ordinance No. 15-218 adding a new chapter to Title 3 DMMC establishing and defining certain Special Revenue funds."

Background

Title 3 DMMC authorizes and provides the legal definition of "funds" used for budgeting and reporting City financial activity. Title 3 DMMC currently has separate chapters for certain categories of funds (e.g. "Enterprise Funds" DMMC 3.52 and "Internal Service Funds" DMMC 3.56). Currently the "Special Revenue Fund" category is missing and there are several of such funds which are not currently authorized

in the municipal code. Special Revenue Funds are used to account for and manage restricted revenues and cash.

Discussion

This is the first step in a process to update the municipal code to bring it into compliance with current generally-accepted accounting principles' definitions and to ensure all authorized funds are correctly categorized.

Draft Ordinance No. 15-218 establishes authority and fund usage definitions for the new Street Pavement Fund (to handle the restricted revenues from the second \$20.00 of the car tab fee); the Police Drug Seizure Fund (old activity, but no special revenue fund authorized); Redondo Zone fund (old activity previously included in Marina fund now separated to be stand-alone fund and separate from the Marina); PBPW Automation fund (existing fee in general fund will now be stand-alone and matched as cost recovery for approved expenditures and provide for carryover of separate fund balance); Automated Speed Enforcement Fund (existing fee in general fund will now be stand-alone and matched as cost recovery for approved expenditures and provide for carryover of separate fund balance); and the Transportation Benefit District Fund (previously was a separate, external entity, now is a legal part of the City).

Financial Impact

None.

Alternatives

Council could postpone or not adopt the ordinance to add the new Special Revenue funds, but postponing or not passing this Ordinance will result in financial statements which do not conform to generally accepted accounting principles and will likely result in an audit finding.

Recommendation

Staff recommends Council enact Draft Ordinance No. 15-218 establishing and defining the new Special Revenue funds.

CITY ATTORNEY'S FIRST DRAFT 12/09/2015

DRAFT ORDINANCE NO. 15-218

AN ORDINANCE OF THE CITY OF DES MOINES, WASHINGTON relating to finance and adding and codifying a new chapter 3.51 DMMC to Title 3 DMMC entitled "Special Revenue Funds."

WHEREAS, generally accepted accounting principles define what activities are accounted for in a special revenue fund, and

WHEREAS, the City Council authorizes the creation, changes and deletions of funds, and

WHEREAS, from time to time new funds are necessary to track new activities, and

WHEREAS, the funds created through this Ordinance have been included in the amended 2015 Budget and the 2016 Budget, and

WHEREAS, transactions have been recorded in these funds throughout calendar year 2015, and

WHEREAS, the City Council finds that the amendments contained in this Ordinance are appropriate and necessary for the preservation of the public health and welfare; now therefore,

THE CITY COUNCIL OF THE CITY OF DES MOINES ORDAINS AS FOLLOWS:

Sec. 1. A new chapter is added to Title 3 DMMC to read as follows:

Chapter 3.51 DMMC

SPECIAL REVENUE FUNDS

3.51.010. General provisions.

(1) Identity and accounting. Except as otherwise provided in this chapter, each special revenue fund has a separate accounting and identity from other monetary resources of the City.

(2) Sources of moneys. Except as otherwise provided in this chapter, each special revenue fund receives moneys

Ordinance No. ____
Page 2 of 5

restricted or designated for the funds' purpose. A substantial amount of each funds' revenues must come from restricted sources.

(3) Expenditures from funds. Except as otherwise provided in this chapter, expenditures from special revenues funds must be made in accordance to the fund's restrictions.

(4) Transfers from funds. Moneys in a special revenue fund may be transferred to another City fund as long as the expenditure by the other fund meets the requirements and restrictions related to the special revenue fund's restricted revenues.

(5) Annual carryover. Except as otherwise provided in this chapter, moneys that have been deposited in each special revenue fund are maintained and carried forward at the end of each budget year, including interest from investment earnings of the funds and excluding authorized expenditures.

3.51.102 Street pavement fund.

(1) There is created a "street pavement fund."

(2) The purpose of the street fund is for the receipt and expenditure of moneys used to reconstruct or preserve (chip seal, micro seal, overlay, etc.) street pavement.

(3) Moneys for the street fund consist of funds received from the second \$20.00 of the car tab fee collected pursuant chapter 36.73 RCW and DMMC chapter 12.30 and from such other sources as the City Council may determine.

3.51.107 Police drug seizure fund.

(1) There is created a "police drug seizure fund."

(2) All moneys received pursuant to RCW 69.50.505 and federal asset seizure laws are to be deposited into this fund to be used for qualifying expenditures allowed by law.

3.51.140 Redondo Zone fund.

(1) There is created a "Redondo Zone fund."

Ordinance No. ____
Page 3 of 5

(2) All revenues received in the Redondo Zone (such as parking fees and fines) are to first be used for operating costs of that Zone. Any excess is authorized for capital improvement expenditures or debt service benefitting the Redondo Zone.

3.51.142 Planning, Building and Public Works automation fund.

(1) There is created a "Planning, Building and Public Works automation fund."

(2) All revenues received from the Planning, Building and Public Works automation fees are to be used for technology operations, maintenance and replacement expenditures as well as capital expenditures for acquisition of additional technology (hardware and/or software) benefiting the Planning, Building and Public Works Department.

3.51.190 Automated speed enforcement fund.

(1) There is created an "automated speed enforcement fund."

(2) Revenue from fines assessed under authority of chapter 10.36 DMMC shall be used solely for traffic safety purposes or as otherwise provided by state law. For purposes of this section, the term "traffic safety purposes" may include, but is not limited to, the following:

(a) Personnel costs for employees or contractors who are involved in automated speed enforcement planning and implementation, including professional services such as traffic engineering services;

(b) Personnel costs for employees or contractors who are involved in automated speed enforcement court hearings, fine collection or other processing, including expert witness fees;

Ordinance No. ____
Page 4 of 5

(c) Costs associated with training of employees or contractors involved with the automated speed enforcement program;

(d) Purchase and/or maintenance of equipment, including signage, related to the automated speed enforcement program;

(e) Costs associated with traffic safety projects in the transportation capital fund unrelated to the automated speed enforcement program.

3.51.199 Transportation Benefit District fund.

(1) There is created a "Transportation Benefit District fund."

(2) Revenues collected pursuant to chapter 36.73 RCW and chapter 12.30 DMMC shall be used for transportation improvements that preserve and maintain the transportation infrastructure of the City, consistent with the requirements of chapter 36.73 RCW, and shall be used primarily for improvements to preserve and maintain the City's previous investments in the transportation infrastructure, reduce the risk of transportation facility failure, improve safety, continue the cost-effectiveness of the City's infrastructure investments, and continue the optimal performance of the transportation system.

Sec. 2. Ratification, confirmation, and approval. All acts undertaken prior to the effective date of this Ordinance that are consistent with the intent and purpose of same are hereby ratified, confirmed, and approved.

Sec. 3. Codification. Section 1 of this Ordinance shall be codified as chapter 3.51 DMMC, entitled "Special Revenue Funds."

Sec. 4. Severability - Construction.

(1) If a section, subsection, paragraph, sentence, clause, or phrase of this Ordinance is declared unconstitutional or invalid for any reason by any court of competent jurisdiction,

Ordinance No. ____
 Page 5 of 5

such decision shall not affect the validity of the remaining portions of this Ordinance.

(2) If the provisions of this Ordinance are found to be inconsistent with other provisions of the Des Moines Municipal Code, this Ordinance is deemed to control.

Sec. 5. Effective date. This Ordinance shall take effect and be in full force five (5) days after its final passage by the Des Moines City Council in accordance to law.

PASSED BY the City Council of the City of Des Moines this ____ day of ____, 2015 and signed in authentication thereof this ____ day of ____, 2015.

 M A Y O R

APPROVED AS TO FORM:

 City Attorney

ATTEST:

 City Clerk

Published: _____

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A G E N D A I T E M

BUSINESS OF THE CITY COUNCIL City of Des Moines, WA

SUBJECT: 2016 Operating and Capital Budgets

FOR AGENDA OF: December 17, 2015

ATTACHMENTS:

1. Draft Ordinance No. 15-183
2. Appendix A 2016 Operating Budget
3. Appendix B 2016 Capital Budget
4. 2016 Operating & Capital Budgets
5. Additional Information Regarding
Irrigation Costs, Landscape Maintenance
Costs and Janitorial Costs
6. Development Fee Comparison

DEPT. OF ORIGIN: Finance

DATE SUBMITTED: December 9, 2015

CLEARANCES:

- [X] Legal TS
 [X] Finance DM
 [] Marina _____
 [] Parks, Recreation & Senior Services _____
 [] Planning, Building & Public Works _____
 [] Police _____
 [] Courts _____

APPROVED BY CITY MANAGER

FOR SUBMITTAL: July/ACM

Purpose and Recommendation

This is the latest version of the 2016 Operating and Capital Budgets. By state law, Council must adopt the budgets prior to December 31, 2015. December 17, 2015 is the last currently scheduled City Council meeting before December 31, 2015.

Suggested Motion

I move to enact Draft Ordinance No. 15-183 adopting the final 2016 Operating and Capital Budgets for the fiscal year ending December 31, 2016.

Background

The initial version of the 2016 Preliminary Operating and Capital budget was filed with the City Clerk and available to the public October 8th, 2015. The Finance Director discussed the document during the October 15, 2015 meeting. Based on feedback and updated construction estimates additional changes were made to the October 8 draft and were contained in the October 29, 2015 draft. The first public hearing and first reading of the budget ordinance was held on October 29, 2015. Council continued the budget discussion to November 12, 2015 when the second public hearing was held. The 2016 budget

discussion was again continued to a budget retreat held on November 14, 2015. Based on council direction from the November 14, 2015 retreat, the 2016 budget was amended again to reflect additional one time cost savings (12 employee furlough days) and an additional permanent position cut (code enforcement) additional permanent revenues (addition of Marina floor paid parking project) and reduced the number of new Patrol officers to add from three down to one. Council continued the budget discussion to November 19, 2015 and then removed it from discussion and rescheduled to December 17, 2015.

Alternatives:

Staff has identified additional possible budget cost containment measures. Attachment 5 outlines these plus additional options (which staff does not recommend but council can consider).

Irrigation. A net \$4,000 in irrigation savings by paying service fees to remove the meter base fees during winter months is available. If all watering to neighborhood parks stopped then maximum savings would be about \$10,000; a 10% reduction would save about \$1,250.

Landscape Maintenance. Reduce services at 18 Parks and City facilities from 39 times per year to 26 times per year for an estimated savings of \$8,150.

Janitorial Maintenance. Reduce janitorial services (including employee restrooms) from 3 or 4 times a week (depends on location) to 2 times a week. Public restrooms cleanings would remain unchanged. Reduce window cleaning at the Dining Hall and Auditorium from monthly to quarterly. Total estimated savings is \$9,600.

Code Enforcement. A 5% increase in Land Use and Building Fees would generate approximately \$100,000 of additional revenue in 2016. This could cover the cost of the Code Enforcement Officer position in 2016. While there is no guarantee that these additional revenues would continue beyond 2016, it would allow the City to maintain Code Enforcement for at least next year.

Attachment 6 provides information related to fee comparisons, which was prepared by the City of Kent and distributed back in July. This was a comparison of two hypothetical projects; one commercial project and one residential project. While the figures aren't entirely accurate, it does provide one example of where Des Moines is in relation to other cities as far as fees goes.

The chart shows that for the commercial example, Des Moines was in the upper one-third, and for residential example, Des Moines was in the lower one-third. It is important to point out that the Des Moines fee numbers used for Kent's analysis are not current. This last year staff reviewed and updated the building fees by lowering the fees for large scale commercial projects, and increasing the fees for residential projects. So our current fee structure would put Des Moines more towards the middle in both examples.

If fees were increased, staff would not increase them uniformly across the board, but rather target the fees most associated with the routine day-to-day development submittals.

It is worth noting that the cost of living adjustment for 2016 is 2.6%. At a minimum, the City should consider increasing our fees by 2.6% to cover the increase in operational expenses. Other cities will likely do the same.

Recommendation

Staff recommends council adopt the 2016 Operating and Capital budgets as written but direct staff to move forward with implementing the additional cost containment measures relating to changes in irrigation, landscape maintenance and janitorial maintenance at the levels council specifies.

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CITY ATTORNEY'S FIRST DRAFT 10/21/2015

DRAFT ORDINANCE NO. 15-183

AN ORDINANCE OF THE CITY OF DES MOINES, WASHINGTON adopting the final operating and capital budgets for the City of Des Moines, Washington, for the fiscal year ending December 31, 2016, in summary form, ratifying and confirming revenues and expenditures previously implemented for fiscal year 2015, as such revenues and expenditures form the basis for development of the budget for fiscal year 2016, approving revenues and expenditures for fiscal year 2016, and temporarily suspending the effect of any ordinance, code provision or other City requirement with which the fund adjustments and transfers proposed by the City Manager for the 2015 budget might be inconsistent.

WHEREAS, the City Manager for the City of Des Moines has prepared and submitted the preliminary operating and capital budgets for the fiscal year ending December 31, 2016 to the City Council and has filed these budgets with the City Clerk, and

WHEREAS, the City Council finds that the City Manager's proposed budgets for fiscal year 2016 reflects revenues and expenditures that are intended to ensure provision of vital municipal services at acceptable levels, and

WHEREAS, the City Council finds that the City Manager's proposed operating and capital budgets for fiscal year 2016 appropriately relies upon anticipated year-end balances derived from revenues and expenditures previously approved and authorized by the City Council as part of the City's budget for fiscal year 2015, and

WHEREAS, the City Council finds that the fund adjustments and transfers proposed by the City Manager for fiscal year 2015 are necessary and in the public's interest, and

WHEREAS, by motion regularly passed, the Des Moines City Council scheduled the final public hearing for October 29, 2015, to take public comment with respect to the proposed 2016 operating and capital budgets, and

WHEREAS, notice of the public hearing was given to the public in accordance with law and the final public hearing was held on the 12th day of November, 2015, and all persons wishing to be heard were heard; now therefore,

ATTACHMENT 1

Ordinance No. _____
Page 2 of 3

THE CITY COUNCIL OF THE CITY OF DES MOINES ORDAINS AS FOLLOWS:

Sec. 1. The findings set forth in the preamble to this Ordinance are hereby adopted and incorporated by reference.

Sec. 2. Based on the findings adopted herein, the City Council temporarily suspends the effect of any ordinance, code provision or other City requirement with which the fund adjustments and transfers proposed by the City Manager for the 2016 budget might be inconsistent.

Sec. 3. The fund adjustments and transfers proposed by the City Manager for fiscal year 2015, which are incorporated in the preliminary budget for fiscal year 2016, are hereby authorized and approved by the City Council.

Sec. 4. Because the City's operating and capital budgets for fiscal year 2016 rely upon anticipated year-end fund balances or shortages derived from revenues collected and expenditures incurred in fiscal year 2015, the City Council hereby ratifies and confirms all revenues, from whatever source derived, and expenditures incurred by the City to the extent such revenues and expenditures are in accordance with the City's budget for fiscal year 2015 or any subsequent budget amendments formally approved by the City Council.

Sec. 5. The City Council hereby adopts, affirms and approves any and all revenues, from whatever source derived, and expenditures as referenced in the attached operating and capital budgets for fiscal year 2016.

Sec. 6. The final operating budget for the City of Des Moines' fiscal year 2016 is hereby adopted and approved in summary form as set forth in the attached Appendix "A", which is by this reference incorporated herein. The final capital budget for the City of Des Moines' fiscal year 2016 is hereby adopted and approved in summary form as set forth in the attached Appendix "B", which is by this reference incorporated herein.

ATTACHMENT 1

Ordinance No. _____
 Page 3 of 3

Sec 7. Severability - Construction.

(1) If a section, subsection, paragraph, sentence, clause, or phrase of this Ordinance is declared unconstitutional or invalid for any reason by any court of competent jurisdiction, such decision shall not affect the validity of the remaining portions of this Ordinance.

(2) If the provisions of this Ordinance are found to be inconsistent with the other provisions of the Des Moines Municipal Code, this Ordinance is deemed to control.

Sec 8. Effective date. This Ordinance shall take effect and be in full force (5) five days after its final passage by the Des Moines City Council.

PASSED BY the City Council of the City of Des Moines this 17th day of December, 2015 and signed in authentication thereof this 17th day of December, 2015.

 M A Y O R

APPROVED AS TO FORM:

 City Attorney

ATTEST:

 City Clerk

Published: _____

ATTACHMENT I

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APPENDIX A 2016 OPERATING BUDGET

FUND	EXPENDITURE	REVENUE
GENERAL FUND.....	\$ 21,307,249	\$ 21,307,249
STREETS	1,660,537	1,660,537
STREET PAVEMENT	15,000	15,000
POLICE DRUG SEIZURE	32,434	32,434
HOTEL-MOTEL TAX	115,927	115,927
REDONDO ZONE	75,595	75,595
PBPW AUTOMATION FEE	122,000	122,000
ABATEMENT	1,992	1,992
AUTOMATED SPEED ENFORCE (ASE)	394,236	394,236
TRANSPORTATION BENEFIT DISTRICT	947,950	947,950
DEBT SERVICE	450,662	450,662
CONSTRUCTION	16,731,883	16,731,883
MARINA	7,642,108	7,642,108
SURFACE WATER MANAGEMENT	7,469,929	7,469,929
EQUIPMENT RENTAL OPERATIONS	645,971	645,971
EQUIPMENT RENTAL REPLACEMENT	2,290,084	2,290,084
FACILITY REPAIR & REPLACEMENT.....	141,253	141,253
COMPUTER OPERATIONS.....	508,299	508,299
COMPUTER REPLACEMENT.....	527,973	527,973
SELF INSURANCE.....	928,077	928,077
UNEMPLOYMENT INSURANCE.....	381,252	381,252
GRAND TOTAL ALL FUNDS	<u>\$ 62,390,411</u>	<u>\$ 62,390,411</u>

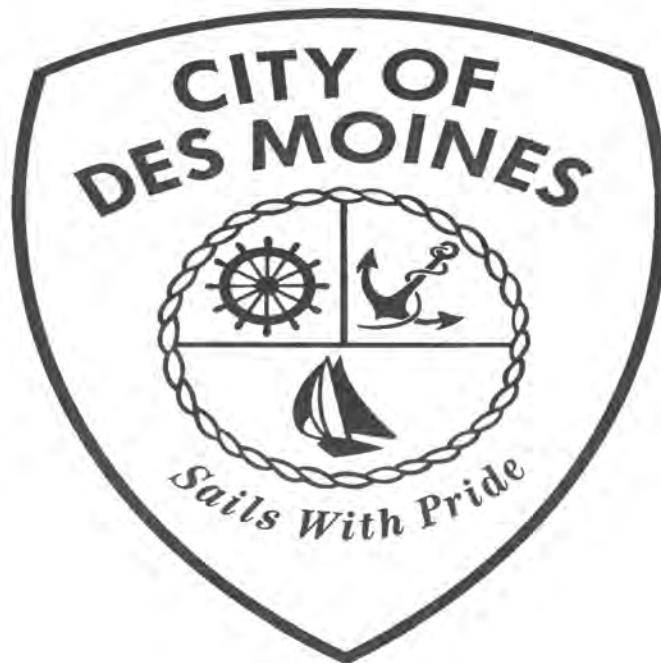
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APPENDIX B – CAPITAL BUDGET

<u>Project #</u>	<u>Status</u>	<u>Project Title</u>	<u>2016 Budget</u>
101.205.016	New	Annual Sidewalk Program 2016	20,000
101.305.040	New	Annual Guardrail Plan	25,000
TOTAL FUND 101 STREETS O&M 2016			45,000
102.102.040	New	Arterial Street Paving	455,000
TOTAL FUND 102 ARTERIAL PAVE 2016			455,000
103.103.040	New	Residential Street Paving	-
TOTAL FUND 103 RESIDENT PAVE 2016			-
310.056.045	New	DMBP Sun Home Lodge Rehab	605,000
310.057.045	Continuing	Field House Tennis Court	25,000
310.061.045	Continuing	DMBP Picnic Shelter/Restrooms	623,000
310.062.045	Continuing	Parkside Playground	416,129
310.065.045	Continuing	Parkside Soil Remediation	120,700
310.404.045	New	N Lot / BP Parking	125,000
310.514.024	Continuing	Financial System Replacement	252,000
TOTAL FUND 310 MCI CIP 2016			2,166,829
319.300.040	Continuing	24th Ave South Improvements	8,500,196
319.326.040	Continuing	SW Bridge Seismic Retrofit	4,526,604
319.332.040	Continuing	S 216th St - Segment 1A	6,885,343
319.336.040	Continuing	S 224th Street Improvements	614,615
319.345.040	Continuing	Barnes Creek Trail/SR 509 ROW	1,064,012
319.471.040	Continuing	16th Ave S Improve - Segment 5A	310,539
319.606.040	Continuing	Midway Elem SRTS	395,656
319.609.040	New	Arterial Traffic Calming	15,000
319.611.070	New	Redondo Paid Parking	150,000
319.614.040	Continuing	S 268th Street Sidewalks	585,800
319.615.040	Continuing	Redondo Board Walk Repair	4,700,710
TOTAL FUND 310 MCI CIP 2016			27,748,475
403.404.070	New	Marina Paid Parking	135,000
403.451.070	New	Dock Electrical Replacement	60,000
403.453.070	New	Gate Security System	40,000
TOTAL FUND 403 MARINA CIP 2016			235,000
451.804.040	Continuing	Barnes Creek/KDM Culvert Replacement	1,878,014
451.815.040	Continuing	24th Ave Pipeline Replace/Upgrade	262,700
451.821.040	Continuing	L Massey Creek	1,908,518
451.826.040	Continuing	South 251st Street Slide Emergency Work	100,000
TOTAL FUND 403 SWM CIP 2016			4,149,232
506.016.045	Continuing	Activity Center Floor Repair	20,000
506.704.040	New	Council Chambers Lighting	25,000
506.705.040	New	LED Exterior Lighting	34,000
TOTAL FUND 506 FACILITY REPAIR CIP 2016			79,000
TOTAL 2016 CAPITAL BUDGET			34,878,536

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CITY OF DES MOINES



2016 OPERATING & CAPITAL BUDGETS

Adopted by Ordinance No. xxxx
DECEMBER 17, 2015

**CITY OF DES MOINES, WASHINGTON
2016 ANNUAL BUDGET**

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A GUIDE TO THE CITY OF DES MOINES BUDGET

The intent of this guide is to explain basic concepts of how the City of Des Moines government is financed, how the City accounts for its finances in order to meet its stewardship obligation over the public's money, and how the budget process works.

The City of Des Moines' mission is to provide for the basic safety, health and welfare of its citizens by providing a variety of social, health, environmental, public safety, and other services to the public.

The wide variety of services makes it a challenge for the City to keep its citizens informed and involved in the business of government. Hopefully, this Guide will make it easier to understand how some of the City's financial activities work.

WHAT IS A BUDGET?

The annual budget of the City of Des Moines is a formal statement of the financial policy and plan of the City for the calendar year. The Budget document presents in detail the financial plan of the City, including its various sources of revenues and the allocation of these resources to the various programs.

WHAT ARE REVENUES?

Monies received through taxes, licenses and permits, intergovernmental sources, charges for services, fines and forfeitures, and other miscellaneous sources are called revenues.

WHAT ARE EXPENDITURES?

Expenditures occur when the City buys goods and/or services and pays its employees. Expenditures can be categorized into three types: operating expenditures, capital expenditures, and debt service expenditures. Operating expenditures are the day to day spending on salaries, supplies, utility services, and contracts. Capital expenditures are generally for acquisition of major assets such as land and buildings or for the construction of streets or other improvements. Debt service expenditures repay borrowed money and related interest.

WHAT IS A FUND?

The City is financially organized into separate fiscal and accounting entities known as Funds. Each Fund is a separate division for accounting and budgetary purposes. The Fund accounting process allows the City to budget and account for revenues that are restricted by law or policy to a specific use or purpose in accordance with nationally recognized rules of governmental accounting and budgeting.

The City of Des Moines budgets for approximately 22 separate Funds. Each Fund can be viewed as a separate checking account to be used for a specific purpose. All Funds of the City fall into one of the following major categories. Following is a brief description of these categories.

General Fund: The General Fund finances most services that the City provides. This includes law enforcement, fire protection, municipal courts, parks and recreation, community development and administrative activities. The General Fund is, essentially, a "catch-all" fund for accounting for City operations that are not required to be accounted for in a separate fund. The General Fund receives all of the property taxes.

Special Revenue Funds: The City uses Special Revenue funds to account for revenues that must be used by law for specific purposes. An example is the City Street Fund which accounts for gasoline taxes received that can only be used for maintenance and improvements to roads and streets.

Debt Service Funds: The Debt Service funds are used to account for the accumulation of resources for the repayment of monies borrowed through voter approved general obligation bond sales and the related interest.

Construction Funds: Construction funds are used to account for the accumulation of resources to fund construction projects related to general government. Utility related construction is included in the Enterprise Funds.

Enterprise Funds: The Enterprise Funds are established to account for operations that are financed and operated in a manner similar to private business with the intent that the cost of the goods or services provided will be recovered primarily through user charges. The Marina Fund and the Surface Water Management funds are the City's funds in this category.

Internal Service Funds: Internal Service Funds are used by the City to account for the financing of goods and/or services provided by one department or fund to another department or fund of the City on a cost reimbursement basis. For example, the City uses the Equipment Rental Funds to purchase and maintain vehicles used by the various departments and funds. Each department or fund pays rent to the ER Fund to use that equipment.

WHY USE FUNDS?

Reason 1: Fund accounting is required by the State of Washington. State law governs how local governments will account for revenues and expenditures. All local governments are audited annually by the State Auditor's Office to ensure that they have followed generally accepted accounting rules.

Reason 2: When a local government receives funding from the State or the Federal government in the form of a grant, the entity must account for those dollars in the manner prescribed by law.

Reason 3: When a local government goes to the financial markets to borrow money, they must provide financial statements that show their financial condition. Financial institutions and investors will loan money to the local entities only if they can demonstrate the ability to repay the debt.

Reason 4: Des Moines, like all local government entities nationwide, use fund accounting because this system is the standard prescribed by national organizations that govern accounting rules and regulations. The principles used to account for businesses, called Generally Accepted Accounting Principles (GAAP), are established by the Governmental Accounting Standards Board (FASB). Similarly, the principles used to account for governmental finances are established by the Governmental Accounting Standards Board (GASB).

ORGANIZATION OF THE BUDGET DOCUMENT

The document is structured to provide the reader with increasing levels of detail at whatever depth desired. Major sections of the budget are as follows:

The City Manager's budget message provides an executive overview of key policies, programs, and significant financial changes in the budget for the ensuing year.

The next section is a series of summary schedules of the City budget. These schedules summarize revenues and expenditures by fund and by major category. Some of the funds or departments may contain informational narrative and an organizational chart that includes a table of departmental personnel.

The Capital Improvements Projects section lists new and continuing capital improvements projects budgeted for the year.

The General Information section includes assessed value and property taxes levied for the current and previous years, some ratios of bonded debt, debt limitations of the City and the current outstanding bonded debt.

And finally the Glossary section to give the reader a better understanding of various terms and phrases.

SUMMARY OF THE BUDGET PROCESS

The City of Des Moines's budgetary process follows the provisions of the Revised Code of Washington (RCW), Chapter 35.33.

During the spring and summer months departments begin preparation of their budget request for the coming year. Throughout this process meetings are held with appropriate staff and with the City Manager to review the budget requests. After compiling the data, the Preliminary Budget document is prepared. This document is made available for public review in the City Clerk's office and at the Public Library before November 1.

The proposed budget includes the annual operating expenditures and estimated revenues, as well as the calendar year appropriation of the projects included in the Capital Budget. The Capital Budget is based on the six year 2016-2021 Capital Improvement Plan adopted in the summer. The six year Capital Improvement Plan is a flexible, dynamic tool that encourages long-term decision-making and assures the continuity of Council goals and objectives. While the six year capital improvement plan sets project priorities, the Capital Budget provides the legal authority to spend money on selected projects. The capital projects for the upcoming year are included in the annual budget and formally adopted along with the Operating Budget before December 31.

The budget is prepared on a modified accrual basis of accounting. Generally this means it presents sources and uses of funds that relate to the budget year and which are expected to be collected or spent within the year or shortly thereafter.

During August, the City Manager and City Council meets to review the five year financial forecast. In subsequent council meetings staff and council discuss various cost containment options as well as potential revenue enhancement options based on the financial forecast. The public are welcome and provide their views and priorities to council through the budget discussion process. At least two formal public hearings are conducted and the budget ordinance is given first and second readings at regular City Council meetings. The final public hearing must be held no later than the first Monday in December. Final adoption of the budget occurs after the second reading of the budget ordinance. State law directs the budget adoption by no later than December 31.

The adopted budget constitutes the legal authority for expenditures. The level of control at which expenditures may not legally exceed appropriations is the **fund**. Revisions that alter the total expenditures of any kind must be approved by the City Council and adopted by ordinance. The City's budget is amended at least once during the year before year-end. All appropriations, except for capital projects, lapse at the end of the year.

CITY MANAGER'S BUDGET MESSAGE

Honorable Mayor and Council:

On behalf of the entire management team, I am pleased to submit the preliminary budget for fiscal year 2016. As required by state law, the budget presented herein is balanced between revenues and expenses. This budget was developed in support of the City Council's goals, current and projected service and infrastructure needs and is reflective of current and projected economic conditions impacting the City.

INTRODUCTION

As proposed, the preliminary 2016 budget is significantly different from past budgets to address the cumulative financial effects of financial challenges such as variable development revenues, reductions in state shared revenues and decreases in assessed property values. As discussed in the various sections below, the 2016 budget significantly raises taxes and cuts costs in order to reverse the past trend and return the City to a sustainable financial future while providing additional service to the citizens. One Patrol Officer position has been added with a start date of October 1, 2016. 1.75 FTE positions (1 FTE Code Enforcement, .5 FTE Court Clerk, .25 FTE Sr. Services) have been eliminated. In order to better manage revenue restrictions several new Special Revenue Funds are utilized. Other fund changes include legal appropriations for one combined Debt Service Fund and one combined Construction Fund. Similarly, the operating, construction and debt service activities for an Enterprise fund are appropriated as one fund for each of the Enterprise funds (Marina and Surface Water Management).

The City of Des Moines has faced challenging budget deficits, particularly in the General and Street funds for many years, stretching back to the passage of I-695 in 1999. The City has used a variety of strategies to balance the budget over the years including position cuts, use of one-time revenues, instituting new revenues, furloughs, employees voluntarily reducing their cost of living adjustments, changes to benefit programs, etc. The 2016 budget calls for 12 furlough days for all non-police union employees.

The budget situation for 2016 is not as daunting as in some years because the structural deficit is significantly offset by anticipated, one-time development revenues from several large projects. However, the state of the reserve balances and prospects for 2017 and beyond are bleak. Without significant new revenues or massive cuts in expenses, our reserves will be completely drained before the end of 2017 and the City will no longer be able to provide services at current levels. While the City has been very aggressive with economic development processes, we are just now seeing the fruits of our labors. Those developments which are either under construction now or look to be under construction within the next year will bring in new revenues. This new revenue has been conservatively estimated and built into our budget forecasts through 2020 but it is not enough to get us to a financially sustainable budget.

Because the City has been in cutback, budget-tightening mode for the last 15 years, there are no cuts left which do not result in significant reductions in services or impair each department's ability to achieve its operational mission. Potential personnel cuts totaling approximately \$750,000 were initially identified but through public feedback regarding priorities and demand for services the 2016 personnel reductions have been limited to \$218,600. Also, based on continued public demand for increases in public safety, one new Patrol Officer position was added. The police position was added with a 2016 fourth quarter hire date to ensure the new tax resources are fully sufficient to cover the cost of the additional position.

Staff was also directed to look for every revenue opportunity available which Council could implement. Accordingly, included in the preliminary budget are rate increases on business license fees, parks and recreation fees, our current utilities taxes (on storm water, cable TV, and solid waste).

GENERAL FUND

2016 HIGHLIGHTS AT A GLANCE

ONGOING REVENUE	\$18,433,430
ONGOING EXPENDITURE	\$18,695,175
NET ANNUAL DEFICIT	\$ (261,745)*

**1 Patrol Officer position is prorated in 2016. Full year cost is \$115,000.*

ONGOING REVENUE CHANGES (From 2015 Revised):

➤ Property tax assessed value and rates	\$ 339,400	
➤ SWM Utility Tax rate from 8% to 15%	312,880	
➤ Cable Utility Tax rate from 8% to 10%	172,400	
➤ Water & Sewer Utility Tax rate from 0% to 11%	0*	
➤ General Fund Admin Charges to all funds	233,000	
➤ Parks, Revenue & Sr. Services 10% fee increase	121,500	
➤ Business Licenses 25% fee increase	57,700	
➤ Miscellaneous other changes	62,000	
TOTAL CHANGES TO ONGOING REVENUES		\$1,298,880

ONGOING EXPENDITURE CHANGES (From 2015 Revised):

➤ Elimination of Code Enforcement Position	\$ (112,500)	
➤ Reduction of Court Clerk 0.5 FTE	(53,000)	
➤ Reduction of Sr. Services Coordinator	(60,600)	
➤ Add 1 Patrol Officer (starting Oct 1)	28,750	
➤ Full year effect of 2015 PBPW Positions	268,400	
➤ Wages & Benefits 2.6% Contract Increase	285,500	
➤ Planning/Permit Automation	(100,000)	
➤ Computer & Equip Interfund Maintenance	41,000	
➤ Computer & Equip Interfund Replacement	594,200	
➤ Self-Insurance Interfund Assessment	155,900	
➤ Miscellaneous Other Changes	(155,250)	
TOTAL CHANGES TO ONGOING EXPENDITURES		\$ 892,400

**Legal challenge is expected and so no revenue collections are anticipated in 2016.*

ONE-TIME REVENUES:

➤ Property Taxes (Rates: \$1.67 - \$1.60)	\$ 151,500
➤ Sales and B&O Taxes (Projects >\$15m)	338,600
➤ Development Fees (Projects >\$15m)	834,100

TOTAL ONE-TIME REVENUES	\$1,324,200
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ONE-TIME EXPENDITURES:

➤ Wages & Benefits Furloughs (approx. 4.6%)	\$ (284,725)
➤ 20 Taser Replacements	20,400
➤ Sergeant Qualification List	15,000
➤ Security Camera Replacement	22,000
➤ Vests, guns, etc. for 1 new Patrol Officer	6,000
➤ Service Center Fiber Connection	20,000
➤ Transfer to Redondo/N Lot Paid Parking Project	275,000
➤ Addition to Ending Fund Balance	1,250,525

TOTAL ONE-TIME EXPENDITURES	\$1,324,200
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2015-2020 FINANCIAL PLAN FORECAST

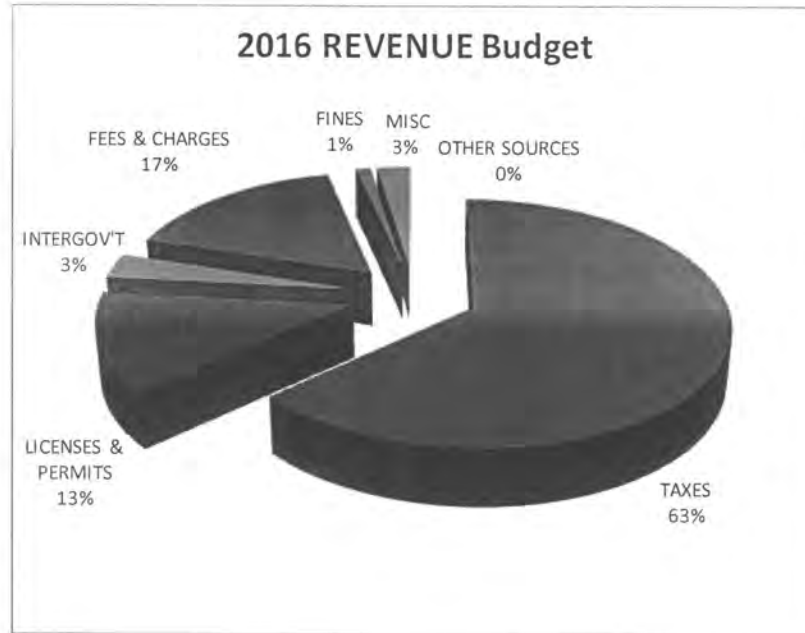
2015-2020 GENERAL FUND - 11% Water/Sewer Adopted Scenario

	REVISED	BUDGET	FORECAST			
	2015	2016	2017	2018	2019	2020
Revenues	18,430,080	19,043,881	18,930,590	19,982,030	20,228,730	20,400,757
Expenses	(17,583,199)	(19,082,921)	(19,713,660)	(19,679,691)	(19,737,461)	(19,988,680)
Net "Profit/Loss"	846,881	(39,040)	(783,070)	302,339	491,269	412,077
Add'l Reserve Req't		(125,617)	(66,195)	(70,521)	(21,879)	(29,687)
Total Annual Problem	846,881	(164,657)	(849,265)	231,818	469,390	382,390
<u>SOLUTIONS</u>						
Police Holiday Cash out (2.3%)						
Employee furloughs 12 days		284,722				
Police One-time O&M		(57,400)				
Police One-time New Cost		(6,000)				
Court One-time New Cost		(32,000)				
IS One-time New Cost		(20,000)				
One-time Revenue- No xfer out*		229,900				
New P&R Fees (10%/8%/5%/5%/5%)		121,492	78,388	47,766	55,319	58,206
Business Licenses (25%/20%)		57,670	57,614			
+ SWM utility tax		257,230				
+ Cable utility tax		195,885				
+ Sanitation utility tax		-				
+ Water/Sewer Utility 11%			497,349			
2 month Implementation offset (4 mo total)						
Hotel/Motel Festival Reimb		20,000				
N Lot/ BP Paid Parking - On Going		71,500				
North Lot/ BP Paid Parking - CIP		(125,000)				
Transfer Out Redondo Pd Park		(150,000)				
Transfer to Resid Road Construction					(500,000)	(500,000)
Self Insurance fully funded/lower assessment						133,000
Permanent Comp Cuts	15,150	218,600	-	42,632		
Add 1 Patrol Officer		(28,750)				
Total Annual Solution	15,150	1,037,849	633,351	90,398	(444,681)	(308,794)
Ending Reserve	1,539,591	2,538,400	2,388,681	2,781,418	2,828,006	2,931,289
<u>Required Reserve Calculation</u>						
5% Stabilization	874,525	895,160	917,203	990,102	1,007,937	1,020,038
7% Regular	1,230,824	1,335,804	1,379,956	1,377,578	1,381,622	1,399,208
Combined Required	2,105,349	2,230,964	2,297,159	2,367,680	2,389,559	2,419,246
Reserve Shortfall	(565,758)	307,436	91,522	413,738	438,447	512,043

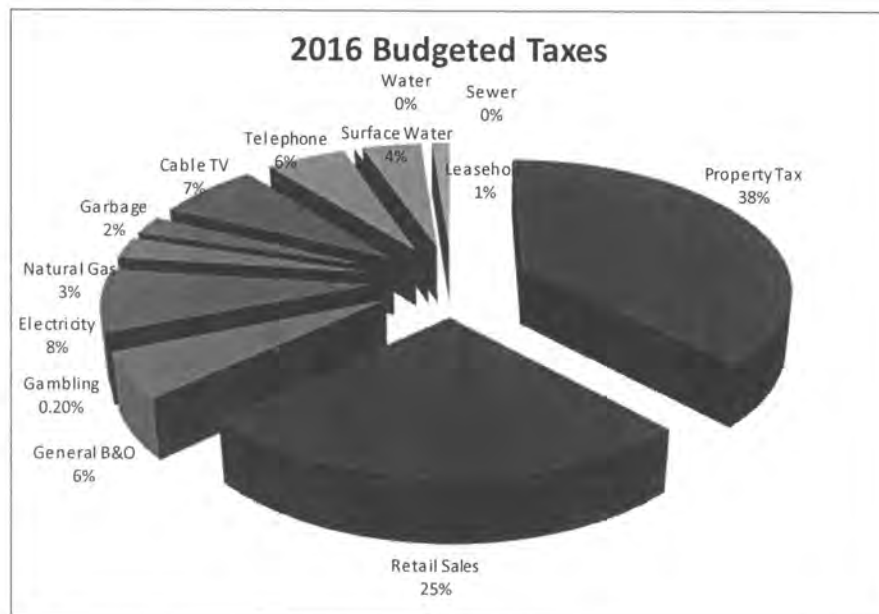
Note: Water and Sewer Utility Districts have indicated they believe a utility tax on their services is illegal whereas the City is relying on a current appellate level court case which defines the tax as legal. The City therefore is expecting no new revenue until the middle of 2017 when the lawsuit is estimated to be settled.

GENERAL FUND REVENUES

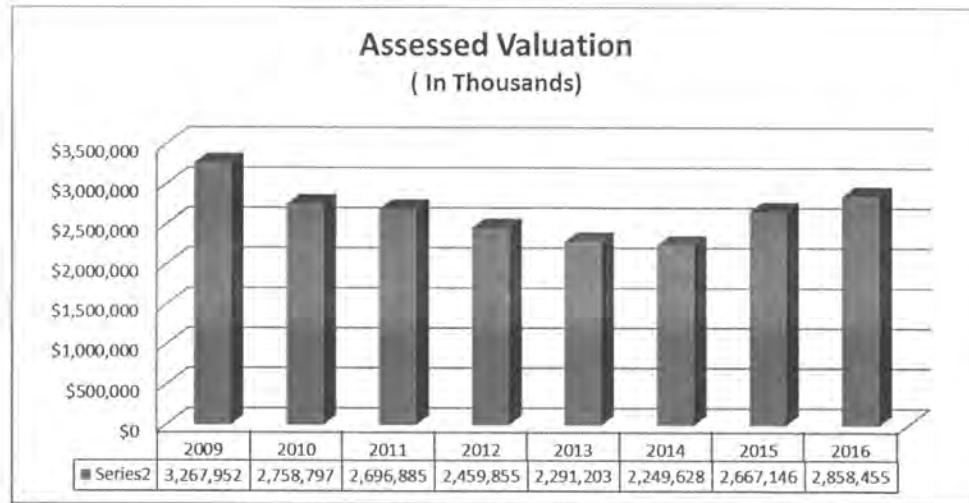
Taxes. Taxes represent 63% of the overall funding to the General Fund.



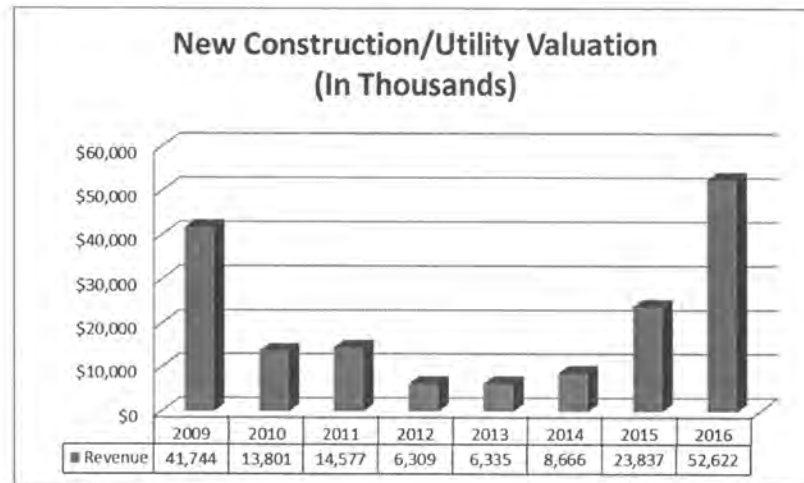
Utility Taxes. Even with the implementation of the higher utility tax rates, property tax remains the largest single source of tax revenue to the general fund. The relative percentage of tax sources funding the General Fund is: 38% Property Tax, 25% Sales Tax and 36% Utility/B&O Tax. Diversification of revenue sources helps to protect the city from revenue swings. For example, if property taxes sharply decline, utility taxes would likely remain largely unaffected, warm weather may affect electricity but not cable TV, etc.



Property taxes. In 2016 property taxes are estimated to increase approximately \$340,000 due to a combination of increased assessed values, new construction and a higher tax rate. Assessed valuation continues to recover but still has not reached the 2009 peak valuation.

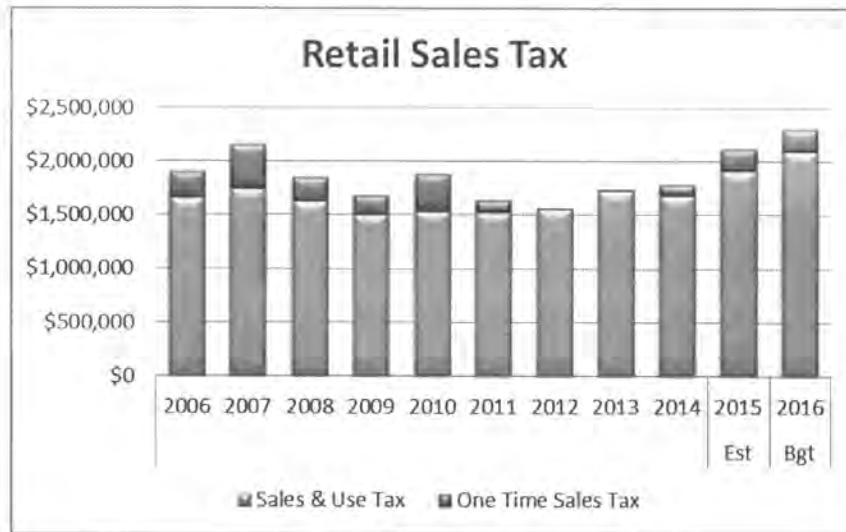


The City's success and continued focus on economic development is reflected in the increase in new construction values. The new construction factor adds just over \$87,000 in new, ongoing property tax revenues.



The third factor in the property tax increase is due to a higher maximum allowable statutory rate. The City is limited to a rate of \$3.60/1,000 assessed valuation. If there is a library and/or fire district located within the City, however, those districts property tax levies are deducted from the city's allowable rate (but only to the point the city rate becomes \$1.60/1,000 of assessed valuation). For 2016, it appears the junior taxing districts will not be assessing their full legal limit so the city will be allowed to assess \$1.67 rather than just \$1.60. Since the junior taxing districts have the legal right to increase their assessment in any year, the property tax generated by the difference between \$1.67 and \$1.60 is treated as one-time property tax revenue (approximately \$150,000). This one-time property tax revenue has been matched against one-time expenses (Redondo Paid Parking Project) and is *excluded* from the calculation of ongoing revenues matching ongoing expenses.

Retail Sales Tax. The recovering economy and the City's continued economic development efforts are leading to increases in both one-time (construction) and ongoing increases in sales tax.



Fees & Charges. There are several changes to fees and charges to help solve the budget deficit by assessing users of services a higher percentage of the actual cost of providing those services. The cost of centralized administrative services (such as City Council, City Manager, Legal, Human Resources, Finance, etc.) was extended to assess all city funds. This change generates approximately \$235,000 of new revenue to the general fund to help cover those departmental costs.

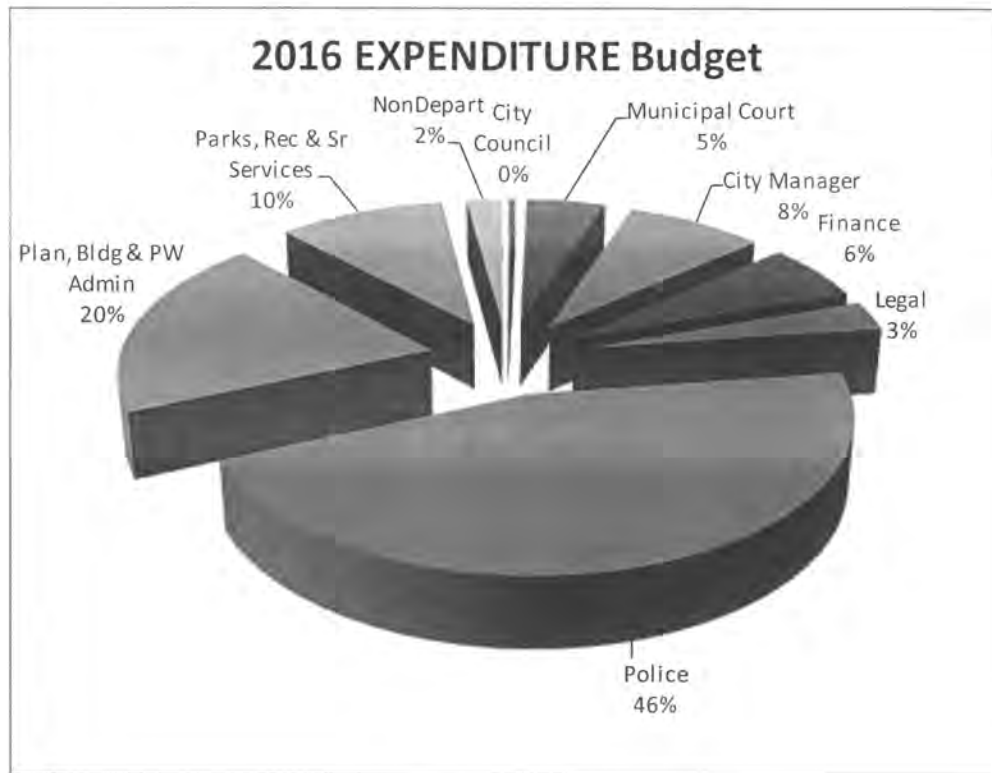
An analysis was done on programs provided by the Parks, Recreation and Senior Services to determine the operating tax subsidy. Proposals to reduce services and eliminate personnel were repeatedly objected to by the public during public comment section of several City Council meetings. Thus, rather than cutting expenditures, fee increases of 10% were added as the first part in a multiple-year rate increase strategy to make these programs less dependent on tax subsidies.

Licenses & Permits. The cost of acquiring a business license will be increased by 25% which is expected to raise approximately an additional \$40,000 to contribute to closing the initial budget shortfall.

GENERAL FUND EXPENDITURES

Though the total allocation of resources by department (%) has not significantly changed, there are several notable changes from prior year spending.

Employees are contributing to the budget deficit solution by foregoing 2016 wage/benefit compensation of approximately 4.6% for all employees except commissioned police officers. The City will negotiate with the Police officers asking them to contribute approximately a 2.3% 2016 wage/benefit concession.



Position Changes. A recurring theme from the public is the request for additional police services. Accordingly the 2016 budget raises existing revenues to accommodate adding one additional Patrol Officer. Since the revenue enhancements come from many different revenue sources, include new revenue sources and are subject to variation depending on individual's purchasing decisions, there is risk the projected revenue targets may differ from the 2016 actual revenues to be received. To mitigate this risk, the budget funds hiring of the new position starting October 1, 2016. This will provide time for the city to implement the new rates and charges as well as determine if the new ongoing revenues will be sufficient to pay for the new ongoing costs of the new Patrol Officer.

To keep the impact of new revenues as low as possible, two positions were reduced/eliminated. One Court Clerk position was reduced from full time to 0.5 FTE which saves approximately \$53,000 annually. Service levels will be maintained through the purchase of a the purchase of a new court records management at a one-time cost of \$32,000.



The second position change is the elimination of the Code Enforcement Officer position. The impacts of eliminating the Code Enforcement Officer position can be mitigated to a point, but will result in reducing the City's ability to respond to all code enforcement complaints. If this cut is enacted, some complaints would be forwarded to the Police Department's Community Service Officers (CSOs), some would be handled by the Building Official's office, and some would be followed up on by the permitting staff.

The third position change is to eliminate a full time Senior Services Coordinator position. This impact will be partially offset by supporting the program by the addition of a lower level, part time (.724 FTE) position.

The fourth change to positions is to include the full year effect of the additions of three positions to the Planning and Building departments late in 2015. The three positions were: Building Inspector, a Civil Engineer and a Community Development Assistant. These were added to address the additional work load requirements resulting from the increased economic development and construction activity expected to continue through 2019.

Planning & Permit Automation. An analysis was also done on the Planning and Building Department's use of technology. The cost of ongoing technology and a factor to acquire future additional technology (provide on-line service to the business community) was found to be about \$100,000/year. The current technology (automation) fee raises just \$22,000/year and new pricing will begin in 2016 to eliminate this gap. The technology costs were removed from the general fund and are included in a new special revenue fund so the revenue generated by this fee is likewise received by the special revenue fund thus properly restricting and controlling its use.

Internal Service Funds' Assessments & Reserves. Similar to the General Fund, the internal service funds' reserves (equipment replacement, computer replacement, self-insurance fund, etc.) have been drained with the decade long financial struggle. Reserves were at the point where cash flow was insufficient for these funds to pay bills when due. A five year forecast was performed and a plan to replenish the reserves over time was created. Replenishing the internal service fund reserves results in a double effect to the general fund. First, it is paying current year assessments (which have often been skipped in past years); and secondly, it is contributing towards restoration of cash to a functioning level. Depending on the fund, reserve balances should be fully restored in three to five years at the new contribution levels; while still allowing the funds to make capital purchases to meet the operating divisions' needs.

GENERAL FUND

FINANCIAL POLICIES

One Time Revenues Policy. Ordinance 1607 which was adopted November 6, 2014 allows the General Fund to utilize 25% of the one-time Sales and B&O tax revenue for general fund purposes. Ordinance 1561 passed on December 13, 2012 requires the remaining 75% be transferred to the construction fund and restricts those amounts to General Municipal Capital Improvement projects.

The 2016 Preliminary Budget includes a one year exception to the above rule and will retain all one time sales tax monies in the general fund to bring the ending reserve closer to the minimum balance requirements.

Though not in ordinance, property taxes resulting from levy rates in excess of \$1.60 are not within the City's control and can be reduced in any year by junior taxing districts. Thus it is prudent to consider the taxes above the \$1.60 as one-time revenues. This extra 2016 revenue is approximately \$150,000 and is matched to a one time Redondo Paid Parking project (which otherwise lacks a current, viable funding source).

Also not restricted by ordinance (but are in fact one-time revenues) are the fees collected from large development projects (> \$15 million). These fees are paid at the beginning of the development process for services which may not occur until one to three years in the future. To allow all of these funds to be spent in

the year received as part of the ongoing revenues vs. ongoing expenditure balance may make it difficult to pay the costs to provide related services in the future.

The 2016 Preliminary Budget contributes over \$1.2 million of one-time revenues and brings the General Fund's ending fund balance into full compliance with the ending reserve requirements.

Fund Balance Policy (7 % General Reserve plus 5% Stabilization Reserve). Ordinance 1144 establishes a 7% Operating Reserve and Chapter 3.50 of the Des Moines Municipal Code establishes an additional 5% Stabilization Reserve. 12% of ongoing revenues (\$18,433,430) is \$2,212,012. The 2016 Preliminary Budget provides for an ending fund balance of \$2,538,400 and thus fully meets the reserve requirements.

STREET FUND

The new sanitation tax is necessary to return the street fund to financial sustainability. The 2015 budgeted operating deficit was approximately \$117,000 and this did not include the effect of skipping payment of vehicle replacement charges. The street fund has a \$150,000 front loader to replace in 2017 for which no funds have been set aside through the end of 2015. Overall fund spending is up \$323,000 primarily due to the higher contributions to vehicle replacement and for the fund's allocable share of General Fund Admin Services.

The overall expenditure increase is approximately \$323,000 (about 27%). The street lights expenditure budget is down due to prior years' installation of LED lighting. The LED lighting is estimated to save \$45,000 per year in electricity costs and is an additional \$45,000 less than 2015 as the purchase cost of the LED light replacement finished in 2015. Also in the budget is the cost to perform a street pavement condition study (\$40,000) and an ADA transition study \$10,000. The pavement condition study will provide valuable information to ensure the new funding for Arterial Street Paving Program is used most effectively. Bridge inspections, previously included in the General Fund (\$40,000) are now included in the Street fund to facilitate state transportation annual reporting requirements.

Revenues are budgeted at an overall \$478,000 (45%) increase. Increase funding comes primarily from the change in Sanitation Tax \$365,000 (from 8% to 1%) ; increases in Motor Vehicle fuel tax of \$20,000 and transfers in to support maintenance projects.

NEW SPECIAL REVENUE FUNDS

Arterial Street Pavement Fund. This new fund was created to maintain accountability and restriction over the second \$20 car tab fee which is expected to generate revenues of \$440,000 and be devoted to the Arterial Street Pavement Program. The first year's fees will be used to pay for the \$15,000 design phase of 2017's pavement contract with the remainder (approximately \$425,000) held to create essential fund balance to sustain project cash flow. This approach also allows time for the fund to collect the fees over the course of the first year and bid the paving contract over the winter when pricing is generally less expensive.

Planning & Building Automation Fund. An analysis was also done on the Planning and Building department's use of technology. The cost of ongoing technology and a factor to acquire future additional technology (provide on-line service to the business community) was found to be about \$100,000/year. The

current technology (automation) fee raises just \$22,000/year and new pricing will begin in 2016 to eliminate this gap. The technology costs were removed from the general fund and are included in this new special revenue fund so the revenue generated by this fee is likewise received thus properly restricting and controlling its use.

Automated Speed Enforcement Fund. The revenues from tickets and operational costs of this program (both staff and vendor costs) were previously part of the general fund. In addition to the operational costs, the remaining revenue is used to fund various related traffic safety projects. In order to efficiently maintain control over restricted revenues and cash on hand balances these activities were moved to their own fund.

Transportation Benefit District (TBD) Fund. The Transportation Benefit District Fund has previously existed separately from the City's budget document. Generally Acceptable Accounting Principles require financial reporting of this activity as a Special Revenue Fund *of the City*. A separate TBD financial report is also required. To provide visibility to this related entity and so all transfers in and transfers out (e.g. transfer of second \$20 car tab fee to Arterial Street Pavement Fund) add up, its activity is included in the City's budget document. It is however, excluded from the legal appropriation as the Transportation Benefit District adopts and appropriates' its own budget.

CONSTRUCTION FUND

This fund includes all resources restricted to construction projects. It includes general municipal projects as well as transportation projects. Construction for Marina and SWM are included in the Enterprise Funds along with those funds' operations and debt activities. Detailed information regarding the construction project can be found in the CAPITAL PROJECTS SECTION starting on page 61.

MARINA FUND

The 2016 Preliminary Budget includes rate increases for 2016 equal to inflation. It is expected the marina operations will net approximately \$140,240 on gross revenues of \$4,128,009 which is 3.3%. This includes \$235,000 of spending on two capital projects (\$60,000 one dock electrical wiring upgrade, \$40,000 to upgrade the gate security system, and \$135,000 for Marina North Parking lot improvement). Council approved Ordinance No. 1636, which adopts a new rate schedule and categories

Ending fund balance is expected to be approximately \$1,804,768 which is 45% of operating expenditures (i.e. excludes debt service and capital) spending. While there is no official reserve policy for this fund, unofficially council has indicated a 20% of annual operating costs to be a prudent level given the nature and variability of this type of operation. A 20% reserve would provide a target of \$197,554 so the Marina fund is expected to exceed the minimum balance amount.

In addition to the operating reserve, the fund has a \$794,741 debt service reserve requirement (required by bond covenants) which is fully funded.

The remaining challenge for Marina is to raise enough revenue to increase its capital replacement program.

SURFACE WATER MANAGEMENT FUND

The 2016 Preliminary Budget includes a 5.6% rate increase for 2016 as adopted this summer based on the consultants' long range SWM utility plan plus an additional \$304,000 increase to cover the cost of additional utility taxes (on the 5.6% rate increase and the change from 8% to 15% on the utility tax rate). The 2016 Preliminary Budget includes \$3,266,518 total operating revenues and \$3,236,291 of operating expenditures (which excludes capital spending) for a net operating total of \$30,227.

Capital spending for the year is budgeted for \$2,068,935 for three projects: 1) \$323,235 Barnes Creek/KDM Culvert; 2) \$254,700 on 24th Ave Pipeline; 3) \$1,486,000 Lower Massey Creek; and 4) \$5,000 for 251st Slide Emergency.

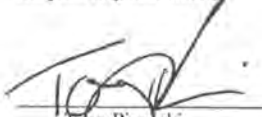
The ending operating fund balance is expected to be approximately \$303,121. While there is no official reserve policy for this fund, due to the fact that revenues are collected predominately twice a year (along with property tax collections) then a year end operating fund balance equal to four months of operating costs is prudent. A four months' of operating expenditure level would provide a reserve target of \$881,119 so the budgeted ending operating reserve is low at the end of 2016 so some of the funding for construction projects may need to be delayed to match cash flow requirements to maintain adequate operating reserves.

SUMMARY

Developing a balanced budget is always a challenge; by its very nature it involves difficult choices, assigning values and constantly weighing one thing against another. As presented, the preliminary budget proposal meets several City Council goals by not only maintaining services levels, but also enhancing service levels in public safety and re-establishing street restoration projects. With this budget, the City will continue to be able to provide quality municipal programs and services to our residents and businesses – quality that makes the City of Des Moines a desirable location in which to live and conduct business.

Finally, I want to acknowledge the dedication and service of the City's employees. In spite of continued financial adversity for a period of over a decade where cuts and reduction in staffing levels became the norm, the City's workforce has pulled together, worked smarter and more efficiently to where the public has seen little to no reduction in service. I also wish to recognize City Council, whose collective leadership as policy makers and ambassadors for the public worked tirelessly through late nights and many meetings to provide the policy direction for the City to move to sound financial footing going forward. Finally special thanks to the Finance staff as this comprehensive document could not have been developed without their skill and dedication.

Respectively submitted,


Tony Piasecki
City Manager

LIST OF CITY OFFICIALS

Elected Officials

Jeremy Nutting

Vic Pennington

Matt Pina

Bob Sheckler



Melissa Musser

Dave Kaplan

M. Luisa Bangs

Mayor:

Dave Kaplan

Mayor Pro-Tem:

Matt Pina

Administrative Officials

City Manager	Tony Piasecki	(206) 870-6541
Asst City Manager/Economic Develop	Michael Matthias	(206) 870-6554
City Attorney	Pat Bosmans	(206) 870-6553
Finance Director	Dunyele Mason	(206) 870-6532
Harbormaster	Joseph Dusenbury	(206) 824-5700
Municipal Court Judge	Lisa Leone	(206) 878-4597
Parks, Rec & Sr. Services Director	Patrice Thorell	(206) 870-6529
Planning, Building, Public Works Director	Dan Brewer	(206) 870-6581
Police Chief	George Delgado	(206) 870-7604

ORDINANCE NO. _____

APPENDIX A 2016 OPERATING BUDGET

<u>FUND</u>	<u>EXPENDITURE</u>	<u>REVENUE</u>
GENERAL FUND.....	\$ 21,307,249	\$ 21,307,249
STREETS	1,660,537	1,660,537
STREET PAVEMENT	15,000	15,000
POLICE DRUG SEIZURE	32,434	32,434
HOTEL-MOTEL TAX	115,927	115,927
REDONDO ZONE	75,595	75,595
PBPW AUTOMATION FEE	122,000	122,000
ABATEMENT	1,992	1,992
AUTOMATED SPEED ENFORCE (ASE)	394,236	394,236
TRANSPORTATION BENEFIT DISTRICT	947,950	947,950
DEBT SERVICE	450,662	450,662
CONSTRUCTION	16,731,883	16,731,883
MARINA	7,642,108	7,642,108
SURFACE WATER MANAGEMENT	7,469,929	7,469,929
EQUIPMENT RENTAL OPERATIONS	645,971	645,971
EQUIPMENT RENTAL REPLACEMENT	2,290,084	2,290,084
FACILITY REPAIR & REPLACEMENT	141,253	141,253
COMPUTER OPERATIONS.....	508,299	508,299
COMPUTER REPLACEMENT.....	527,973	527,973
SELF INSURANCE.....	928,077	928,077
UNEMPLOYMENT INSURANCE.....	381,252	381,252
GRAND TOTAL ALL FUNDS	<u>\$ 62,390,411</u>	<u>\$ 62,390,411</u>

2016 REVENUE SOURCES BY FUND

	Taxes	Licenses & Permits	Inter- Government Revenue	Charges For Services	Fines and Forefeits	Misc Revenue
<u>GENERAL FUND</u>						
General	12,514,977	2,597,670	642,875	3,308,986	221,350	481,800
<u>SPECIAL REVENUE FUNDS</u>						
Street Maintenance	427,800	-	640,000	419,200	-	-
Arterial Street Pavement	-	-	-	-	-	-
Residential Street Pavement	-	-	-	-	-	-
Police Drug Seizure	-	-	-	-	-	500
Hotel-Motel Tax	84,000	-	-	-	-	-
Redondo Zone	-	-	-	-	750	53,000
PBPW Automation	-	-	-	100,000	-	-
Abatement	-	-	-	-	500	-
Automated Speed Enforce	-	-	-	-	356,000	-
Transportation Benefit District	880,000	-	-	-	-	-
<u>DEBT SERVICE FUND</u>						
Debt Service	-	-	-	-	-	-
<u>CONSTRUCTION FUND</u>						
Construction	1,039,270	-	8,908,124	784,040	-	115,000
<u>ENTERPRISE FUND</u>						
Marina	-	-	-	1,209,023	15,220	2,899,307
Surface Water Management	-	-	396,181	3,264,518	-	437,050
<u>INTERNAL SERVICE FUNDS</u>						
Equip Rental Operations	-	-	-	602,115	-	100
Equip Rental Replacement	-	-	-	865,334	-	-
Facility Repair & Replacement	-	-	-	75,830	-	-
Computer Operations	-	-	-	503,895	-	-
Computer Replacement	-	-	-	401,107	-	100
Self Insurance	-	-	-	828,455	-	-
Unemployment Insurance	-	-	-	58,385	-	50
TOTAL ALL FUNDS	14,946,047	2,597,670	10,587,180	12,420,888	593,820	3,986,907

Other Financing Sources	Transfers	Beginning Fund Balance	TOTAL AVAILABLE RESOURCES
-	-	1,539,591	21,307,249
-	45,000	128,537	1,660,537
	15,000	-	15,000
	-	-	-
	-	31,934	32,434
		31,927	115,927
	-	21,845	75,595
	-	22,000	122,000
		1,492	1,992
		38,236	394,236
		67,950	947,950
	405,265	45,397	450,662
	2,755,020	3,130,429	16,731,883
4,459	1,054,830	2,459,269	7,642,108
-	577,935	2,794,245	7,469,929
		43,756	645,971
-	-	1,424,750	2,290,084
-		65,423	141,253
	-	4,404	508,299
	-	126,766	527,973
		99,622	928,077
		322,817	381,252
<u>4,459</u>	<u>4,853,050</u>	<u>12,400,390</u>	<u>62,390,411</u>

2016 EXPENDITURE CATEGORIES BY FUND

	Salaries & Wages	Personnel Benefits	Supplies	Other Services & Charges	Transfers	Capital Outlay
<u>GENERAL FUND:</u>						
General	9,027,811	3,428,692	457,200	5,520,706	286,440	48,000
<u>SPECIAL REVENUE FUNDS:</u>						
Street Maintenance	336,382	129,913	102,200	925,799	-	-
Arterial Street Pavement	-	-	-	15,000	-	-
Residential Street Pavement	-	-	-	-	-	-
Police Drug Seizure	-	-	1,000	5,000	-	-
Hotel-Motel Tax	-	-	-	80,000	-	-
Redondo Zone	-	-	5,500	53,097	-	-
PBPW Automation	-	-	-	96,726	-	-
Abatement	-	-	-	200	-	-
Automated Speed Enforce	30,351	11,927	-	228,500	141,136	-
Transportation Benefit District	-	-	-	419,200	15,000	-
<u>DEBT SERVICE FUNDS:</u>						
Debt Service	-	-	-	15,920	-	-
<u>CONSTRUCTION FUNDS:</u>						
Construction	-	-	-	25,000	2,676,707	12,752,379
<u>ENTERPRISE FUNDS:</u>						
Marina	651,693	271,946	1,118,218	876,082	1,069,830	235,000
Surface Water Management	799,230	393,022	75,300	1,380,804	592,935	2,063,935
<u>INTERNAL SERVICE FUNDS:</u>						
Equip Rental Operations	103,139	64,261	245,350	74,665	-	57,830
Equip Rental Replacement	-	-	-	-	-	851,860
Facility Repair & Replacement	-	-	-	54,000	-	25,000
Computer Operations	177,869	62,033	31,000	218,745	-	-
Computer Replacement	-	-	-	-	71,000	187,915
Self Insurance	-	-	-	666,660	-	-
Unemployment Insurance	-	-	-	75,000	-	-
TOTAL ALL FUNDS	11,126,475	4,361,794	2,035,768	10,731,104	4,853,048	16,221,919

Debt Service	Ending Fund Balance	TOTAL USES
-	2,538,400	21,307,249
-	166,243	1,660,537
-	-	15,000
-	-	-
-	26,434	32,434
-	35,927	115,927
-	16,998	75,595
-	25,274	122,000
-	1,792	1,992
-	(17,678)	394,236
-	513,750	947,950
391,052	43,690	450,662
-	1,277,797	16,731,883
819,830	2,599,509	7,642,108
-	2,164,703	7,469,929
-	100,726	645,971
-	1,438,224	2,290,084
-	62,253	141,253
-	18,652	508,299
3,625	265,433	527,973
-	261,417	928,077
-	306,252	381,252
<u>1,214,507</u>	<u>11,845,796</u>	<u>62,390,411</u>

REVENUE SUMMARY GENERAL FUND

SOURCE OF REVENUE	2012 ACTUAL	2013 ACTUAL	2014 ACTUAL	2015 BUDGET	2016 BUDGET
TAXES:					
GENERAL PROPERTY	\$ 2,984,754	\$ 3,612,380	\$ 3,553,492	4,435,938	4,725,045
RETAIL SALES TAX	2,182,754	2,406,024	2,556,047	2,823,840	3,182,600
B&OTAXES					
General B&O	534,260	596,834	529,580	723,140	706,980
Gambling	19,714	26,270	21,807	25,000	25,000
Electricity	1,090,383	1,108,521	1,031,392	1,110,300	980,000
Natural Gas	411,812	400,871	377,612	412,200	338,000
Solid Waste	207,339	209,634	196,793	289,867	290,000
Cable TV	474,341	501,993	474,988	716,133	895,885
Telephone	796,932	768,929	726,326	847,200	704,000
Water & Sewer	-	-	-	-	-
Surface Water	137,803	141,655	145,655	203,373	514,467
EXCISE TAXES					
Leasehold	105,670	113,359	133,322	127,550	153,000
Total taxes	8,945,762	9,886,470	9,747,014	11,714,541	12,514,977
LICENSES AND PERMITS:					
BUSINESS LICENSES	163,210	170,455	220,778	170,500	302,670
FRANCHISE FEES	903,379	915,733	942,605	975,700	996,000
BUILDING PERMITS	571,042	823,659	646,539	1,048,787	1,266,000
ANIMAL LICENSES	35,254	33,121	29,794	33,100	33,000
OTHER					
Total Licenses & Permits	1,672,885	1,942,968	1,839,716	2,228,087	2,597,670
INTERGOVERNMENTAL:					
GRANTS	463,300	149,655	116,911	120,667	88,275
STATE SHARED REVENUES					
City Assistance	66,002	93,177	98,635	102,860	90,000
Judicial Salary Assistance	22,632	22,796	23,224	23,600	22,000
Criminal Justice (Pop)	6,689	7,143	9,623	7,500	9,600
Criminal Justice (Programs)	25,148	26,587	35,527	26,730	37,000
Marijuana State Shared Revenue	-	-	-	-	55,000
DUI-Cities	5,548	5,396	6,673	5,500	6,000
Liquor Excise Tax	109,317	19,896	70,803	81,380	75,000
Liquor Board Profits	296,060	266,973	264,162	263,360	260,000
Total Intergovernmental	\$ 994,696	\$ 591,623	\$ 625,558	\$ 631,597	\$ 642,875

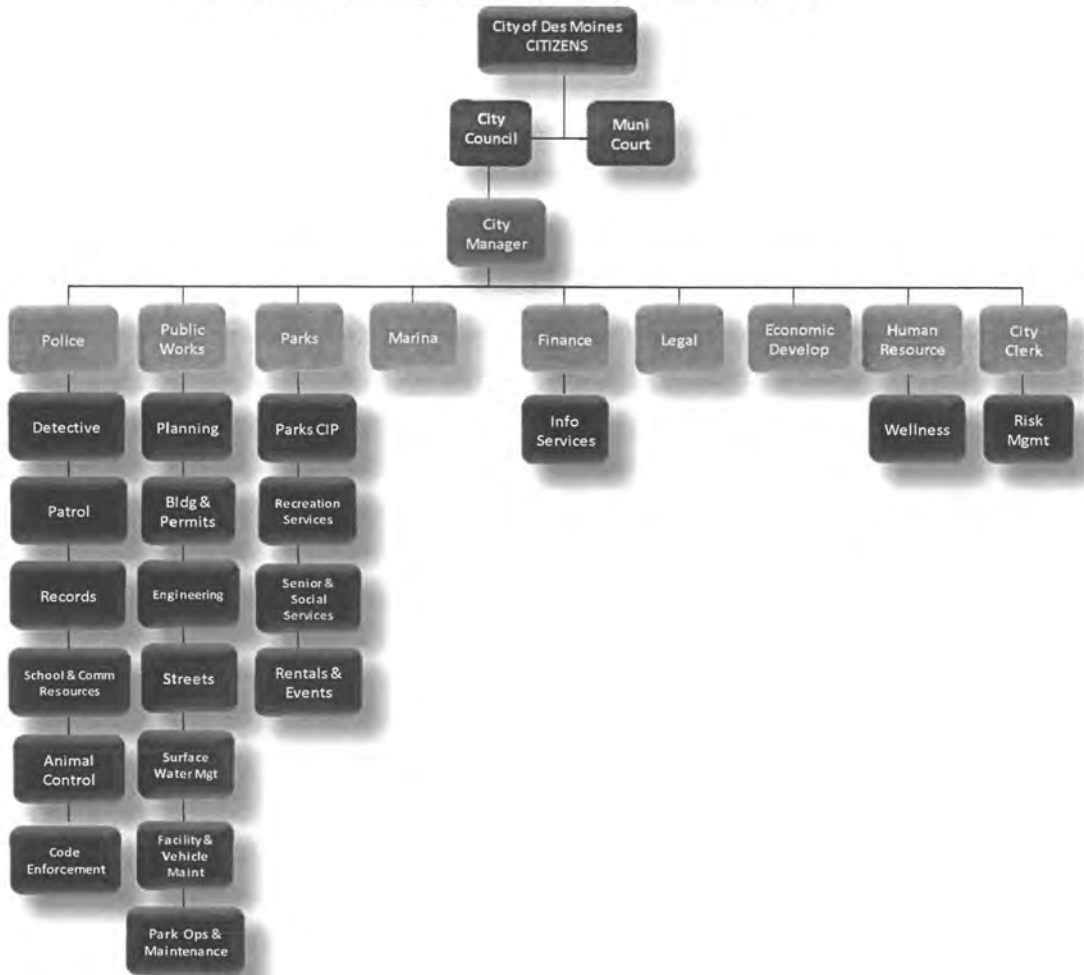
**REVENUE SUMMARY
GENERAL FUND**

SOURCE OF REVENUE	2012 ACTUAL	2013 ACTUAL	2014 ACTUAL	2015 BUDGET	2016 BUDGET
CHARGES FOR SERVICE:					
GENERAL GOVERNMENT	\$ 1,300,334	\$ 1,452,762	\$ 1,371,727	1,280,818	1,512,916
PUBLIC SAFETY	255,620	268,244	267,337	280,150	229,450
TRANSPORTATION			-		
NATURAL & ECONOMIC	362,399	551,761	683,983	677,510	576,100
SOCIAL SERVICES	23,490	23,042	25,378	28,211	28,210
CULTURE AND RECREATION	699,737	731,189	916,274	818,480	962,310
	<u>2,641,580</u>	<u>3,026,998</u>	<u>3,264,699</u>	<u>3,085,169</u>	<u>3,308,986</u>
FINES & FORFEITURES					
COURT & TRAFFIC	258,502	302,202	268,417	247,750	218,350
NON-TRAFFIC	22,730	21,442	20,423		
NON-COURT	-	3,474	2,139	2,000	3,000
	<u>281,232</u>	<u>327,118</u>	<u>290,979</u>	<u>249,750</u>	<u>221,350</u>
MISCELLANEOUS REVENUE:					
INTEREST EARNINGS	24,825	27,720	36,120	30,000	33,500
RENTS	116,827	195,095	266,764	259,900	423,975
CONTRIBUTIONS	75,016	19,199	52,633	6,400	14,425
OTHER MISCELLANEOUS	11,408	(59,090)	19,558	20,000	9,900
	<u>228,076</u>	<u>182,924</u>	<u>375,075</u>	<u>316,300</u>	<u>481,800</u>
TOTAL GENERAL FUND REVENUE	<u>14,764,231</u>	<u>15,958,101</u>	<u>16,143,041</u>	<u>18,225,444</u>	<u>19,767,658</u>
OTHER FINANCING SOURCES:					
DEBT PROCEEDS	-	-	-		
OTHER SOURCES	10,437	-	5,218	5,000	-
TRANSFERS	258,764	14,361	300,000		
	<u>269,201</u>	<u>14,361</u>	<u>305,218</u>	<u>5,000</u>	<u>-</u>
TOTAL GENERAL FUND REVENUE & FINANCING SOURCES	<u>15,033,432</u>	<u>15,972,462</u>	<u>16,448,259</u>	<u>18,230,444</u>	<u>19,767,658</u>
BEGINNING FUND BALANCE	2,137,234	1,332,511	974,937	807,047	1,539,591
TOTAL FUND RESOURCES	<u>\$ 17,170,666</u>	<u>\$ 17,304,973</u>	<u>\$ 17,423,196</u>	<u>\$ 19,037,491</u>	<u>\$ 21,307,249</u>

EXPENDITURE SUMMARY
(Excluding Ending Fund Balance)
ALL FUNDS

	2012 ACTUAL	2013 ACTUAL	2014 ACTUAL	2015 BUDGET	2016 BUDGET
General	\$ 16,494,854	\$ 15,967,463	\$ 16,831,762	\$ 17,909,029	\$ 18,768,849
Street Maintenance	970,515	1,086,911	1,123,831	1,171,278	1,494,294
Arterial Street Pavement	0	0	0	-	15,000
Residential Street Pavement	0	0	0	-	-
Police Drug Seizure	6,283	2,390	2,528	15,000	6,000
Hotel-Motel Tax	15,134	19,822	20,239	20,000	80,000
Redondo Zone	-	-	-	-	58,597
PBPW Automation	-	-	-	-	96,726
Abatement	-	-	-	-	200
Automated Speed Enforce	148,882	423,163	383,286	367,878	411,914
Transportation Benefit District	383,487	428,674	457,227	421,700	434,200
Debt Service	-	-	-	3,419	406,972
Construction	4,013,844	8,605,551	8,215,734	9,723,004	15,454,086
Marina	7,607,680	4,912,053	4,819,825	5,121,964	5,042,599
Surface Water Management	3,655,274	3,002,921	2,686,094	4,794,211	5,305,226
Equip Rental Operations	587,864	511,148	514,534	617,749	545,245
Equip Rental Replacement	184,898	18,208	206,208	673,700	851,860
Facility Repair & Replacement	108,035	44,343	140,699	238,475	79,000
Computer Operations	482,623	473,977	437,125	426,165	489,647
Computer Replacement	93,241	147,575	124,808	276,752	262,540
Self Insurance	672,908	550,862	567,611	662,842	666,660
Unemployment Insurance	37,601	10,431	17,082	50,000	75,000
TOTAL ALL FUNDS	\$ 35,463,123	\$ 36,205,492	\$ 36,548,593	\$ 42,493,166	\$ 50,544,615

CITY OF DES MOINES ORGANIZATION CHART



**GENERAL FUND EXPENDITURE SUMMARY
BY DEPARTMENT**

DEPARTMENT	2012 ACTUAL	2013 ACTUAL	2014 ACTUAL	2015 BUDGET	2016 BUDGET
City Council	76,346	70,018	81,180	77,801	80,227
Municipal Court	833,992	857,918	873,121	925,331	893,013
City Manager	1,698,377	1,577,131	1,699,717	1,439,328	1,553,576
Finance	854,311	948,033	952,242	982,677	1,148,708
Legal	542,071	552,896	565,151	607,147	590,111
Police	7,122,660	7,234,764	7,622,719	8,221,654	8,559,361
Plan, Bldg & PW Admin	3,123,399	2,854,006	3,060,988	3,452,331	3,664,206
Parks, Rec & Sr Services	1,526,978	1,707,296	1,813,430	1,977,917	1,870,775
NonDepartmental	716,720	165,401	163,214	224,843	408,872
Total Operations	16,494,854	15,967,463	16,831,762	17,909,029	18,768,849
Ending Fund Balance	960,575	979,907	677,557	1,128,584	2,538,400
Total Expenditures	17,455,429	16,947,370	17,509,319	19,037,613	21,307,249

**GENERAL FUND EXPENDITURE SUMMARY
BY CATEGORY**

CATEGORY	2012 ACTUAL	2013 ACTUAL	2014 ACTUAL	2015 BUDGET	2016 BUDGET
Salaries & Wages	8,407,609	8,152,328	8,615,640	9,205,818	9,027,811
Personnel Benefits	2,915,512	3,021,926	3,203,233	3,496,296	3,428,692
Supplies	434,646	415,880	411,833	458,599	457,200
Other Services & Charges	4,105,167	4,262,097	4,538,075	4,632,459	5,520,706
Capital Outlay	9,264	44,243	-	6,000	48,000
Transfers & Pass Through	622,656	70,989	62,981	109,857	286,440
Debt Service	-	-	-	-	-
Total Operations	16,494,854	15,967,463	16,831,762	17,909,029	18,768,849
Ending Fund Balance	960,575	979,907	677,557	1,128,584	2,538,400
Total Expenditures	17,455,429	16,947,370	17,509,319	19,037,613	21,307,249

INDIVIDUAL
GENERAL
FUND
DEPARTMENTS

CITY COUNCIL

The City has a Council-Manager form of government. The City Council consists of seven members elected for four-year, overlapping terms. The Mayor, elected by the City Council, has equal voting rights with other council members and possesses no veto power. The City Council appoints the City Manager to act as the chief executive officer of the city.



The City Council is responsible for:

Developing municipal policy and providing direction to the City Manager.

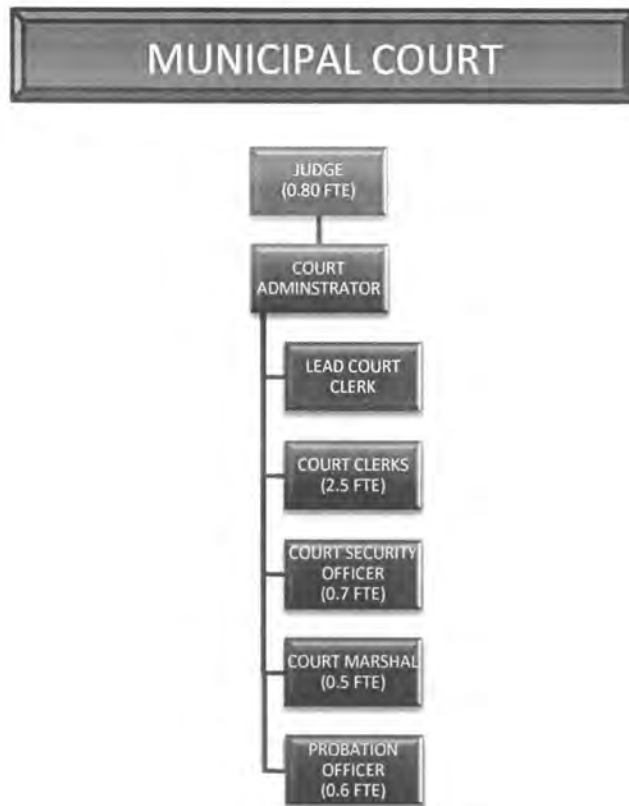
Overseeing municipal finances, approving contracts, acquisition and/or conveyance of land and other property, adoption and amendment of the city's Comprehensive Land Use Plan and exercising municipal legislative authority to continue provision of cost-effective municipal services.

Providing leadership in the on-going efforts to diversify and expand Des Moines' economy.

CITY COUNCIL EXPENDITURES

CATEGORY	2012 ACTUAL	2013 ACTUAL	2014 ACTUAL	2015 BUDGET	2016 BUDGET
Salaries & Wages	60,950	55,300	53,250	58,700	64,400
Personnel Benefits	5,425	4,963	4,894	5,634	5,047
Supplies	1,380	905	1,427	1,600	1,500
Other Services & Charges	8,592	8,850	21,609	11,867	9,280
Total Expenditures	76,347	70,018	81,180	77,801	80,227

PERSONNEL SUMMARY					
NUMBER OF EMPLOYEES					
POSITION	2012	2013	2014	2015	2016
Mayor	1.00	1.00	1.00	1.00	1.00
Council Member	6.00	6.00	6.00	6.00	6.00
Total	7.00	7.00	7.00	7.00	7.00



Des Moines Municipal is a court of limited jurisdiction created by statute. It has jurisdiction to hear:

- Certain criminal misdemeanors
- Traffic infractions
- Non-traffic infractions
- Parking tickets

The court contains the following programs:

- General municipal court
- Probation services

MUNICIPAL COURT EXPENDITURES

CATEGORY	2012 ACTUAL	2013 ACTUAL	2014 ACTUAL	2015 BUDGET	2016 BUDGET
Salaries & Wages	500,984	532,212	539,908	581,951	530,701
Personnel Benefits	169,604	184,575	211,810	220,872	196,277
Supplies	17,330	18,619	11,799	13,360	27,700
Other Services & Charges	146,073	107,911	109,604	109,148	138,335
Capital Outlay	0	14,600	0		0
Total Expenditures	833,991	857,917	873,121	925,331	893,013

PERSONNEL SUMMARY					
NUMBER OF EMPLOYEES					
POSITION	2012	2013	2014	2015	2016
Judge	1.00	1.00	1.00	0.80	0.80
Court Administrator	1.00	1.00	1.00	1.00	1.00
Lead Court Clerk	1.00	1.00	1.00	1.00	1.00
Court Clerks	3.00	3.00	3.00	3.00	2.50
Court Marshal		0.60	0.60	0.50	0.50
Court Security Officer	0.60	0.60	0.60	0.70	0.70
Court Transport Officer	0.60				
Court Gate Guard					
File Clerk	0.20	0.50	0.50		
Probation Officer				0.60	0.60
Total	7.40	7.70	7.70	7.60	7.10



The City Manager is the chief administrative and executive officer and is responsible for:

- Implementing City Council policies and overseeing municipal operations.
- Representing the City on intergovernmental issues and pursuing economic development.
- Pursuing economic development opportunities.
- Coordinating all city services through the respective department Directors.

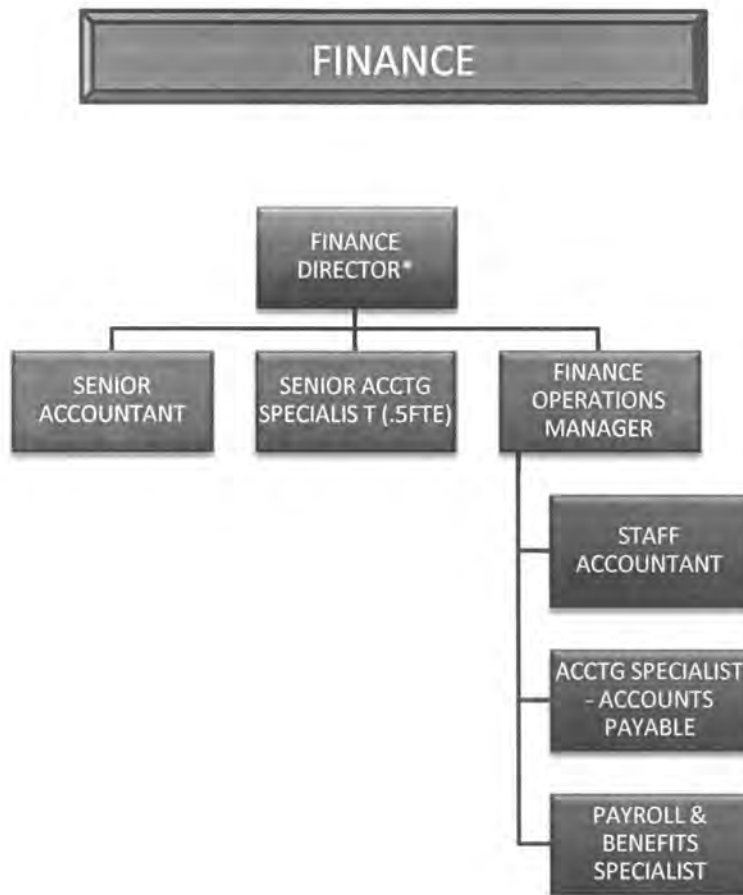
The City Manager's office administers the following programs:

- Executive Office
- Hearing Examiner
- Economic Development
- Public Defender
- City Clerk
- Human Resources
- Employee Wellness
- Printing and Duplicating
- Community Information Services
- Jail Services

CITY MANAGER EXPENDITURES

CATEGORY	2012 ACTUAL	2013 ACTUAL	2014 ACTUAL	2015 BUDGET	2016 BUDGET
Salaries & Wages	539,232	500,602	540,354	533,379	549,714
Personnel Benefits	174,946	176,521	189,247	182,813	189,947
Supplies	6,773	3,453	17,457	8,975	6,150
Other Services & Charges	968,162	896,555	952,659	714,161	807,765
Capital Outlay	9,264	-	-	-	-
Total Expenditures	1,698,377	1,577,131	1,699,717	1,439,328	1,553,576

PERSONNEL SUMMARY					
NUMBER OF EMPLOYEES					
POSITION	2012	2013	2014	2015	2016
City Manager	1.00	1.00	1.00	1.00	1.00
ACM/Economic Develop Director				1.00	1.00
ACM/Human Resource Mgr	1.00	1.00	1.00		
Economic Development Manager	1.00	1.00	1.00		
Human Resources Manager				1.00	1.00
City Clerk	1.00	1.00	1.00	1.00	1.00
Executive Asst/HR Technician	1.00	1.00	1.00	1.00	1.00
Administrative Assistant	1.00				
Total	6.00	5.00	5.00	5.00	5.00



The Finance Department is responsible for:

- Accounting, budgeting, and reporting services.
- Forecasting and data analysis.
- Cash deposits, payments, billings, investment, capital assets, and system reconciliations.
- Debt issuance, payments and reporting.
- City-wide internal controls design, implementation, and monitoring.
- Contracted services for audits, election activities, King County Detox program, fire and pollution control.

**The Finance Director is also responsible for administration of the city's information systems; the costs for which are reported in the internal services funds rather than in the General Fund.*

FINANCE DEPARTMENT EXPENDITURES

CATEGORY	2012 ACTUAL	2013 ACTUAL	2014 ACTUAL	2015 BUDGET	2016 BUDGET
Salaries & Wages	482,265	503,566	519,221	521,884	526,286
Personnel Benefits	159,769	173,976	167,641	205,381	191,102
Supplies	3,816	5,598	4,993	4,800	4,000
Other Services & Charges	208,461	264,893	260,386	250,612	427,320
Total Expenditures	854,311	948,033	952,241	982,677	1,148,708

PERSONNEL SUMMARY					
NUMBER OF EMPLOYEES					
POSITION	2012	2013	2014	2015	2016
Financial & Info Systems Director	1.00	1.00	1.00	1.00	1.00
Finance Operations Manager	1.00	1.00	1.00	1.00	1.00
Accounting Operations Manager		1.00	1.00		
Accountant II - General Ledger	1.00				
Senior Accountant				1.00	1.00
Senior Accounting Specialist	0.80	0.80	0.53	0.50	0.50
Staff Accountant					1.00
Accounting Technician*				1.00	
Payroll & Benefits Specialist	1.00	1.00	1.00	1.00	1.00
Acctg Specialist - Accts Payable	1.00	1.00	1.00	1.00	1.00
Total	5.80	5.80	5.53	6.50	6.50



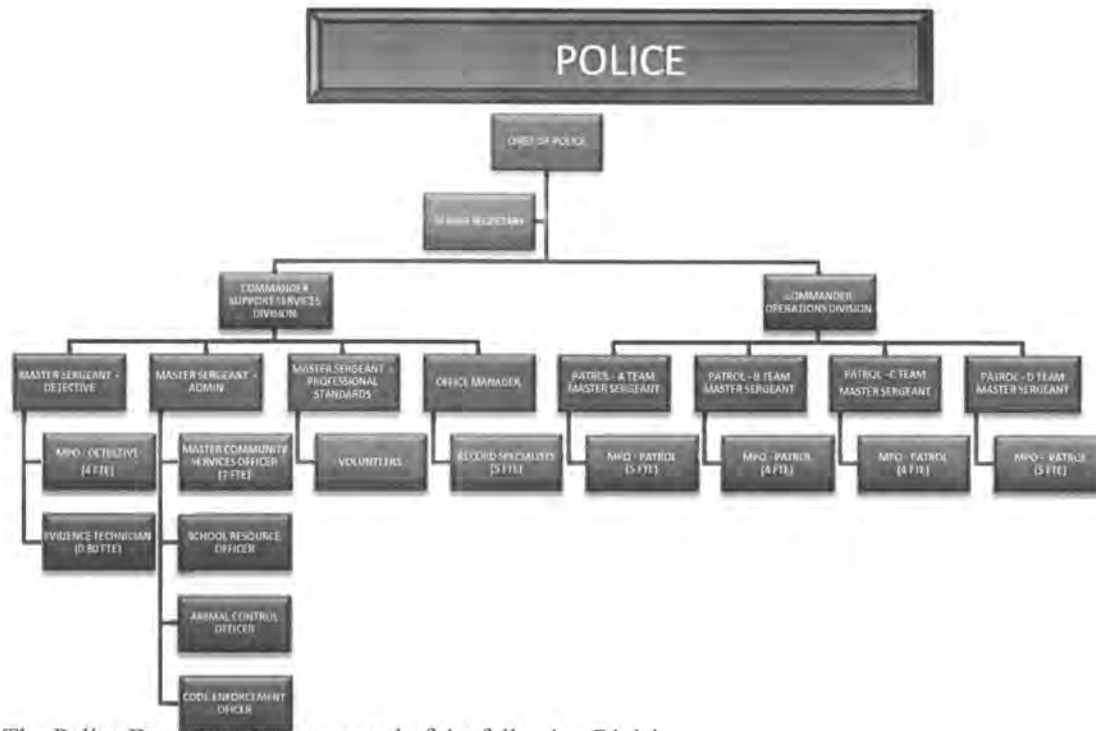
The Legal Department provides the following services:

The City Attorney is the City's chief legal advisor and is responsible for counseling all city departments and the City Council and supervises all legal work assigned to outside counsel. The City Attorney attends all council meetings and executive sessions. The Legal Department provides support in all matters before hearing examiners, judges, civil litigation, and provides general legal advice to all departments. The department writes formal legal opinions, ordinance and resolutions as well as reviews written agreements and real property instruments. It provides prosecution for all phases of criminal and civil actions.

LEGAL DEPARTMENT EXPENDITURES

CATEGORY	2012 ACTUAL	2013 ACTUAL	2014 ACTUAL	2015 BUDGET	2016 BUDGET
Salaries & Wages	364,294	377,582	391,317	410,642	394,578
Personnel Benefits	114,267	122,263	128,091	132,451	129,218
Supplies	8,411	6,361	5,747	8,715	7,000
Other Services & Charges	55,099	46,690	39,997	55,339	59,315
Total Expenditures	542,071	552,896	565,152	607,147	590,111

PERSONNEL SUMMARY					
NUMBER OF EMPLOYEES					
POSITION	2012	2013	2014	2015	2016
City Attorney	1.00	1.00	1.00	1.00	1.00
Assistant City Attorney	1.00	1.00	1.00	1.00	1.00
Prosecutor	0.80	1.00	1.00	1.00	1.00
Domestic Violence Paralegal	-	-	-	0.15	-
Paralegals	1.20	1.30	1.50	1.42	1.42
Total	4.00	4.30	4.50	4.57	4.42



The Police Department is composed of the following Divisions:

Administrative. This division directs all municipal police personnel activities, ensuring efficient operation of the police department. It supervises all police functions including law and ordinance enforcement, maintenance of order, traffic control, investigation, training and discipline of personnel. It formulates work methods, procedures, policies and regulations, prepares annual budgets and attends civic meetings.

Detective. This division investigates crime occurring within the City of Des Moines. It is responsible for identification and apprehension of offenders and the recovery of stolen property. Detectives also investigate narcotics and vice crime and will seize and attain forfeiture of properties as allowed by law.

Patrol. This division promotes the safety and security primarily through the deterrence and apprehension of offenders. It handles citizen calls for service, manages on-scene situations, enforces traffic laws, performs security checks of commercial and residential properties and other services.

Crime Prevention. This division manages community related activities such as the safe-walk-to-school program, neighborhood watch associations, etc. It is also responsible for development of crime bulletins.

Animal Control. This unit patrols for animals at large, investigates animal related complaints, prepares cases for court and ensures that animal owners comply with municipal ordinances.

Automated Speed Enforcement. This program promotes safety incentive by providing camera tickets to those motorists speeding in two school zones.

Also there are also divisions for Training, Civil Service, Facility Maintenance and the Property Evidence Room.

POLICE DEPARTMENT EXPENDITURES

CATEGORY	2012 ACTUAL	2013 ACTUAL	2014 ACTUAL	2015 BUDGET	2016 BUDGET
Salaries & Wages	4,012,885	3,957,828	4,164,252	4,470,259	4,295,997
Personnel Benefits	1,475,987	1,563,157	1,626,828	1,763,103	1,726,646
Supplies	218,100	209,291	201,405	228,032	228,800
Other Services & Charges	1,415,688	1,485,419	1,630,235	1,760,260	2,285,918
Capital Outlay	-	19,069	-	-	22,000
Total Expenditures	7,122,660	7,234,764	7,622,720	8,221,654	8,559,361

PERSONNEL SUMMARY					
NUMBER OF EMPLOYEES					
POSITION	2012	2013	2014	2015	2016
Chief of Police	1.00	1.00	1.00	1.00	1.00
Commander	2.00	2.00	2.00	2.00	2.00
Master Sergeant/ Detective	1.00	1.00	1.00	1.00	1.00
MPO/ Detectives	4.00	4.00	4.00	4.00	4.00
Master Sergeant/ Prof Standards	1.00	1.00	1.00	1.00	1.00
Master Sergeant/ Administrative	1.00	1.00	1.00	1.00	1.00
Master Sergeant/ Patrol	4.00	4.00	4.00	4.00	4.00
MPO/ Patrol	22.00	17.00	17.00	17.00	18.00
School Resource Officer	1.00	1.00	1.00	1.00	1.00
Master Community Service Officer	2.00	2.00	2.00	2.00	2.00
Master Animal Control	1.00	1.00	1.00	1.00	1.00
Evidence Technician	0.80	0.80	0.80	0.80	0.80
Office Manager	1.00	1.00	1.00	1.00	1.00
Senior Secretary	1.00	1.00	1.00	1.00	1.00
Record Specialists	6.00	5.00	5.00	5.00	5.00
Total	48.80	42.80	42.80	42.80	43.80



The Planning, Building and Public Works Administration functions funded by the General Fund include:

Administrative. Manages the divisions and programs listed below.

Facility and Park Maintenance. Provides for routine building maintenance for the city-buildings. Also provides landscape, design and maintenance for parks, municipal buildings, right-of-way, trails, street planting areas, city benches, support for special events and park operations.

Building Division. Oversees building construction. It reviews building plans, issues permits and inspects buildings during construction to ensure compliance with approved plans and codes.

City Project Management. Provides management of projects listed in the city's CIP plan.

Code Enforcement. Provides enforcement of the City's Municipal Code, International Building Code, International Fire Code, RCW codes and WAC codes.

Engineering Services. This division is responsible for the city's transportation infrastructure systems. It studies and plans for improvements, seeks grant funding, designs and oversees construction. It also reviews residential and commercial development plans.

Planning & Development Services. Planning Services assists in developing and implementing long range land use plans. Development Services reviews proposals and drafts code and zoning amendments.

Joint & Minor Home Repair. Provides funding to low income families for minor home repairs.

**The Director is also responsible for administration of the city's Surface Water Management Fund and Street Fund maintenance, Surface Water Fund maintenance and vehicle maintenance and replacement; the costs for which are reported in those funds rather than in the general fund.*

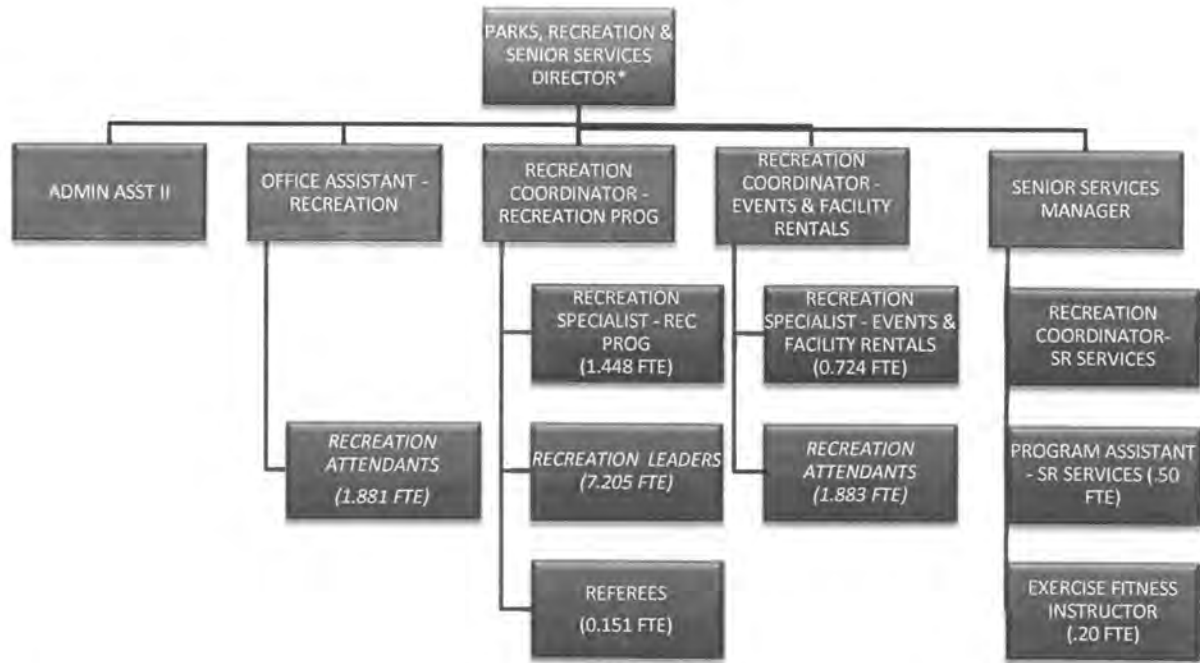
PLANNING, BLDG & PW ADMIN DEPARTMENT EXPENDITURES

CATEGORY	2012 ACTUAL	2013 ACTUAL	2014 ACTUAL	2015 BUDGET	2016 BUDGET
Salaries & Wages	1,651,612	1,440,723	1,535,135	1,718,023	1,791,337
Personnel Benefits	574,854	530,117	589,948	687,125	731,524
Supplies	104,862	86,860	80,188	100,440	96,950
Other Services & Charges	792,070	796,306	855,717	946,743	1,012,955
Transfers & Pass Through	-	-	-	-	11,440
Capital Outlay	-	-	-	-	20,000
Total Expenditures	3,123,398	2,854,006	3,060,988	3,452,331	3,664,206

PLANNING, BLDG & PW ADMIN DEPARTMENT EXPENDITURES

PERSONNEL SUMMARY					
NUMBER OF EMPLOYEES					
POSITION	2012	2013	2014	2015	2016
Administration					
Plan, Bldg, PW Director	0.80	0.65	0.65	0.65	0.65
Admin Assistant II	0.45	0.60	0.60	0.60	0.60
GIS Administrator				0.30	0.30
Facilities & CIP Project Manager	1.00	1.00	1.00	1.00	1.00
Code Enforcement	1.00	1.00	1.00	1.00	-
Public Works Maintenance					
PW & Parks Maint Superintendent	0.30	0.30	0.30	0.30	0.30
Asst Superintendent PW & Parks Mtc	0.70	-	-	-	-
Senior Maint Worker-Facilities	1.00	1.00	1.00	1.00	1.00
Senior Maint Worker/Lead - Parks	-	-	1.00	1.00	1.00
Maint Worker - Parks	2.00	2.00	2.00	2.00	2.00
Extra-Hire Maint Worker	1.00	1.00	1.00	1.00	1.00
Engineering & CIP Services					
Asst Director Transportation/Engrng	0.95				
Engineer Services Manager	-	0.90	0.90	0.90	0.90
Assoc Transportation Engineer	0.90	0.90	1.00	1.00	1.00
Utility Manager	0.10	0.10	0.10	0.10	0.10
Engineering Inspector	1.00	1.00	1.00	1.00	1.00
Civil Engineer I	1.00	2.00	1.40	1.00	1.00
Civil Engineer II	-	-	-	1.00	1.00
Transportation Tech	1.00				
Admin Assistant II	0.10	0.15	0.15	0.15	0.15
Planning, Building & Permits					
Community Development Manager	1.00	1.00	1.00	1.00	1.00
Development Services Manager	1.00				
Senior Planner	1.00	1.00	1.00	1.00	1.00
Land Use Planner II	0.60	0.90	1.00	1.00	1.00
Building Official	1.00	1.00	1.00	1.00	1.00
Asst Bldg Official/Electr & Bldg Inspector	1.00	1.00	1.00	1.00	1.00
Building Inspector/Plans Examiner	3.00	1.00	1.00	2.00	2.00
Permit Coordinator	1.00	1.00	1.00	1.90	1.90
Permit Specialist I	1.00	1.00	0.90	-	-
Joint Minor Home Repair Program	0.10	0.10	0.10	0.10	0.10
Community Development Assistant				1.00	1.00
Total	24.00	20.60	21.10	24.00	23.00

RECREATION & SR. SERVICES



The Parks, Recreation and Senior Services functions funded by the General Fund include:

Administration. Provides direction to the Department, including grant and capital project development. Supports landmarks commission and lodging tax program.

Arts Commission. Creates, promotes and delivers performing, community and public art programs and recommends works of art for City's facilities and the local environment.

Health and Human Services. Provides financial aid to non-profit human services organizations who assist Des Moines citizens in time of need.

Recreation Programs. Provides activities and services for all age groups to maintain our citizen's physical, mental and social wellness.

Events & Rentals. Provides management of the City's rental facilities.

Senior Services. Provides outreach to Des Moines and Normandy Park senior citizens to support learning and independence and encourage involvement with the Senior Center and the community.

Senior Programs. Provides special events, trips, lifelong learning and continuing education, sports leagues, fitness, and dance programs. Supported by fees and charges, sponsorships, and volunteers.

PARKS, RECREATION AND SENIOR SERVICES DEPT EXPENDITURES

CATEGORY	2012 ACTUAL	2013 ACTUAL	2014 ACTUAL	2015 BUDGET	2016 BUDGET
Salaries & Wages	795,387	784,515	872,203	910,980	874,798
Personnel Benefits	240,660	266,354	284,774	298,917	258,931
Supplies	73,974	84,793	88,817	92,677	85,100
Other Services & Charges	416,958	561,061	567,635	669,343	645,946
Capital Outlay	-	10,574	-	6,000	6,000
Total Expenditures	<u>1,526,979</u>	<u>1,707,297</u>	<u>1,813,429</u>	<u>1,977,917</u>	<u>1,870,775</u>

PERSONNEL SUMMARY					
NUMBER OF EMPLOYEES					
POSITION	2012	2013	2014	2015	2016
Parks, Rec & Sr Services Director	1.00	1.00	1.00	1.00	1.00
Admin Assistant II	0.80	0.80	2.00	1.00	1.00
HEAL Grant Program	1.00				
Recreation Program					
Recreation Coordinator	2.00	1.00	1.00	1.00	1.00
Office Manager	1.00				
Office Specialist		1.00	1.00	1.00	1.00
Recreation Specialist	0.76	0.76	0.76	1.45	1.45
Extra-Hire Recreation Leader	6.13	6.13	5.62	5.57	5.57
Extra-Hire Recreation Attendant	5.15	5.11	3.63	3.51	3.51
Events and Facilities Rental					
Recreation Coordinator		1.00	1.00	1.00	1.00
Recreation Specialist	0.96			0.72	0.72
Extra-Hire Referees					0.15
Extra-Hire Recreation Leader			0.51	0.27	0.27
Extra-Hire Recreation Attendant			1.33	1.62	1.62
Senior Services & Program					
Senior Services Manager	1.00	1.00	1.00	1.00	1.00
Recreation Coordinator	1.00	1.00	1.00	1.00	-
Recreation Specialist - Sr Center					0.72
Program Assistant	0.50	0.50	0.50	0.50	0.50
Exercise Instructor	0.20	0.20	0.20	0.20	0.20
Total	21.50	19.50	20.55	20.84	20.71

NONDEPARTMENTAL

Includes costs that benefit the city as a whole and which are not attributable to any single department such as:

City membership in a variety of organizations such as Association of Washington Cities, Highline College's Small Business's Development Center, etc.

Contract costs for fire protection and pollution control activities.

One time transfers of resources to supplement other funds (such as equipment replacement) or as set asides for future use (such as one time revenues for future construction projects)

NONDEPARTMENT EXPENDITURES

CATEGORY	2012 ACTUAL	2013 ACTUAL	2014 ACTUAL	2015 BUDGET	2016 BUDGET
Other Services & Charges	94,064	94,412	100,233	114,986	133,872
Transfers & Pass Through	622,656	70,989	62,981	109,857	275,000
Total Expenditures	<u>716,720</u>	<u>165,401</u>	<u>163,214</u>	<u>224,843</u>	<u>408,872</u>

SPECIAL REVENUE FUNDS

Special Revenue Funds are funds used to account for the proceeds of specific revenue sources that are legally restricted to expenditures for specific purposes.

STREET MAINTENANCE FUND



The Street Maintenance Fund contains the following programs:

Roadway maintenance	Roadside litter clean up
Traffic and pedestrian services	Maintenance administration
Traffic control devices	
Snow and ice control	
Roadside vegetation	

PERSONNEL SUMMARY					
NUMBER OF EMPLOYEES					
POSITION	2012	2013	2014	2015	2016
Plan, Bldg, PW Director	0.05	0.05	0.15	0.15	0.15
Asst Director Transp & Engineer	0.05	0.05			
Engineering Service Manager				0.10	0.10
GIS Administrator	0.10	0.10	0.10	0.30	0.30
PW & Parks Maint Superintendent	0.25	0.25	0.25	0.30	0.30
Asst. PW & Parks Maint Super		0.10			
Fleet Mechanic	1.00	1.00	1.00	1.00	1.00
Maintenance Worker	3.00	3.00	2.00	2.00	2.00
Traffic Control Specialist			0.70	1.00	1.00
Administrative Assistant II	0.10	0.05	0.05	0.05	0.05
Total	4.55	4.60	4.25	4.90	4.90

STREET MAINTENANCE FUND REVENUES

CATEGORY	2012 ACTUAL	2013 ACTUAL	2014 ACTUAL	2015 BUDGET	2016 BUDGET
Taxes	19,571	20,581	21,130	23,000	427,800
Licenses & Permits	-	-	-	-	-
Intergovernmental	990,263	613,984	661,941	609,300	640,000
Charges for Services	125	450,157	412,361	415,000	419,200
Miscellaneous Revenues	1,762	(9,202)	2,881	1,550	-
Other Financing Sources	-	-	-	5,000	-
Interfund Transfers	-	-	-	-	45,000
Total Revenues	1,011,721	1,075,520	1,098,313	1,053,850	1,532,000
Beginning Fund Balance	234,815	276,021	264,630	197,168	128,537
Total Resources	1,246,536	1,351,541	1,362,943	1,251,018	1,660,537

STREET MAINTENANCE FUND EXPENDITURES

CATEGORY	2012 ACTUAL	2013 ACTUAL	2014 ACTUAL	2015 BUDGET	2016 BUDGET
Salaries & Wages	289,344	295,935	298,655	328,949	336,382
Personnel Benefits	132,177	125,699	123,493	136,979	129,913
Supplies	67,029	87,023	80,545	108,380	102,200
Other Services & Charges	465,077	557,340	620,136	595,968	925,799
Capital Outlay	15,491	19,912	-	-	-
Transfers	1,397	1,002	1,002	1,002	-
Total Operations	970,515	1,086,911	1,123,831	1,171,278	1,494,294
Ending Fund Balance	276,021	264,630	239,112	79,740	166,243
Total Expenditures	1,246,536	1,351,541	1,362,943	1,251,018	1,660,537

ARTERIAL STREET PAVEMENT

FUND REVENUES

CATEGORY	2012 ACTUAL	2013 ACTUAL	2014 ACTUAL	2015 BUDGET	2016 BUDGET
Taxes					-
Charges for Services					-
Miscellaneous Revenues					-
Interfund Transfers					15,000
Total Revenues	-	-	-	-	15,000
Beginning Fund Balance	-	-	-	-	-
Total Resources	-	-	-	-	15,000

FUND EXPENDITURES

CATEGORY	2012 ACTUAL	2013 ACTUAL	2014 ACTUAL	2015 BUDGET	2016 BUDGET
Supplies					
Other Services & Charges					15,000
Transfers	-	-	-	-	-
Total Operations	-	-	-	-	15,000
Ending Fund Balance	-	-	-	-	-
Total Expenditures	-	-	-	-	15,000

RESIDENTIAL STREET PAVEMENT

FUND REVENUES

CATEGORY	2012 ACTUAL	2013 ACTUAL	2014 ACTUAL	2015 BUDGET	2016 BUDGET
Taxes					-
Charges for Services					
Miscellaneous Revenues					-
Interfund Transfers					
Total Revenues	-	-	-	-	-
Beginning Fund Balance					-
Total Resources	-	-	-	-	-

FUND EXPENDITURES

CATEGORY	2012 ACTUAL	2013 ACTUAL	2014 ACTUAL	2015 BUDGET	2016 BUDGET
Supplies					
Other Services & Charges					-
Transfers					
Total Operations	-	-	-	-	-
Ending Fund Balance	-	-	-	-	-
Total Expenditures	-	-	-	-	-

POLICE DRUG SEIZURE FUND

FUND REVENUES

CATEGORY	2012 ACTUAL	2013 ACTUAL	2014 ACTUAL	2015 BUDGET	2016 BUDGET
Intergovernmental					
Miscellaneous Revenues	153	2,188	598	15,004	500
Interfund Transfers					
Total Revenues	153.00	2,188.00	598.00	15,004	500
Beginning Fund Balance	15,809	9,679	9,477	7,334	31,934
Total Resources	15,962	11,867	10,075	22,338	32,434

FUND EXPENDITURES

CATEGORY	2012 ACTUAL	2013 ACTUAL	2014 ACTUAL	2015 BUDGET	2016 BUDGET
Salaries & Wages					
Personnel Benefits					
Supplies	4,252	608	509	3,500	1,000
Other Services & Charges	2,031	1,782	2,019	11,500	5,000
Capital Outlay					
Total Operations	6,283	2,390	2,528	15,000	6,000
Ending Fund Balance	9,679	9,477	7,547	7,338	26,434
Total Expenditures	15,962	11,867	10,075	22,338	32,434

HOTEL/MOTEL TAX FUND

FUND REVENUES

CATEGORY	2012 ACTUAL	2013 ACTUAL	2014 ACTUAL	2015 BUDGET	2016 BUDGET
Taxes	18,356	20,234	20,020	20,000	84,000
Intergovernmental					
Miscellaneous Revenues	7	9	6	8	0
Interfund Transfers					
Total Revenues	18,363	20,243	20,026	20,008	84,000
Beginning Fund Balance	4,722	7,951	8,372	8,379	31,927
Total Resources	23,085	28,194	28,398	28,387	115,927

FUND EXPENDITURES

CATEGORY	2012 ACTUAL	2013 ACTUAL	2014 ACTUAL	2015 BUDGET	2016 BUDGET
Salaries & Wages					
Personnel Benefits					
Supplies					
Other Services & Charges	15,134	19,822	20,239	20,000	80,000
Capital Outlay					
Total Operations	15,134	19,822	20,239	20,000	80,000
Ending Fund Balance	7,951	8,372	8,159	8,387	35,927
Total Expenditures	23,085	28,194	28,398	28,387	115,927

REDONDO ZONE FUND

FUND REVENUES

CATEGORY	2012 ACTUAL	2013 ACTUAL	2014 ACTUAL	2015 BUDGET	2016 BUDGET
Fines & Forfeitures					750
Miscellaneous Revenues					53,000
Interfund Transfers					
Total Revenues	-	-	-	-	53,750
Beginning Fund Balance					21,845
Total Resources	-	-	-	-	75,595

FUND EXPENDITURES

CATEGORY	2012 ACTUAL	2013 ACTUAL	2014 ACTUAL	2015 BUDGET	2016 BUDGET
Supplies					5,500
Other Services & Charges					53,097
Transfers					-
Total Operations	-	-	-	-	58,597
Ending Fund Balance	-	-	-	-	16,998
Total Expenditures	-	-	-	-	75,595

PBPW AUTOMATION FEE

FUND REVENUES

CATEGORY	2012 ACTUAL	2013 ACTUAL	2014 ACTUAL	2015 BUDGET	2016 BUDGET
Charges for Services					100,000
Miscellaneous Revenues					-
Interfund Transfers					
Total Revenues	-	-	-	-	100,000
Beginning Fund Balance					22,000
Total Resources	-	-	-	-	122,000

FUND EXPENDITURES

CATEGORY	2012 ACTUAL	2013 ACTUAL	2014 ACTUAL	2015 BUDGET	2016 BUDGET
Other Services & Charges					96,726
Transfers					-
Total Operations	-	-	-	-	96,726
Ending Fund Balance					25,274
Total Expenditures	-	-	-	-	122,000

ABATEMENT

FUND REVENUES

CATEGORY	2012 ACTUAL	2013 ACTUAL	2014 ACTUAL	2015 BUDGET	2016 BUDGET
Charges for Services					-
Fines & Forfeitures					500
Interfund Transfers					
Total Revenues	-	-	-	-	500
Beginning Fund Balance	-	-	-	-	1,492
Total Resources	-	-	-	-	1,992

FUND EXPENDITURES

CATEGORY	2012 ACTUAL	2013 ACTUAL	2014 ACTUAL	2015 BUDGET	2016 BUDGET
Supplies					
Other Services & Charges					200
Transfers					-
Total Operations	-	-	-	-	200
Ending Fund Balance	-	-	-	-	1,792
Total Expenditures	-	-	-	-	1,992

AUTOMATED SPEED ENFORCE

FUND REVENUES

CATEGORY	2012 ACTUAL	2013 ACTUAL	2014 ACTUAL	2015 BUDGET	2016 BUDGET
Charges for Services					-
Fines & Forfeitures	330,910	423,164	382,819	368,000	356,000
Miscellaneous Revenues					-
Interfund Transfers					
Total Revenues	330,910	423,164	382,819	368,000	356,000
Beginning Fund Balance		182,028	182,029		38,236
Total Resources	330,910	605,192	564,848	368,000	394,236

FUND EXPENDITURES

CATEGORY	2012 ACTUAL	2013 ACTUAL	2014 ACTUAL	2015 BUDGET	2016 BUDGET
Salaries & Wages	25,270	26,856	22,218	33,159	30,351
Personnel Benefits	9,362	10,839	9,366	11,955	11,927
Supplies					-
Other Services & Charges	114,250	248,010	243,247	228,500	228,500
Transfers		108,092	108,455	94,264	141,136
Capital Outlay		29,366			-
Total Operations	148,882	423,163	383,286	367,878	411,914
Ending Fund Balance	182,028	182,029	181,562	122	(17,678)
Total Expenditures	330,910	605,192	564,848	368,000	394,236

TRANSPORT BENEFIT DISTRICT

FUND REVENUES

CATEGORY	2012 ACTUAL	2013 ACTUAL	2014 ACTUAL	2015 BUDGET	2016 BUDGET
Taxes	419,423	417,583	424,531	420,000	880,000
Miscellaneous Revenues	109	120	270	50	-
Interfund Transfers					
Total Revenues	419,532	417,703	424,801	420,050	880,000
Beginning Fund Balance	333,268	369,313	358,342	7,386	67,950
Total Resources	752,800	787,016	783,143	427,436	947,950

FUND EXPENDITURES

CATEGORY	2012 ACTUAL	2013 ACTUAL	2014 ACTUAL	2015 BUDGET	2016 BUDGET
Supplies					
Other Services & Charges	5,000	9,687	3,463	2,500	419,200
Transfers	378,487	418,987	453,764	419,200	15,000
Total Operations	383,487	428,674	457,227	421,700	434,200
Ending Fund Balance	369,313	358,342	325,916	5,736	513,750
Total Expenditures	752,800	787,016	783,143	427,436	947,950

DEBT SERVICE FUNDS

Debt Service Funds are funds used to account for the accumulation of resources to pay long term debt.

DEBT SERVICE FUND

FUND REVENUES

CATEGORY	2012 ACTUAL	2013 ACTUAL	2014 ACTUAL	2015 BUDGET	2016 BUDGET
Miscellaneous Revenues				3,419	-
Interfund Transfers					405,265
Total Revenues	-	-	-	3,419	405,265
Beginning Fund Balance	-	-	-	-	45,397
Total Resources	-	-	-	3,419	450,662

FUND EXPENDITURES

CATEGORY	2012 ACTUAL	2013 ACTUAL	2014 ACTUAL	2015 BUDGET	2016 BUDGET
Other Services & Charges					15,920
Transfers				3,419	0
Debt Service					391,052
Total Operations	-	-	-	3,419	406,972
Ending Fund Balance	-	-	-	-	43,690
Total Expenditures	-	-	-	3,419	450,662

CAPITAL & CONSTRUCTION FUND

Construction Funds are funds used to account for major acquisition and construction of capital projects. Project spending often occurs in multiple years.

CONSTRUCTION FUND

FUND REVENUES

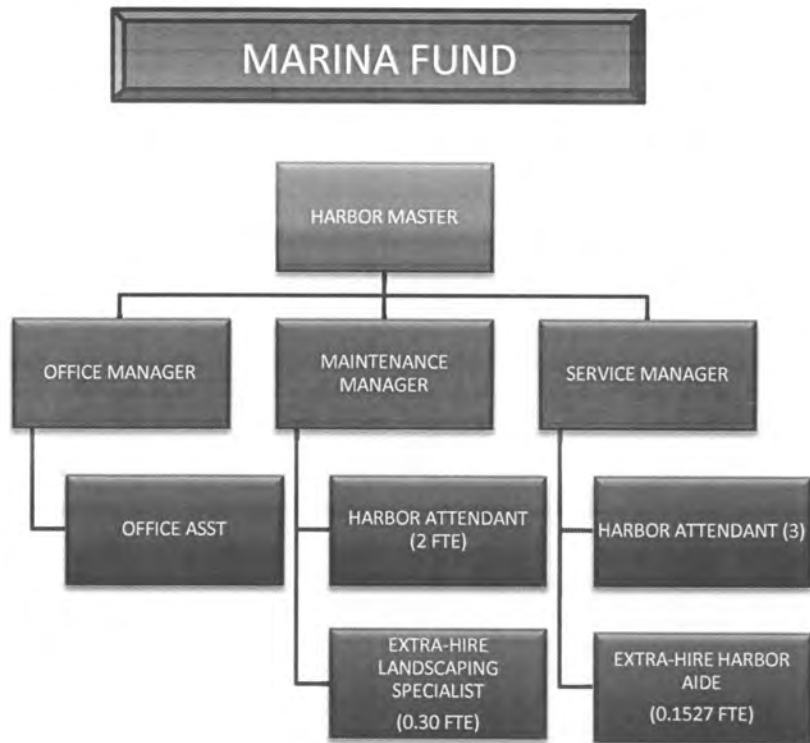
CATEGORY	2012 ACTUAL	2013 ACTUAL	2014 ACTUAL	2015 BUDGET	2016 BUDGET
Taxes	470,253	646,699	1,026,194	705,000	1,039,270
Intergovernmental	2,505,778	4,423,275	4,367,707	1,638,811	8,908,124
Charges for Services	-	6,008,136	78,706	69,000	784,040
Miscellaneous Revenues	82,708	334,163	38,843	203,542	115,000
Interfund Transfers	623,595	767,582	967,702	3,419	2,755,020
Total Revenues	3,682,334	12,179,855	6,479,152	2,619,772	13,601,454
Beginning Fund Balance	333,268	1,758	3,576,062	2,948,052	3,130,429
Total Resources	4,015,602	12,181,613	10,055,214	5,567,824	16,731,883

FUND EXPENDITURES

CATEGORY	2012 ACTUAL	2013 ACTUAL	2014 ACTUAL	2015 BUDGET	2016 BUDGET
Supplies	-	-	1,351		
Other Services & Charges		-	80,343		25,000
Transfers	630,572	738,622	999,491	672,416	2,676,707
Capital Outlay	3,383,272	7,866,929	7,134,549	9,050,588	12,752,379
Total Operations	4,013,844	8,605,551	8,215,734	9,723,004	15,454,086
Ending Fund Balance	1,758	3,576,062	1,839,480	1,493,430	1,277,797
Total Expenditures	4,015,602	12,181,613	10,055,214	11,216,434	16,731,883

ENTERPRISE FUNDS

Enterprise Funds are funds used to account for business-like activities where fees are charged to recover operating, debt and capital costs of an activity.



PERSONNEL SUMMARY					
NUMBER OF EMPLOYEES					
POSITION	2012	2013	2014	2015	2016
Harbormaster	1.00	1.00	1.00	1.00	1.00
Office Manager	1.00	1.00	1.00	1.00	1.00
Office Assistant	0.80	0.60	0.60	1.00	1.00
Service Manager	1.00	1.00	1.00	1.00	1.00
Maintenance Manager	1.00	1.00	1.00	1.00	1.00
Events Specialist	0.20	0.40	0.40		-
Harbor Attendant	4.00	4.00	4.00	4.00	4.00
Extra-Hire Landscaping Specialist	-	0.30	0.30	0.30	0.30
Extra-Hire Harbor Aide	2.13	1.83	1.83	1.83	1.53
Total	11.13	11.13	11.13	11.13	10.83

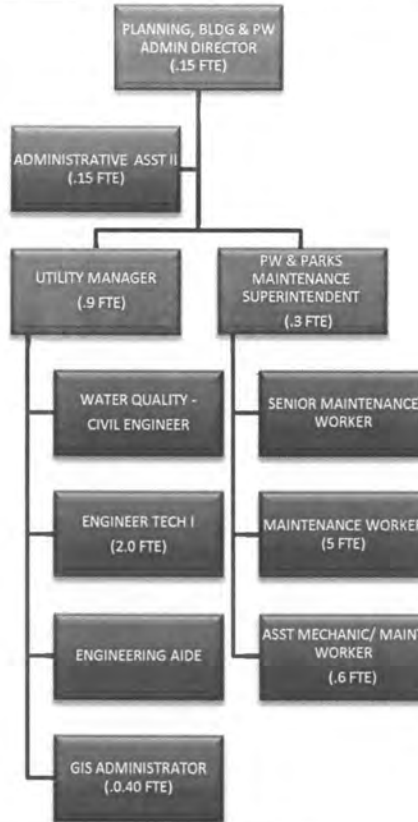
FUND REVENUES

CATEGORY	2012 ACTUAL	2013 ACTUAL	2014 ACTUAL	2015 BUDGET	2016 BUDGET
Intergovernmental	792	-	13,040	34,774	0
Charges for Services	1,268,420	1,409,519	1,441,960	1,473,060	1,209,023
Fines & Forfeits	7,743	18,617	18,162	18,000	15,220
Moorage Revenues	2,682,277	2,676,556	2,764,219	2,571,810	2,899,307
Other Financing Sources	2,991,588	265,411	490,786	0	4,459
Interfund Transfers In	444,384	483,017	514,018	513,436	1,054,830
Total Revenues	7,395,204	4,853,120	5,242,185	4,611,080	5,182,839
Beginning Fund Balance	2,096,157	1,883,681	1,824,748	1,235,809	2,459,269
Total Resources	9,491,361	6,736,801	7,066,933	5,846,889	7,642,108

FUND EXPENDITURES

CATEGORY	2012 ACTUAL	2013 ACTUAL	2014 ACTUAL	2015 BUDGET	2016 BUDGET
Salaries & Wages	640,887	603,693	616,528	678,384	651,693
Personnel Benefits	247,058	256,429	268,135	290,998	271,946
Supplies	1,232,779	1,366,026	1,335,337	1,441,908	1,118,218
Other Services & Charges	1,275,309	1,264,883	1,145,119	918,876	876,082
Transfers Out	444,384	483,017	514,018	513,436	1,069,830
Capital Outlay	40,175	140,957	118,285	454,774	235,000
Debt Service	3,727,088	797,048	822,403	823,588	819,830
Total Expenditures	7,607,680	4,912,053	4,819,825	5,121,964	5,042,599
Ending Fund Balance*	1,883,681	1,824,748	2,247,108	724,925	2,599,509
Total Uses	9,491,361	6,736,801	7,066,933	5,846,889	7,642,108
Operating Fund Balance					1,736,392
Capital Fund Balance					-
Debt Service Fund Balance					68,376
Debt Reserve Fund Balance					794,741
* Total Ending Fund Balance					2,599,509

SURFACE WATER MANAGEMENT FUND



PERSONNEL SUMMARY					
NUMBER OF EMPLOYEES					
POSITION	2012	2013	2014	2015	2016
Plan, Bldg, PW Director	0.10	0.15	0.15	0.15	0.15
Administrative Assistant	0.15	0.15	0.15	0.15	0.15
Utility Manager			0.90	0.90	0.90
Asst Director Utilities & Env Eng.	0.90	0.90			
GIS Administrator			0.40	0.40	0.40
PW & Parks Maint Superintendent	0.35	0.35	0.30	0.30	0.30
Lead Maintenance Worker	1.00	1.00	1.00	1.00	1.00
Maintenance Worker	4.40	4.30	4.60	5.00	5.00
Engineering Technician	2.00	2.00	2.00	2.00	2.00
Engineering Aide	1.00	1.00	1.00	1.00	1.00
Traffic Technician	1.00	1.00	-	-	-
Water Quality - Civil Engineer			0.60	1.00	1.00
Assistant Mechanic/Maint Worker	0.10	0.60	0.60	0.60	0.60
Land Use Planner II	0.40	0.10			
Total	11.40	11.55	11.70	12.50	12.50

FUND REVENUES

CATEGORY	2012 ACTUAL	2013 ACTUAL	2014 ACTUAL	2015 BUDGET	2016 BUDGET
Intergovernmental	100,164	-	156,511	12,500	396,181
Charges for Services	2,531,874	2,600,959	2,650,116	2,820,343	3,264,518
Miscellaneous Revenues	13,544	7,101	6,663	104,200	437,050
Other Financing Sources	160,081	57,773	53,909	-	-
Interfund Transfers In	682,871	709,484	486,455	-	577,935
Total Revenues	3,488,534	3,375,317	3,353,654	2,937,043	4,675,684
Beginning Fund Balance	2,321,618	2,154,878	2,527,274	2,160,420	2,794,245
Total Resources	5,810,152	5,530,195	5,880,928	5,097,463	7,469,929

FUND EXPENDITURES

CATEGORY	2012 ACTUAL	2013 ACTUAL	2014 ACTUAL	2015 BUDGET	2016 BUDGET
Salaries & Wages	712,253	724,606	759,170	784,530	799,230
Personnel Benefits	269,365	296,534	328,284	369,261	393,022
Supplies	62,551	75,627	75,465	92,645	75,300
Other Services & Charges	761,010	831,934	1,035,668	1,171,273	1,380,804
Transfers Out	683,528	710,536	487,507	759,502	592,935
Capital Outlay	1,165,547	362,664	-	1,615,980	2,063,935
Debt Service	1,020	1,020	-	1,020	-
Total Expenditures	3,655,274	3,002,921	2,686,094	4,794,211	5,305,226
Ending Fund Balance*	2,154,878	2,527,274	3,194,834	303,252	2,164,703
Total Uses	5,810,152	5,530,195	5,880,928	5,097,463	7,469,929

Operating Fund Balance

303,121

Capital Fund Balance

1,861,582

* Total Ending Fund Balance

2,164,703

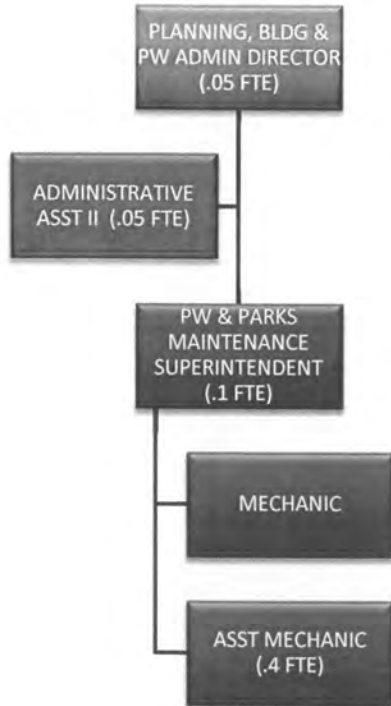
“By failing to prepare, you are preparing to fail.”

— Benjamin Franklin

INTERNAL SERVICE FUNDS

Internal Service Funds are funds used to account for business-like activities where fees are charged to city departments to recover both operating and capital activity costs.

EQUIPMENT RENTAL FUND



PERSONNEL SUMMARY					
NUMBER OF EMPLOYEES					
POSITION	2012	2013	2014	2015	2016
Plan, Bldg, PW Director	0.05	0.05	0.05	0.05	0.05
Administrative Assistant II	0.05	0.05	0.05	0.05	0.05
PW & Parks Maint Superintendent	0.10	0.10	0.10	0.10	0.10
Asst. PW & Parks Maint Super		0.10			
Mechanic	1.00	1.00	1.00	1.00	1.00
Assistant Mechanic	1.00	0.60	0.40	0.40	0.40
Total	2.20	1.90	1.60	1.60	1.60

FUND REVENUES

CATEGORY	2012 ACTUAL	2013 ACTUAL	2014 ACTUAL	2015 BUDGET	2016 BUDGET
Intergovernmental	2,178	-	-	-	-
Charges for Services	517,605	539,479	516,790	607,774	602,115
Miscellaneous Revenues	1,769	373	1,994	258	100
Other Financing Sources	9,266	1,424	1,424	-	-
Interfund Transfers In	33,742	0	-	-	-
Total Revenues	564,560	541,276	520,208	608,032	602,215
Beginning Fund Balance	152,527	129,223	159,351	172,749	43,756
Total Resources	717,087	670,499	679,559	780,781	645,971

FUND EXPENDITURES

CATEGORY	2012 ACTUAL	2013 ACTUAL	2014 ACTUAL	2015 BUDGET	2016 BUDGET
Salaries & Wages	129,787	111,263	100,787	105,352	103,139
Personnel Benefits	48,593	51,541	51,625	43,590	64,261
Supplies	293,169	273,802	267,232	292,906	245,350
Other Services & Charges	116,038	74,265	94,890	76,161	74,665
Transfers Out	-	-	-	-	-
Capital Outlay	-	-	-	99,463	57,830
Debt Service	277	277	-	277	-
Total Operations	587,864	511,148	514,534	617,749	545,245
Ending Fund Balance	129,223	159,351	165,025	163,032	100,726
Total Expenditures	717,087	670,499	679,559	780,781	645,971

EQUIPMENT REPLACEMENT FUND

FUND REVENUES

CATEGORY	2012 ACTUAL	2013 ACTUAL	2014 ACTUAL	2015 BUDGET	2016 BUDGET
Intergovernmental	37,799	0	7,000	-	-
Charges for Services	68,979	93,124	387,808	300,089	865,334
Miscellaneous Revenues	2,937	2,893	3,599	3,300	-
Other Financing Sources	19,511	3,278	2,596	42,880	-
Interfund Transfers In	0	-	-	60,000	-
Total Revenues	129,226	99,295	401,003	406,269	865,334
Beginning Fund Balance	1,404,814	1,349,142	1,430,229	1,609,602	1,424,750
Total Resources	1,534,040	1,448,437	1,831,232	2,015,871	2,290,084

FUND EXPENDITURES

CATEGORY	2012 ACTUAL	2013 ACTUAL	2014 ACTUAL	2015 BUDGET	2016 BUDGET
Supplies	4	-	-	-	-
Other Services & Charges	-	-	-	-	-
Transfers Out	33,742	-	-	-	-
Capital Outlay	151,152	18,208	206,208	673,700	851,860
Debt Service	-	-	-	-	-
Total Operations	184,898	18,208	206,208	673,700	851,860
Ending Fund Balance	1,349,142	1,430,229	1,625,024	1,342,171	1,438,224
Total Expenditures	1,534,040	1,448,437	1,831,232	2,015,871	2,290,084

FACILITY REPAIR & REPLACEMENT

FUND REVENUES

CATEGORY	2012 ACTUAL	2013 ACTUAL	2014 ACTUAL	2015 BUDGET	2016 BUDGET
Charges for Services	75,835	75,835	75,835	75,835	75,830
Miscellaneous Revenues	59	92	102	66	-
Other Financing Sources				-	-
Interfund Transfers In	33,118	-	50,000	-	-
Total Revenues	109,012	75,927	125,937	75,901	75,830
Beginning Fund Balance	52,502	53,479	85,063	146,990	65,423
Total Resources	161,514	129,406	211,000	222,891	141,253

FUND EXPENDITURES

CATEGORY	2012 ACTUAL	2013 ACTUAL	2014 ACTUAL	2015 BUDGET	2016 BUDGET
Supplies					
Other Services & Charges	82,233	44,343	140,699	238,475	54,000
Transfers Out	-				
Capital Outlay	25,802	-			25,000
Total Operations	108,035	44,343	140,699	238,475	79,000
Ending Fund Balance	53,479	85,063	70,301	(15,584)	62,253
Total Expenditures	161,514	129,406	211,000	222,891	141,253

COMPUTER OPERATIONS FUND



PERSONNEL SUMMARY					
NUMBER OF EMPLOYEES					
POSITION	2012	2013	2014	2015	2016
Information Services Mgr	1.00	1.00	1.00	1.00	1.00
Systems Administrator	1.00	1.00	1.00	1.00	1.00
GIS Administrator	1.00	1.00	1.00	-	-
Total	3.00	3.00	3.00	2.00	2.00

FUND REVENUES

CATEGORY	2012 ACTUAL	2013 ACTUAL	2014 ACTUAL	2015 BUDGET	2016 BUDGET
Intergovernmental					
Charges for Services	480,436	460,046	344,394	368,491	503,895
Miscellaneous Revenues	132	91	575	95	-
Interfund Transfers In	6,789	7,994	-	19,900	-
Total Revenues	487,357	468,131	344,969	388,486	503,895
Beginning Fund Balance	113,103	117,837	111,991	65,702	4,404
Total Resources	600,460	585,968	456,960	454,188	508,299

FUND EXPENDITURES

CATEGORY	2012 ACTUAL	2013 ACTUAL	2014 ACTUAL	2015 BUDGET	2016 BUDGET
Salaries & Wages	245,204	218,447	170,376	177,576	177,869
Personnel Benefits	93,922	78,619	64,166	68,831	62,033
Supplies	10,084	6,654	12,249	10,175	31,000
Other Services & Charges	133,136	169,980	190,334	169,306	218,745
Transfers Out					
Capital Outlay				-	-
Debt Service	277	277	-	277	-
Total Operations	482,623	473,977	437,125	426,165	489,647
Ending Fund Balance	117,837	111,991	19,835	28,023	18,652
Total Expenditures	600,460	585,968	456,960	454,188	508,299

COMPUTER REPLACEMENT FUND

FUND REVENUES

CATEGORY	2012 ACTUAL	2013 ACTUAL	2014 ACTUAL	2015 BUDGET	2016 BUDGET
Intergovernmental					
Charges for Services	67,758	89,851	108,353	69,685	401,107
Miscellaneous Revenues	620	656	581	575	100
Other Financing Sources	-	-	-	-	-
Interfund Transfers In	27,770	30,270	6,000	23,500	-
Total Revenues	96,148	120,777	114,934	93,760	401,207
Beginning Fund Balance	345,062	347,969	321,171	282,888	126,766
Total Resources	441,210	468,746	436,105	376,648	527,973

FUND EXPENDITURES

CATEGORY	2012 ACTUAL	2013 ACTUAL	2014 ACTUAL	2015 BUDGET	2016 BUDGET
Salaries & Wages					
Personnel Benefits					
Supplies	42,697	40,221	46,238	48,000	-
Other Services & Charges			7,006		
Transfers Out	6,789	7,994	-	8,400	71,000
Capital Outlay	43,755	99,360	67,940	216,728	187,915
Debt Service			3,624	3,624	3,625
Total Operations	93,241	147,575	124,808	276,752	262,540
Ending Fund Balance	347,969	321,171	311,297	99,896	265,433
Total Expenditures	441,210	468,746	436,105	376,648	527,973

SELF INSURANCE FUND

FUND REVENUES

CATEGORY	2012 ACTUAL	2013 ACTUAL	2014 ACTUAL	2015 BUDGET	2016 BUDGET
Intergovernmental	19,979	-	-	-	-
Charges for Services	580,513	582,620	563,992	643,112	828,455
Miscellaneous Revenues	193	205	163	158	-
Other Financing Sources	-	5,000	5,000	-	-
Interfund Transfers In	20,000	-	-	-	-
Total Revenues	620,685	587,825	569,155	643,270	828,455
Beginning Fund Balance	163,729	111,506	148,469	135,437	99,622
Total Resources	784,414	699,331	717,624	778,707	928,077

FUND EXPENDITURES

CATEGORY	2012 ACTUAL	2013 ACTUAL	2014 ACTUAL	2015 BUDGET	2016 BUDGET
Salaries & Wages					-
Personnel Benefits					-
Supplies					
Other Services & Charges	672,908	550,862	567,611	662,842	666,660
Transfers Out					
Capital Outlay					
Debt Service					
Total Operations	672,908	550,862	567,611	662,842	666,660
Ending Fund Balance	111,506	148,469	150,013	115,865	261,417
Total Expenditures	784,414	699,331	717,624	778,707	928,077

UNEMPLOYMENT COMPENSATION

FUND REVENUES

CATEGORY	2012 ACTUAL	2013 ACTUAL	2014 ACTUAL	2015 BUDGET	2016 BUDGET
Charges for Services	53,015	51,755	53,585	58,385	58,385
Miscellaneous Revenues	285	274	217	275	50
Total Revenues	53,300	52,029	53,802	58,660	58,435
Beginning Fund Balance	190,414	206,113	247,711	284,456	322,817
Total Resources	243,714	258,142	301,513	343,116	381,252

FUND EXPENDITURES

CATEGORY	2012 ACTUAL	2013 ACTUAL	2014 ACTUAL	2015 BUDGET	2016 BUDGET
Other Services & Charges	37,601	10,431	17,082	50,000	75,000
Transfers Out					
Total Operations	37,601	10,431	17,082	50,000	75,000
Ending Fund Balance	206,113	247,711	284,431	293,116	306,252
Total Expenditures	243,714	258,142	301,513	343,116	381,252

CAPITAL PROJECTS

APPENDIX B – CAPITAL BUDGET

<u>Project #</u>	<u>Status</u>	<u>Project Title</u>	<u>2016 Budget</u>
101.205.016	New	Annual Sidewalk Program 2016	20,000
101.305.040	New	Annual Guardrail Plan	25,000
TOTAL FUND 101 STREETS O&M 2016			45,000
102.102.040	New	Arterial Street Paving	455,000
TOTAL FUND 102 ARTERIAL PAVE 2016			455,000
103.103.040	New	Residential Street Paving	-
TOTAL FUND 103 RESIDENT PAVE 2016			-
310.056.045	New	DMBP Sun Home Lodge Rehab	605,000
310.057.045	Continuing	Field House Tennis Court	25,000
310.061.045	Continuing	DMBP Picnic Shelter/Restrooms	623,000
310.062.045	Continuing	Parkside Playground	416,129
310.065.045	Continuing	Parkside Soil Remediation	120,700
310.404.045	New	N Lot / BP Parking	125,000
310.514.024	Continuing	Financial System Replacement	252,000
TOTAL FUND 310 MCI CIP 2016			2,166,829
319.300.040	Continuing	24th Ave South Improvements	8,500,196
319.326.040	Continuing	SW Bridge Seismic Retrofit	4,526,604
319.332.040	Continuing	S 216th St - Segment 1A	6,885,343
319.336.040	Continuing	S 224th Street Improvements	614,615
319.345.040	Continuing	Barnes Creek Trail/SR 509 ROW	1,064,012
319.471.040	Continuing	16th Ave S Improve - Segment 5A	310,539
319.606.040	Continuing	Midway Elem SRTS	395,656
319.609.040	New	Arterial Traffic Calming	15,000
319.611.070	New	Redondo Paid Parking	150,000
319.614.040	Continuing	S 268th Street Sidewalks	585,800
319.615.040	Continuing	Redondo Board Walk Repair	4,700,710
TOTAL FUND 310 MCI CIP 2016			27,748,475
403.404.070	New	Marina Paid Parking	135,000
403.451.070	New	Dock Electrical Replacement	60,000
403.453.070	New	Gate Security System	40,000
TOTAL FUND 403 MARINA CIP 2016			235,000
451.804.040	Continuing	Barnes Creek/KDM Culvert Replacement	1,878,014
451.815.040	Continuing	24th Ave Pipeline Replace/Upgrade	262,700
451.821.040	Continuing	L Massey Creek	1,908,518
451.826.040	Continuing	South 251st Street Slide Emergency Work	100,000
TOTAL FUND 403 SWM CIP 2016			4,149,232
506.016.045	Continuing	Activity Center Floor Repair	20,000
506.704.040	New	Council Chambers Lighting	25,000
506.705.040	New	LED Exterior Lighting	34,000
TOTAL FUND 506 FACILITY REPAIR CIP 2016			79,000
TOTAL 2016 CAPITAL BUDGET			34,878,536

Annual Sidewalk Program 2016Project # **101.205.016**

Project Manager:
 Lead Department:
 Design Start Date:
 Bid Opening:
 Award:
 Accepted by Council:
 Retainage Released:

Est. Actual

Summary Project Description:

Replace sidewalks throughout the city. This program targets locations that are in significant need of repair or which do not meet current standards. Typical locations for repair include curb, gutter, sidewalk, asphalt paths and driveway approaches. The program prioritizes projects near schools, in commercial areas, and locations with high amounts of pedestrian traffic. Special consideration is given to locations with past pedestrian accident history and where citizen complaints are received.

TOTAL PROJECT SCOPE

<i>Expenditures</i>	<i>1/1/16 Current CIP Budget</i>	<i>2016 CIP Supplemental Request</i>	<i>2016 Revised CIP Budget Estimate</i>
Design			
Internal Engineering/Project Mgmt	2,000	-	2,000
Prop/ROW/Easements			-
Construction			-
Internal Engr-Proj Mgmt/ Inspect	1,000	-	1,000
Maint/Repair Contract f	17,000	-	17,000
Other			-
Contingencies		-	-
Total Project Expense Budget:	20,000	-	20,000

PROJECT ALLOCATIONS BY YEAR

<i>Project to Date 12/31/15</i>	<i>Estimated Year End 2016</i>	<i>Planned Year 2017</i>	<i>Planned Year 2018</i>	<i>Planned Year 2019</i>	<i>Planned Year 2020</i>
-	2,000				
-	1,000				
-	17,000				
-					
-					
-	20,000	-	-	-	-

Funding Sources

<i>Funding Sources</i>	<i>1/1/16 Current CIP Budget</i>	<i>2016 CIP Supplemental Request</i>	<i>2016 Revised CIP Budget Estimate</i>
ASE	20,000	-	20,000
Total Project Revenue Budget:	20,000	-	20,000

<i>Project to Date 12/31/15</i>	<i>Scheduled Year 2016</i>	<i>Scheduled Year 2017</i>	<i>Scheduled Year 2018</i>	<i>Scheduled Year 2019</i>	<i>Scheduled Year 2020</i>
	20,000				
-	20,000	-	-	-	-

Annual Guardrail PlanProject # **101.305.040**

Project Manager:
 Lead Department:
 Design Start Date:
 Bid Opening:
 Award:
 Accepted by Council:
 Retainage Released:

Est. Actual

Summary Project Description:

Install new or replace outdated guardrail city wide.

TOTAL PROJECT SCOPE

<i>Expenditures</i>	<i>1/1/16 Current CIP Budget</i>	<i>2016 CIP Supplemental Request</i>	<i>2016 Revised CIP Budget Estimate</i>
Design			
Internal Engineering/Project Mgmt	2,000	-	2,000
Other Professional Services		-	-
Prop/ROW/Easements		-	-
Construction		-	-
Internal Engr-Proj Mgmt/ Inspect	1,000	-	1,000
Construction Contract 1	22,000	-	22,000
Other		-	-
Contingencies		-	-
Total Project Expense Budget:	25,000	-	25,000

PROJECT ALLOCATIONS BY YEAR

<i>Project to Date 12/31/15</i>	<i>Estimated Year End 2016</i>	<i>Planned Year 2017</i>	<i>Planned Year 2018</i>	<i>Planned Year 2019</i>	<i>Planned Year 2020</i>
-	2,000				
-					
-					
-					
-	1,000				
-	22,000				
-					
-					
-	25,000	-	-	-	-

Funding Sources

	<i>1/1/16 Current CIP Budget</i>	<i>2016 CIP Supplemental Request</i>	<i>2016 Revised CIP Budget Estimate</i>
REET 2	25,000	-	25,000
Total Project Revenue Budget:	25,000	-	25,000

<i>Project to Date 12/31/15</i>	<i>Scheduled Year 2016</i>	<i>Scheduled Year 2017</i>	<i>Scheduled Year 2018</i>	<i>Scheduled Year 2019</i>	<i>Scheduled Year 2020</i>
-	25,000				
-	25,000	-	-	-	-

Arterial Street PavingProject # **102.102.040**

Project Manager:
 Lead Department:
 Design Start Date:
 Bid Opening:
 Award:
 Accepted by Council:
 Retainage Released:

Est. Actual

Summary Project Description:

Maintain and preserve the integrity of the City's existing roadway surfaces of approximately 5 centerline miles per year through a combination of pavement rehabilitation measures, such as chip seals, patches and overlays.

TOTAL PROJECT SCOPE

<i>Expenditures</i>	<i>1/1/16 Current CIP Budget</i>	<i>2016 CIP Supplemental Request</i>	<i>2016 Revised CIP Budget Estimate</i>
Design			
Internal Engineering/Project Mgmt	15,000	-	15,000
Prop/ROW/Easements			-
Other Professional Services		-	-
Construction			-
Internal Engr-Proj Mgmt/ Inspect	40,000	-	40,000
Construction Contract 1	400,000	-	400,000
Other			-
Contingencies		-	-
Total Project Expense Budget:	455,000	-	455,000

PROJECT ALLOCATIONS BY YEAR

<i>Project to Date 12/31/15</i>	<i>Estimated Year End 2016</i>	<i>Planned Year 2017</i>	<i>Planned Year 2018</i>	<i>Planned Year 2019</i>	<i>Planned Year 2020</i>
	15,000				
-					
-					
-		40,000			
-		400,000			
-					
-					
-	15,000	440,000	-	-	-

Funding Sources

<i>Funding Sources</i>	<i>1/1/16 Current CIP Budget</i>	<i>2016 CIP Supplemental Request</i>	<i>2016 Revised CIP Budget Estimate</i>
Transportation Benefit District	455,000	-	455,000
Total Project Revenue Budget:	455,000	-	455,000

<i>Project to Date 12/31/15</i>	<i>Scheduled Year 2016</i>	<i>Scheduled Year 2017</i>	<i>Scheduled Year 2018</i>	<i>Scheduled Year 2019</i>	<i>Scheduled Year 2020</i>
-	15,000	440,000			
-	15,000	440,000	-	-	-

Residential Street PavingProject # **103.103.040**

Project Manager:
Lead Department:
Design Start Date:
Bid Opening:
Award:
Accepted by Council:
Retainage Released:

Est. Actual

Summary Project Description:

Maintain and preserve the integrity of the City's existing residential roadway surfaces through a combination of pavement rehabilitation measures, such as chip seals, patches and overlays.

TOTAL PROJECT SCOPE

<i>Expenditures</i>	<i>1/1/16 Current CIP Budget</i>	<i>2016 CIP Supplemental Request</i>	<i>2016 Revised CIP Budget Estimate</i>
Design			
Internal Engineering/Project Mgmt		-	-
Prop/ROW/Easements			-
Construction			-
Internal Engr-Proj Mgmt/ Inspect		-	-
Construction Contract 1		-	-
Other			-
Contingencies		-	-
Total Project Expense Budget:	-	-	-

PROJECT ALLOCATIONS BY YEAR

<i>Project to Date 12/31/15</i>	<i>Estimated Year End 2016</i>	<i>Planned Year 2017</i>	<i>Planned Year 2018</i>	<i>Planned Year 2019</i>	<i>Planned Year 2020</i>
-	-				
-		-			
-		-			
-					
-	-	-	-	-	-

Funding Sources

<i>Funding Sources</i>	<i>1/1/16 Current CIP Budget</i>	<i>2016 CIP Supplemental Request</i>	<i>2016 Revised CIP Budget Estimate</i>
Residential Cash Balance		-	-
	-	-	-
Total Project Revenue Budget:	-	-	-

<i>Project to Date 12/31/15</i>	<i>Scheduled Year 2016</i>	<i>Scheduled Year 2017</i>	<i>Scheduled Year 2018</i>	<i>Scheduled Year 2019</i>	<i>Scheduled Year 2020</i>
-	-	-			
-					
-	-	-	-	-	-

DMBP Sun Home Lodge RehabProject # **310.056.045****310.056****Summary Project Description:**

Rehabilitation of the Sun Home Lodge for it's continued use as a recreation facility. Will include lifting the building, connecting new utilities (electrical, gas, phone, cable, water and sewer), constructing a new foundation, decking, exterior stairway and minor interior improvements. Additional interior building remodel work would be completed in future phases. This project relies on funding support from King County and Washington State. \$459K previously expended Picnic Shelter/Restroom funds will provide additional match for the project.

Project Manager:
Lead Department:
Design Start Date:
Bid Opening:
Award:
Accepted by Council:

Retainage Released:

Est. Actual

TOTAL PROJECT SCOPE

<i>Expenditures</i>	<i>1/1/16 Current CIP Budget</i>	<i>2016 CIP Supplemental Request</i>	<i>2016 Revised CIP Budget Estimate</i>
Design			
External Engineering	64,350	-	64,350
Prop/ROW/Easements			-
Construction			-
Internal Engr-Proj Mgmt/ Inspect	5,000	-	5,000
Construction Contract 1	427,500	-	427,500
Const Contract 1 - Sales Tax	47,500	-	47,500
Other			-
Interfund Financial Services	6,050	-	6,050
Contingencies	54,600	-	54,600
Total Project Expense Budget:	605,000	-	605,000

PROJECT ALLOCATIONS BY YEAR

<i>Project to Date 12/31/15</i>	<i>Estimated Year End 2016</i>	<i>Planned Year 2017</i>	<i>Planned Year 2018</i>	<i>Planned Year 2019</i>	<i>Planned Year 2020</i>
-	64,350				
-		5,000			
-		427,500			
-		47,500			
-	650	5,400			
-		54,600			
-	65,000	540,000	-	-	-

Funding Sources

	<i>1/1/16 Current CIP Budget</i>	<i>2016 CIP Supplemental Request</i>	<i>2016 Revised CIP Budget Estimate</i>
Wa State Heritage Funds	355,000	-	355,000
King County Grant	250,000	-	250,000
Total Project Revenue Budget:	605,000	-	605,000

<i>Project to Date 12/31/15</i>	<i>Scheduled Year 2016</i>	<i>Scheduled Year 2017</i>	<i>Scheduled Year 2018</i>	<i>Scheduled Year 2019</i>	<i>Scheduled Year 2020</i>
-					
-		355,000			
-	65,000	185,000			
-	65,000	540,000	-	-	-

Field House Tennis CourtProject # **310.057.045**

Project Manager:
 Lead Department:
 Design Start Date:
 Bid Opening:
 Award:
 Accepted by Council:
 Retainage Released:

Est. Actual

Summary Project Description:

Repaint the tennis court at the Field House.

TOTAL PROJECT SCOPE

<i>Expenditures</i>	<i>1/1/16 Current CIP Budget</i>	<i>2016 CIP Supplemental Request</i>	<i>2016 Revised CIP Budget Estimate</i>
Design			
Prop/ROW/Easements			-
Construction			-
Internal Engr-Proj Mgmt/ Inspect	1,000	-	1,000
Repair Contract 1	23,750	-	23,750
Other			-
Interfund Financial Services	250	-	250
Contingencies	-	-	-
Total Project Expense Budget:	25,000	-	25,000

PROJECT ALLOCATIONS BY YEAR

<i>Project to Date 12/31/15</i>	<i>Estimated Year End 2016</i>	<i>Planned Year 2017</i>	<i>Planned Year 2018</i>	<i>Planned Year 2019</i>	<i>Planned Year 2020</i>
	1,000				
	23,750				
-	250				
-					
-	25,000	-	-	-	-

Funding Sources

<i>Funding Sources</i>	<i>1/1/16 Current CIP Budget</i>	<i>2016 CIP Supplemental Request</i>	<i>2016 Revised CIP Budget Estimate</i>
REET 1	25,000	-	25,000
Total Project Revenue Budget:	25,000	-	25,000

<i>Project to Date 12/31/15</i>	<i>Scheduled Year 2016</i>	<i>Scheduled Year 2017</i>	<i>Scheduled Year 2018</i>	<i>Scheduled Year 2019</i>	<i>Scheduled Year 2020</i>
-	25,000				
-	25,000	-	-	-	-

DMBP Picnic Shelter/RestroomsProject # **310.061.045**

Project Manager:
 Lead Department:
 Design Start Date:
 Bid Opening:
 Award:
 Accepted by Council:
 Retainage Released:

Est. Actual

Summary Project Description:

Rehabilitate the Picnic Shelter and Restroom including building a new stem wall, update mechanical, electrical and plumbing systems, fixtures, interior, exterior finishes and drainage to serve the high volume Beach Park and Des Moines Creek Trail Park users. The project is part of a multi-phased plan to rehabilitate the historic buildings. It is a high priority for the general public and for the full utilization of the Event Center to maximize rental revenues that are needed to sustain the park and its buildings.

TOTAL PROJECT SCOPE

Expenditures	1/1/16 Current CIP Budget	2016 CIP Supplemental Request	2016 Revised CIP Budget Estimate
Design			
External Engineering (Dave Clark)	45,000	-	45,000
Internal Engineering/Project Mgmt	10,275	-	10,275
Permits	17,000	-	17,000
Other Misc (Advertise, Postage, Etc.)	725	-	725
Prop/ROW/Easements			
Construction			
External Engineering	25,000	-	25,000
Internal Engr-Proj Mgmt/ Inspect	8,000	-	8,000
Construction Contract 1	413,000	-	413,000
Other			
Interfund Financial Services	6,230	-	6,230
Contingencies	97,770	-	97,770
Total Project Expense Budget:	623,000	-	623,000

PROJECT ALLOCATIONS BY YEAR

Project to Date 12/31/15	Estimated Year End 2016	Planned Year 2017	Planned Year 2018	Planned Year 2019	Planned Year 2020
30,000	15,000				
5,275	5,000				
-	17,000				
725					
-	25,000				
-	8,000				
-	413,000				
360	5,870				
-	97,770				
36,360	586,640	-	-	-	-

Funding Sources

	1/1/16 Current CIP Budget	2016 CIP Supplemental Request	2016 Revised CIP Budget Estimate
REET 1	41,074	-	41,074
KC Park Levy (2014-2019)	288,926	-	288,926
Washington State RCO	293,000	-	293,000
Misc Revenues	-	-	-
Total Project Revenue Budget:	623,000	-	623,000

Project to Date 12/31/15	Scheduled Year 2016	Scheduled Year 2017	Scheduled Year 2018	Scheduled Year 2019	Scheduled Year 2020
-	171,144	(54,000)	(54,000)	(22,070)	
104,106	54,750	54,000	54,000	22,070	
-	293,000				
-					
104,106	518,894	-	-	-	-

Parkside PlaygroundProject # **310.062.043**

Project Manager:
Lead Department:
Design Start Date:
Bid Opening:
Award:
Accepted by Council:
Retainage Released:

Est. Actual

Summary Project Description:

Redesign and upgrades to this park – new paths, play equipment, sport court upgrades.

TOTAL PROJECT SCOPE

<i>Expenditures</i>	<i>1/1/16 Current CIP Budget</i>	<i>2016 CIP Supplemental Request</i>	<i>2016 Revised CIP Budget Estimate</i>
Design			
External Engineering	52,400	-	52,400
Internal Engineering/Project Mgmt	21,110	-	21,110
Permits	26,200	-	26,200
Other Misc (Advertise, Postage, Etc.)	3,000	-	3,000
Prop/ROW/Easements			
Construction			
Internal Engr-Proj Mgmt/ Inspect	10,000	-	10,000
Construction Contract 1 - Playground Constructio	258,495	-	258,495
Materials	12,104	-	12,104
Other			
Interfund Financial Services	4,050	-	4,050
Contingencies	28,770	-	28,770
Total Project Expense Budget:	416,129	-	416,129

PROJECT ALLOCATIONS BY YEAR

<i>Project to Date 12/31/15</i>	<i>Estimated Year End 2016</i>	<i>Planned Year 2017</i>	<i>Planned Year 2018</i>	<i>Planned Year 2019</i>	<i>Planned Year 2020</i>
12,400	40,000				
8,610	12,500				
-	26,200				
-	3,000				
-					
-					
-	10,000				
-	258,495				
12,104					
-					
220	3,830				
-	28,770				
33,334	382,795	-	-	-	-

Funding Sources

<i>Funding Sources</i>	<i>1/1/16 Current CIP Budget</i>	<i>2016 CIP Supplemental Request</i>	<i>2016 Revised CIP Budget Estimate</i>
CDBG Federal Grant (100% ?)	395,195	-	395,195
King County "I Can" Grant pass through	10,714	-	10,714
REET 2	10,220	-	10,220
Total Project Revenue Budget:	416,129	-	416,129

<i>Project to Date 12/31/15</i>	<i>Scheduled Year 2016</i>	<i>Scheduled Year 2017</i>	<i>Scheduled Year 2018</i>	<i>Scheduled Year 2019</i>	<i>Scheduled Year 2020</i>
12,400	382,795				
10,714					
10,220					
33,334	382,795	-	-	-	-

Parkside Soil RemediationProject # **310.065.045**

Project Manager:
 Lead Department:
 Design Start Date:
 Bid Opening:
 Award:
 Accepted by Council:
 Retainage Released:

Est. Actual

Summary Project Description:

Removal of contaminated soils and replacement with new clean soils as part of the Parkside Playground project.

TOTAL PROJECT SCOPE

<i>Expenditures</i>	<i>1/1/16 Current CIP Budget</i>	<i>2016 CIP Supplemental Request</i>	<i>2016 Revised CIP Budget Estimate</i>
Design			
Internal Engineering/Project Mgmt		-	-
Permits		-	-
Prop/ROW/Easements			-
Construction			-
Internal Engr-Proj Mgmt/Inspect	10,000	-	10,000
Construction Contract 2 - Soil Removal/Replace	104,500	-	104,500
Other			
Interfund Financial Services	1,200	-	1,200
Contingencies	5,000	-	5,000
Total Project Expense Budget:	120,700	-	120,700

PROJECT ALLOCATIONS BY YEAR

<i>Project to Date 12/31/15</i>	<i>Estimated Year End 2016</i>	<i>Planned Year 2017</i>	<i>Planned Year 2018</i>	<i>Planned Year 2019</i>	<i>Planned Year 2020</i>
-					
-					
-	10,000				
-	104,500				
-					
-	1,200				
-	5,000				
-	120,700	-	-	-	-

Funding Sources

<i>Funding Sources</i>	<i>1/1/16 Current CIP Budget</i>	<i>2016 CIP Supplemental Request</i>	<i>2016 Revised CIP Budget Estimate</i>
REET 2	1,200	-	1,200
DOE State Grant	119,500	-	119,500
		-	-
Total Project Revenue Budget:	120,700	-	120,700

<i>Project to Date 12/31/15</i>	<i>Scheduled Year 2016</i>	<i>Scheduled Year 2017</i>	<i>Scheduled Year 2018</i>	<i>Scheduled Year 2019</i>	<i>Scheduled Year 2020</i>
-	1,200				
-	119,500				
-					
-	120,700	-	-	-	-

N Lot / BP ParkingProject # **310.404.045**

Project Manager:
Lead Department:
Design Start Date:
Bid Opening:
Award:
Accepted by Council:
Retainage Released:

Est. Actual

Summary Project Description:

Will provide five parking pay stations for the North Lot/Beach Park along with a 'pay-by-space' parking system.

TOTAL PROJECT SCOPE				PROJECT ALLOCATIONS BY YEAR					
Expenditures	1/1/16 Current CIP Budget	2016 CIP Supplemental Request	2016 Revised CIP Budget Estimate	Project to Date 12/31/15	Estimated Year End 2016	Planned Year 2017	Planned Year 2018	Planned Year 2019	Planned Year 2020
Design									
External Engineering		-	-						
Internal Engineering/Project Mgmt		-	-						
Surveying Services		-	-						
Other Professional Services			-						
Permits		-	-						
Other Misc (Advertise, Postage, Etc.)		-	-						
Prop/ROW/Easements									
Construction									
External Engineering		-	-						
External Proj Mgmt/Inspect #2									
Internal Engr-Proj Mgmt/Inspect		-	-						
Construction Contract 1		-	-						
Const Contract 1 - Sales Tax			-						
Other									
Contingencies	125,000		125,000	-	125,000				
Total Project Expense Budget:	125,000	-	125,000	-	125,000	-	-	-	-

Funding Sources	1/1/16 Current CIP Budget	2016 CIP Supplemental Request	2016 Revised CIP Budget Estimate	Project to Date 12/31/15	Scheduled Year 2016	Scheduled Year 2017	Scheduled Year 2018	Scheduled Year 2019	Scheduled Year 2020
Transfer in General Fund	125,000		125,000	-	125,000				
		-	-	-					
Total Project Revenue Budget:	125,000	-	125,000	-	125,000	-	-	-	-

Financial System ReplacementProject # **310.514.024**

Project Manager: Donyele Mason
 Lead Department: Finance
 Design Start Date:
 Bid Opening:
 Award:
 Accepted by Council:
 Retainage Released:

Est. Actual

Summary Project Description:

Replace the financial software and upgrade related server. Replacement system will be a fully integrated system containing general ledger, budgeting, payroll, accounts payable, accounts receivable, centralized cashiering and project accounting modules.

TOTAL PROJECT SCOPE

<i>Expenditures</i>	<i>1/1/16 Current CIP Budget</i>	<i>2016 CIP Supplemental Request</i>	<i>2016 Revised CIP Budget Estimate</i>
Design			
Internal Engineering/Project Mgmt		-	-
Other Professional Services	80,000	-	80,000
Prop/ROW/Easements		-	-
Construction		-	-
Construction Contract 1 - Software License	155,000	-	155,000
Construction Contract 2 - Conversion Support C	10,000	-	10,000
Other		-	-
Interfund Financial Services	2,000	-	2,000
Individual Items < \$5,000 - Server/Printers/Etc.	5,000	-	5,000
Contingencies		-	-
Total Project Expense Budget:	252,000	-	252,000

PROJECT ALLOCATIONS BY YEAR

<i>Project to Date 12/31/15</i>	<i>Estimated Year End 2016</i>	<i>Planned Year 2017</i>	<i>Planned Year 2018</i>	<i>Planned Year 2019</i>	<i>Planned Year 2020</i>
-					
-	20,000	60,000			
-	80,000	75,000			
-		10,000			
-	1,000	1,000			
-		5,000			
-					
-	101,000	151,000	-	-	-

Funding Sources

<i>Funding Sources</i>	<i>1/1/16 Current CIP Budget</i>	<i>2016 CIP Supplemental Request</i>	<i>2016 Revised CIP Budget Estimate</i>
Computer Replacement Fund	192,000	-	192,000
Marina Rates	30,000	-	30,000
Surface Water Utility	30,000	-	30,000
Total Project Revenue Budget:	252,000	-	252,000

<i>Project to Date 12/31/15</i>	<i>Scheduled Year 2016</i>	<i>Scheduled Year 2017</i>	<i>Scheduled Year 2018</i>	<i>Scheduled Year 2019</i>	<i>Scheduled Year 2020</i>
-	71,000	121,000			
-	15,000	15,000			
-	15,000	15,000			
-	101,000	151,000	-	-	-

24th Ave South ImprovementsProject # **319.300.040**

Project Manager:
Lead Department:
Design Start Date:
Bid Opening:
Award:
Accepted by Council:
Retainage Released:

Est. Actual**Summary Project Description:**

The project includes construction by a contractor of the following improvements: installation of curbs, gutters, sidewalks, planters, and bicycle lanes on both sides of the street, widening the road with asphalt pavement, installing center medians where feasible, construction a new street lighting system, undergrounding storm water, overhead communications, and electrical distributions lines.

TOTAL PROJECT SCOPE			
Expenditures	1/1/16 Current CIP Budget	2016 CIP Supplemental Request	2016 Revised CIP Budget Estimate
Design			
Internal Engineering/Project Mgmt	1,038,166	-	1,038,166
Other Professional Services	149,825	-	149,825
Prop/ROW/Easements			
Land	1,019,220	-	1,019,220
Construction			
External Proj Mgmt/Inspect - Len Madsen	8,903	-	8,903
Internal Engr-Proj Mgmt/Inspect	239,070	-	239,070
Construction Inspection - KPG	1,669,437	-	1,669,437
Construction Contract - DPK	3,132,003	-	3,132,003
Other Miscellaneous (Robr Kayhara Refund)	(91)	-	(91)
Other			
Interfund Financial Services	5,960	-	5,960
Non-Capitalizable Services - Underground Utilities	1,080,212	-	1,080,212
Individual Assets > \$5,000 - Equipment		-	-
Contingencies	157,491	-	157,491
Total Project Expense Budget:	8,500,196	-	8,500,196

PROJECT ALLOCATIONS BY YEAR					
Project to Date 12/31/15	Estimated Year End 2016	Planned Year 2017	Planned Year 2018	Planned Year 2019	Planned Year 2020
1,038,166					
149,825					
1,019,220					
8,903					
239,070					
1,669,437					
3,132,003					
(91)					
5,960					
1,080,212					
-					
107,450	50,041				
8,450,155	50,041	-	-	-	-

Funding Sources	1/1/16 Current CIP Budget	2016 CIP Supplemental Request	2016 Revised CIP Budget Estimate
STP Federal Grant	3,000,000	-	3,000,000
PWTF Loan Design (Confirmed)	330,000	-	330,000
POS D.A. Fees (Confirmed)	3,500,000	-	3,500,000
POS ROW Agreement	488,370	-	488,370
ROW In-Lieu - Prologis (Received)	73,124	-	73,124
In-Lieu Fees - Prologis (Received)	105,036	-	105,036
Traffic Impact Fees	180,593	-	180,593
Expense Reimb - Comcast	130,261	-	130,261
Expense Reimb - Century Link (QWEST)	39,639	-	39,639
Expense Reimb - PSE Gas	57,332	-	57,332
Expense Reimb - Highline Water District	595,841	-	595,841
319 Fund Balance	-	-	-
Total Project Revenue Budget:	8,500,196	-	8,500,196

Project to Date 12/31/15	Scheduled Year 2016	Scheduled Year 2017	Scheduled Year 2018	Scheduled Year 2019	Scheduled Year 2020
3,000,000					
330,000					
3,500,000					
488,370					
73,124					
105,036					
180,593					
130,261					
39,639					
57,332					
595,841					
-					
8,500,196	-	-	-	-	-

SW Bridge Seismic RetrofitProject # **319.326.040**

Project Manager:
Lead Department:
Design Start Date:
Bid Opening:
Award:
Accepted by Council:
Retainage Released:

Est. Actual

Summary Project Description:

Repairs and seismic retrofitting of the bridge. Patch and repair spalling areas.

TOTAL PROJECT SCOPE

<i>Expenditures</i>	<i>1/1/16 Current CIP Budget</i>	<i>2016 CIP Supplemental Request</i>	<i>2016 Revised CIP Budget Estimate</i>
Design			
External Engineering	645,359	-	645,359
Internal Engineering/Project Mgmt	50,132	-	50,132
Prop/ROW/Easements			-
Construction			-
External Engineering - Excel Tech Consulting	460,000	-	460,000
Internal Engr-Proj Mgmt/ Inspect	57,321	-	57,321
Construction Contract 1 - Road Construction Inc	3,183,060	-	3,183,060
Other			
Interfund Financial Services	32,380	-	32,380
Contingencies	98,352	-	98,352
Total Project Expense Budget:	4,526,604	-	4,526,604

PROJECT ALLOCATIONS BY YEAR

<i>Project to Date 12/31/15</i>	<i>Estimated Year End 2016</i>	<i>Planned Year 2017</i>	<i>Planned Year 2018</i>	<i>Planned Year 2019</i>	<i>Planned Year 2020</i>
645,359					
50,132					
460,000					
57,321					
3,183,060					
32,380					
91,698	6,654				
4,519,950	6,654	-	-	-	-

Funding Sources

<i>Funding Sources</i>	<i>1/1/16 Current CIP Budget</i>	<i>2016 CIP Supplemental Request</i>	<i>2016 Revised CIP Budget Estimate</i>
Transport CIP Fund Balance	525,229	-	525,229
FHWA/HBP/BRAC Grant (Per LA) 100%	4,001,375	-	4,001,375
		-	-
Total Project Revenue Budget:	4,526,604	-	4,526,604

<i>Project to Date 12/31/15</i>	<i>Scheduled Year 2016</i>	<i>Scheduled Year 2017</i>	<i>Scheduled Year 2018</i>	<i>Scheduled Year 2019</i>	<i>Scheduled Year 2020</i>
525,229					
4,001,375					
-					
4,526,604	-	-	-	-	-

S 216th St - Segment 1AProject # **319.332.040**

Project Manager:
Lead Department:
Design Start Date:
Bid Opening:
Award:
Accepted by Council:
Retainage Released:

Est. Actual**Summary Project Description:**

South 216th St from R 99 to 24th Ave South. Widen roadway to 5 lanes with two additional travel lanes in each direction, a continuous left turn lane, a U-turn pocket (EN to WB) at SR 99, bicycle lanes, planter strips and sidewalks.

TOTAL PROJECT SCOPE			
Expenditures	1/1/16 Current CIP Budget	2016 CIP Supplemental Request	2016 Revised CIP Budget Estimate
Design			
External Engineering - KPG	185,435	-	185,435
Internal Engineering/Project Mgmt	656,136	-	656,136
Other Professional Services	51,770	-	51,770
Prop/ROW/Easements			
External Engineering - KPG	86,245	-	86,245
Internal Engineering	57,888	-	57,888
Other Professional Services - Len Madsen	69,910	-	69,910
Environmental		-	-
Land	540,716	-	540,716
Other Miscellaneous - Filing Fees/Condemnation	160,173	-	160,173
Construction			
External Engineering	500,000	-	500,000
External Proj Mgmt/Inspect #2	30,000	-	30,000
Internal Engr-Proj Mgmt/Inspect	30,000	-	30,000
Construction Contract	3,788,956	-	3,788,956
Other Miscellaneous	80,402	-	80,402
Other			
Interfund Financial Services	50,280	-	50,280
NonCity Utilities - PSE	145,000	-	145,000
NonCity Utilities - Comcast	27,000	-	27,000
NonCity Utilities - Century Link	32,000	-	32,000
Contingencies	393,432	-	393,432
Total Project Expense Budget:	6,885,343	-	6,885,343

PROJECT ALLOCATIONS BY YEAR					
Project to Date 12/31/15	Estimated Year End 2016	Planned Year 2017	Planned Year 2018	Planned Year 2019	Planned Year 2020
185,435					
656,136					
51,770					
86,245					
57,888					
69,910					
-					
540,716					
160,173					
-	500,000				
-	30,000				
-	30,000				
-	3,788,956				
80,402					
8,330	41,950				
-	145,000				
-	27,000				
-	32,000				
-	393,432				
1,897,005	4,988,338	-	-	-	-

Funding Sources	1/1/16 Current CIP Budget	2016 CIP Supplemental Request	2016 Revised CIP Budget Estimate
PWTF Loan	325,000	-	325,000
Federal STP (ROW Only Eligible 86.5%)	613,000	-	613,000
FMSIB (confirmed)	892,000	-	892,000
Traffic Impact Fees City Wide (Use In-Lieu before	365,702	-	365,702
In-Lieu Fees (Use In-Lieu before TIF)	850,422	-	850,422
TIB (confirmed)	2,800,000	-	2,800,000
Utilities (Comcast)	80,000	-	80,000
Utilities (CenturyLink)	35,000	-	35,000
King County Metro (Estimated Funding)	29,849	-	29,849
Transportation CIP Fund	894,370	-	894,370
Total Project Revenue Budget:	6,885,343	-	6,885,343

Project to Date 12/31/15	Scheduled Year 2016	Scheduled Year 2017	Scheduled Year 2018	Scheduled Year 2019	Scheduled Year 2020
325,000					
613,000					
-	892,000				
57,635	308,067				
-	850,422				
-	2,800,000				
-	80,000				
-	35,000				
7,000	22,849				
894,370					
1,897,005	4,988,338	-	-	-	-

S 224th Street ImprovementsProject # **319.336.040**

Project Manager:
Lead Department:
Design Start Date:
Bid Opening:
Award:
Accepted by Council:
Retainage Released:

Est. Actual

Summary Project Description:

Improvements identified for South 224th Street are for a "Type A" street including curbs, gutters, wide sidewalks, and bike lanes. This project includes design, environmental analysis, and preparation of plans, specifications, and estimates by a consultant. In-lieu fees have been obtained and will fund the design as well as the construction.

TOTAL PROJECT SCOPE

<i>Expenditures</i>	<i>1/1/16 Current CIP Budget</i>	<i>2016 CIP Supplemental Request</i>	<i>2016 Revised CIP Budget Estimate</i>
Design			
External Engineering	95,000	-	95,000
Internal Engineering/Project Mgmt	18,000	-	18,000
Prop/ROW/Easements			-
Land	35,000	-	35,000
Construction			-
External Engineering	30,000	-	30,000
Internal Engr-Proj Mgmt/ Inspect	10,000	-	10,000
Construction Contract 1	325,488	-	325,488
Other			
Interfund Financial Services	6,130	-	6,130
Non-Capitalizable Services - Utility	25,000	-	25,000
Contingencies	69,997	-	69,997
Total Project Expense Budget:	614,615	-	614,615

PROJECT ALLOCATIONS BY YEAR

<i>Project to Date 12/31/15</i>	<i>Estimated Year End 2016</i>	<i>Planned Year 2017</i>	<i>Planned Year 2018</i>	<i>Planned Year 2019</i>	<i>Planned Year 2020</i>
45,000	50,000				
8,000	10,000				
-	35,000				
-	30,000				
-	10,000				
-	325,488				
540	5,590				
-	25,000				
-	69,997				
53,540	561,075	-	-	-	-

Funding Sources

<i>Funding Sources</i>	<i>1/1/16 Current CIP Budget</i>	<i>2016 CIP Supplemental Request</i>	<i>2016 Revised CIP Budget Estimate</i>
Pacific Ridge Mitigation Fees (Secured)	614,615	-	614,615
Total Project Revenue Budget:	614,615	-	614,615

<i>Project to Date 12/31/15</i>	<i>Scheduled Year 2016</i>	<i>Scheduled Year 2017</i>	<i>Scheduled Year 2018</i>	<i>Scheduled Year 2019</i>	<i>Scheduled Year 2020</i>
605,895	8,720				
605,895	8,720	-	-	-	-

Barnes Creek Trail/SR 509 ROWProject # **319,345,040**

Project Manager:
Lead Department:
Design Start Date:
Bid Opening:
Award:
Accepted by Council:
Retainage Released:

Est. Actual

Summary Project Description:

SR 509 right-of-way from south 216th Street to Kent-Des Moines Road. A 2 mile multi-use trail connecting to the Des Moines Creek Trail in the north and Highline College at the south end.

TOTAL PROJECT SCOPE

<i>Expenditures</i>	<i>1/1/16 Current CIP Budget</i>	<i>2016 CIP Supplemental Request</i>	<i>2016 Revised CIP Budget Estimate</i>
Design			
External Engineering - KPG	747,986	-	747,986
Internal Engineering/Project Mgmt	180,926	-	180,926
Other Professional Services	53,453	-	53,453
Other Misc (Advertise, Postage, Etc.)	275	-	275
Prop/ROW/Easements			-
Construction			-
Other			
Interfund Financial Services	7,870	-	7,870
Contingencies	73,502	-	73,502
Total Project Expense Budget:	1,064,012	-	1,064,012

PROJECT ALLOCATIONS BY YEAR

<i>Project to Date 12/31/15</i>	<i>Estimated Year End 2016</i>	<i>Planned Year 2017</i>	<i>Planned Year 2018</i>	<i>Planned Year 2019</i>	<i>Planned Year 2020</i>
447,986	300,000				
160,926	20,000				
53,453					
275					
4,670	3,200				
73,502					
740,812	323,200	-	-	-	-

Funding Sources

	<i>1/1/16 Current CIP Budget</i>	<i>2016 CIP Supplemental Request</i>	<i>2016 Revised CIP Budget Estimate</i>
Transportation CIP Fund	68,355	-	68,355
REET 1	283,656	-	283,656
King County Conservation Grant 2011 (Confirmed)	44,182	-	44,182
King County Trail Levy (Confirmed trail)	287,819	-	287,819
CMAQ-Design (Confirmed) FHWA	380,000	-	380,000
Total Project Revenue Budget:	1,064,012	-	1,064,012

<i>Project to Date 12/31/15</i>	<i>Scheduled Year 2016</i>	<i>Scheduled Year 2017</i>	<i>Scheduled Year 2018</i>	<i>Scheduled Year 2019</i>	<i>Scheduled Year 2020</i>
68,355					
-	283,656				
44,182					
287,819					
360,000	20,000				
760,356	303,656	-	-	-	-

16th Ave S Improve - Segment 5AProject # **319,471,040**

Project Manager:
Lead Department:
Design Start Date:
Bid Opening:
Award:
Accepted by Council:
Retainage Released:

Est. Actual

Summary Project Description:

South 272nd Street to approximately 1000 feet south of S 272nd Street. Install curbs, gutters, sidewalks, enclosed drainage system and bike lanes along both sides of the street. Improve existing lighting and install left turn lane. Cost estimates reflect overhead utilities. Underground utilities would be a significant increase. This project coordinates with Segment 5B.

TOTAL PROJECT SCOPE

<i>Expenditures</i>	<i>1/1/16 Current CIP Budget</i>	<i>2016 CIP Supplemental Request</i>	<i>2016 Revised CIP Budget Estimate</i>
Design			
External Engineering	200,739	-	200,739
Internal Engineering/Project Mgmt	16,700	-	16,700
Prop/ROW/Easements			
Internal Engineering	1,250	-	1,250
Land	40,000	-	40,000
Other Miscellaneous		-	-
Construction			
Other			
Interfund Financial Services	3,060	-	3,060
Contingencies	48,790	-	48,790
Total Project Expense Budget:	310,539	-	310,539

PROJECT ALLOCATIONS BY YEAR

<i>Project to Date 12/31/15</i>	<i>Estimated Year End 2016</i>	<i>Planned Year 2017</i>	<i>Planned Year 2018</i>	<i>Planned Year 2019</i>	<i>Planned Year 2020</i>
-	120,039	80,700			
-	7,600	9,100			
-			1,250		
-			40,000		
-					
-					
-	1,230	900	930		
-			48,790		
-	128,869	90,700	90,970	-	-

Funding Sources

<i>Funding Sources</i>	<i>1/1/16 Current CIP Budget</i>	<i>2016 CIP Supplemental Request</i>	<i>2016 Revised CIP Budget Estimate</i>
Traffic Impact Fees- City Wide		-	-
In Lieu Fees		-	-
In-Lieu Ashton (Received)	128,839	-	128,839
TIB		-	-
Transportation CIP Fund	181,700	-	181,700
Total Project Revenue Budget:	310,539	-	310,539

<i>Project to Date 12/31/15</i>	<i>Scheduled Year 2016</i>	<i>Scheduled Year 2017</i>	<i>Scheduled Year 2018</i>	<i>Scheduled Year 2019</i>	<i>Scheduled Year 2020</i>
-				-	
-					
128,839					
-					
181,700					
-					
310,539	-	-	-	-	-

Midway Elem SRTSProject # **319.606.040**

Project Manager:
 Lead Department:
 Design Start Date:
 Bid Opening:
 Award:
 Accepted by Council:
 Retainage Released:

Est. Actual

Summary Project Description:

Install a sidewalk on the east side of 24th Ave S from South 224th Street to South 227th Street. This project will be done in conjunction with SWM's 24th Ave Pipeline replacement.

TOTAL PROJECT SCOPE

Expenditures	1/1/16 Current CIP Budget	2016 CIP Supplemental Request	2016 Revised CIP Budget Estimate
Design			
External Engineering	-	-	-
Internal Engineering/Project Mgmt	56,792	-	56,792
Other Professional Services	9,622	-	9,622
Prop/ROW/Easements			
Internal Engineering	5,000	-	5,000
Other Professional Services	5,000	-	5,000
Land	24,000	-	24,000
Construction			
External Engineering	-	-	-
Internal Engr-Proj Mgmt/Inspect	8,000	-	8,000
Construction Contract 1	200,000	-	200,000
Other			
Interfund Financial Services	3,710	-	3,710
Contingencies	83,532	-	83,532
Total Project Expense Budget:	395,656	-	395,656

PROJECT ALLOCATIONS BY YEAR

Project to Date 12/31/15	Estimated Year End 2016	Planned Year 2017	Planned Year 2018	Planned Year 2019	Planned Year 2020
-					
24,937	31,855				
8,622	1,000				
-	5,000				
-	5,000				
-	24,000				
-					
-					
-	8,000				
-	200,000				
90	3,620				
-	83,532				
33,649	362,007	-	-	-	-

Funding Sources

Funding Sources	1/1/16 Current CIP Budget	2016 CIP Supplemental Request	2016 Revised CIP Budget Estimate
Traffic Safety Program (ASE)	268,391	-	268,391
SWM CIP 451.815 Transfer (Make separate project)	-	-	-
Traffic Impact Fees - City Wide	127,265	-	127,265
Transportation CIP Fund	-	-	-
Total Project Revenue Budget:	395,656	-	395,656

Project to Date 12/31/15	Scheduled Year 2016	Scheduled Year 2017	Scheduled Year 2018	Scheduled Year 2019	Scheduled Year 2020
207,705	60,686				
-					
-	127,265				
-					
207,705	187,951	-	-	-	-

Arterial Traffic CalmingProject # **319.609.040**

Project Manager:
Lead Department:
Design Start Date:
Bid Opening:
Award:
Accepted by Council:
Retainage Released:

Est. Actual

Summary Project Description:

Install arterial traffic calming devices such as permanent radar speed signs, road rechannelization, speed cushions, and other appropriate devices for use on arterial streets. These devices are intended for higher volume roads and emergency response routes which have different characteristics than local roads. Locations are yet to be determined and based on operational characteristics.

TOTAL PROJECT SCOPE

<i>Expenditures</i>	<i>1/1/16 Current CIP Budget</i>	<i>2016 CIP Supplemental Request</i>	<i>2016 Revised CIP Budget Estimate</i>
Design			
Internal Engineering/Project Mgmt		-	-
Other Professional Services		-	-
Prop/ROW/Easements			
Other Professional Services		-	-
Construction			
Construction Contract 1	15,000	-	15,000
Other			
Interfund Financial Services		-	-
Individual Assets > \$5,000 - Equipment		-	-
Contingencies		-	-
Total Project Expense Budget:	15,000	-	15,000

PROJECT ALLOCATIONS BY YEAR

<i>Project to Date 12/31/15</i>	<i>Estimated Year End 2016</i>	<i>Planned Year 2017</i>	<i>Planned Year 2018</i>	<i>Planned Year 2019</i>	<i>Planned Year 2020</i>
-					
-					
-					
-					
-	15,000				
-					
-					
-					
-					
-	15,000	-	-	-	-

Funding Sources

	<i>1/1/16 Current CIP Budget</i>	<i>2016 CIP Supplemental Request</i>	<i>2016 Revised CIP Budget Estimate</i>
REET 1	15,000	-	15,000
Total Project Revenue Budget:	15,000	-	15,000

<i>Project to Date 12/31/15</i>	<i>Scheduled Year 2016</i>	<i>Scheduled Year 2017</i>	<i>Scheduled Year 2018</i>	<i>Scheduled Year 2019</i>	<i>Scheduled Year 2020</i>
-	15,000				
-	15,000	-	-	-	-

Redondo Paid ParkingProject # **319.611.070**

Project Manager:
Lead Department:
Design Start Date:
Bid Opening:
Award:
Accepted by Council:
Retainage Released:

Est. Actual

Summary Project Description:

Equip the Redondo parking lot with an automated pay parking system including gates, ticket dispensers and a pay station.

TOTAL PROJECT SCOPE

Expenditures	1/1/16 Current CIP Budget	2016 CIP Supplemental Request	2016 Revised CIP Budget Estimate
Design			
Prop/ROW/Easements			-
Construction			-
External Engineering		-	-
External Proj Mgmt/Inspect #2		-	-
Internal Engr-Proj Mgmt/Inspect		-	-
Construction Contract 1		-	-
Other			
Contingencies	150,000	-	150,000
Total Project Expense Budget:	150,000	-	150,000

PROJECT ALLOCATIONS BY YEAR

Project to Date 12/31/15	Estimated Year End 2016	Planned Year 2017	Planned Year 2018	Planned Year 2019	Planned Year 2020
-					
-					
-					
-					
-					
-	150,000				
-	150,000	-	-	-	-

Funding Sources

	1/1/16 Current CIP Budget	2016 CIP Supplemental Request	2016 Revised CIP Budget Estimate
General Fund transfer (One Time Revenues)	150,000	-	150,000
		-	-
Total Project Revenue Budget:	150,000	-	150,000

Project to Date 12/31/15	Scheduled Year 2016	Scheduled Year 2017	Scheduled Year 2018	Scheduled Year 2019	Scheduled Year 2020
-	150,000				
-					
-					
-	150,000	-	-	-	-

S 268th Street SidewalksProject # **319.614.040**

Project Manager:
Lead Department:
Design Start Date:
Bid Opening:
Award:
Accepted by Council:
Retainage Released:

Est. Actual

Summary Project Description:

Install sidewalks on the north side of South 268th Street between 16th Ave South and Pacific Highway South, with a portion of sidewalk on the south side from 18th Ave South to Pacific Highway South. This project does not underground the utilities.

TOTAL PROJECT SCOPE

<i>Expenditures</i>	<i>1/1/16 Current CIP Budget</i>	<i>2016 CIP Supplemental Request</i>	<i>2016 Revised CIP Budget Estimate</i>
Design			
External Engineering - Parametrix	70,000	-	70,000
Internal Engineering/Project Mgmt	10,000	-	10,000
Prop/ROW/Easements			-
Construction			-
External Engineering - Parametrix	40,000	-	40,000
Internal Engr-Proj Mgmt/ Inspect	15,000	-	15,000
Construction Contract 1	385,000	-	385,000
Other			
Interfund Financial Services	5,800	-	5,800
Contingencies	60,000	-	60,000
Total Project Expense Budget:	585,800	-	585,800

PROJECT ALLOCATIONS BY YEAR

<i>Project to Date 12/31/15</i>	<i>Estimated Year End 2016</i>	<i>Planned Year 2017</i>	<i>Planned Year 2018</i>	<i>Planned Year 2019</i>	<i>Planned Year 2020</i>
30,000	40,000				
5,000	5,000				
-	40,000				
-	15,000				
-	385,000				
350	5,450				
-	60,000				
35,350	550,450	-	-	-	-

Funding Sources

<i>Funding Sources</i>	<i>1/1/16 Current CIP Budget</i>	<i>2016 CIP Supplemental Request</i>	<i>2016 Revised CIP Budget Estimate</i>
Traffic Safety Program (ASE)	60,800	-	60,800
WSDOT SRTS (100%)	431,000	-	431,000
REET 2	94,000	-	94,000
Total Project Revenue Budget:	585,800	-	585,800

<i>Project to Date 12/31/15</i>	<i>Scheduled Year 2016</i>	<i>Scheduled Year 2017</i>	<i>Scheduled Year 2018</i>	<i>Scheduled Year 2019</i>	<i>Scheduled Year 2020</i>
350	60,450				
35,000	396,000				
-	94,000				
35,350	550,450	-	-	-	-

Redondo Board Walk RepairProject # **319.615.040**

Project Manager:
 Lead Department:
 Design Start Date:
 Bid Opening:
 Award:
 Accepted by Council:
 Retainage Released:

Est. Actual

Summary Project Description:

Replace Boardwalk with improved design. FHWA 86.5% for grant funding total of \$285K is confirmed. The rest of the grant funding is still in application status.

TOTAL PROJECT SCOPE

<i>Expenditures</i>	<i>1/1/16 Current CIP Budget</i>	<i>2016 CIP Supplemental Request</i>	<i>2016 Revised CIP Budget Estimate</i>
Design			
External Engineering	410,100	-	410,100
Internal Engineering/Project Mgmt	30,000	-	30,000
Prop/ROW/Easements			-
Construction			-
External Engineering		-	-
External Proj Mgmt/Inspect #2	370,000	-	370,000
Internal Engr-Proj Mgmt/ Inspect	40,000	-	40,000
Construction Contract 1	3,298,610	-	3,298,610
Other Professional Services	2,000	-	2,000
Other			
Interfund Financial Services	50,000	-	50,000
Contingencies	500,000	-	500,000
Total Project Expense Budget:	4,700,710	-	4,700,710

PROJECT ALLOCATIONS BY YEAR

<i>Project to Date 12/31/15</i>	<i>Estimated Year End 2016</i>	<i>Planned Year 2017</i>	<i>Planned Year 2018</i>	<i>Planned Year 2019</i>	<i>Planned Year 2020</i>
410,100					
30,000					
-					
-	370,000				
-	40,000				
-	3,298,610				
-	2,000				
25,000	25,000				
-	500,000				
465,100	4,235,610	-	-	-	-

Funding Sources

<i>Funding Sources</i>	<i>1/1/16 Current CIP Budget</i>	<i>2016 CIP Supplemental Request</i>	<i>2016 Revised CIP Budget Estimate</i>
FH WA - PE 86.5% (LA8609)	286,315	-	286,315
FH WA - CN 86.5% (Unconfirmed)	2,101,950	-	2,101,950
TIB Unconfirmed	360,000	-	360,000
WA Capital Appropriation	1,455,000	-	1,455,000
REET 1	497,445	-	497,445
Total Project Revenue Budget:	4,700,710	-	4,700,710

<i>Project to Date 12/31/15</i>	<i>Scheduled Year 2016</i>	<i>Scheduled Year 2017</i>	<i>Scheduled Year 2018</i>	<i>Scheduled Year 2019</i>	<i>Scheduled Year 2020</i>
286,315					
-	2,101,950				
-	360,000				
-	1,455,000				
178,785	318,660				
465,100	4,235,610	-	-	-	-

Marina Paid ParkingProject # **403.404.070**

Project Manager:
 Lead Department:
 Design Start Date:
 Bid Opening:
 Award:
 Accepted by Council:

Est. Actual

Retainage Released:

Summary Project Description:

This project would install a parking lot control system on the Marina floor. The system would be "pay-on-departure type system with gates that controlled access to the Marina's parking lots. This type of system would allow the Marina to collect parking fees from occasional users. Marina tenants would be able to use reader cards to access their parking and customers of Anthony's Restaurant and the other businesses on the Marina floor would have the capability to validate parking for their customers.

TOTAL PROJECT SCOPE				PROJECT ALLOCATIONS BY YEAR					
<i>Expenditures</i>	<i>1/1/16 Current CIP Budget</i>	<i>2016 CIP Supplemental Request</i>	<i>2016 Revised CIP Budget Estimate</i>	<i>Project to Date 12/31/15</i>	<i>Estimated Year End 2016</i>	<i>Planned Year 2017</i>	<i>Planned Year 2018</i>	<i>Planned Year 2019</i>	<i>Planned Year 2020</i>
Design									
Prop/ROW/Easements									
External Engineering		-	-	-					
Internal Engineering		-	-	-					
Other Professional Services		-	-	-					
Environmental		-	-	-					
Land		-	-	-					
Other Miscellaneous		-	-	-					
Construction									
Other									
Contingencies	135,000	-	135,000	-	135,000				
Total Project Expense Budget:	135,000	-	135,000	-	135,000	-	-	-	-

<i>Funding Sources</i>	<i>1/1/16 Current CIP Budget</i>	<i>2016 CIP Supplemental Request</i>	<i>2016 Revised CIP Budget Estimate</i>	<i>Project to Date 12/31/15</i>	<i>Scheduled Year 2016</i>	<i>Scheduled Year 2017</i>	<i>Scheduled Year 2018</i>	<i>Scheduled Year 2019</i>	<i>Scheduled Year 2020</i>
Transfer in Fund 401 Marina Rates	135,000	-	135,000	-	135,000				
		-	-	-					
Total Project Revenue Budget:	135,000	-	135,000	-	135,000	-	-	-	-

Dock Electrical ReplacementProject # **403.451.070**

Project Manager:
 Lead Department:
 Design Start Date:
 Bid Opening:
 Award:
 Accepted by Council:
 Retainage Released:

Est. Actual

Summary Project Description:

Install new shore power pedestals and distribution wiring on one dock.

TOTAL PROJECT SCOPE

<i>Expenditures</i>	<i>1/1/16 Current CIP Budget</i>	<i>2016 CIP Supplemental Request</i>	<i>2016 Revised CIP Budget Estimate</i>
Design			
Prop/ROW/Easements		-	-
Construction		-	-
Internal Engr-Proj Mgmt/ Inspect	29,400	-	29,400
Materials	30,000	-	30,000
Other		-	
Interfund Financial Services	600	-	600
Contingencies		-	-
Total Project Expense Budget:	60,000	-	60,000

PROJECT ALLOCATIONS BY YEAR

<i>Project to Date 12/31/15</i>	<i>Estimated Year End 2016</i>	<i>Planned Year 2017</i>	<i>Planned Year 2018</i>	<i>Planned Year 2019</i>	<i>Planned Year 2020</i>
-	29,400				
-	30,000				
-	600				
-					
-	60,000	-	-	-	-

Funding Sources

<i>Funding Sources</i>	<i>1/1/16 Current CIP Budget</i>	<i>2016 CIP Supplemental Request</i>	<i>2016 Revised CIP Budget Estimate</i>
Marina Rate Transfer	60,000	-	60,000
Total Project Revenue Budget:	60,000	-	60,000

<i>Project to Date 12/31/15</i>	<i>Scheduled Year 2016</i>	<i>Scheduled Year 2017</i>	<i>Scheduled Year 2018</i>	<i>Scheduled Year 2019</i>	<i>Scheduled Year 2020</i>
-	60,000				
-	60,000	-	-	-	-

Gate Security SystemProject # **403.453.070**

Project Manager:
 Lead Department:
 Design Start Date:
 Bid Opening:
 Award:
 Accepted by Council:
 Retainage Released:

Est. Actual

Summary Project Description:

This project will replace the current gate security system with a new card reader system. The current system was installed 17 years ago in 1998 and many of the hardware components are no longer being manufactured. A new system will incorporate the latest security hardware and software and will be serviceable for another 15 to 20 years.

TOTAL PROJECT SCOPE

<i>Expenditures</i>	<i>1/1/16 Current CIP Budget</i>	<i>2016 CIP Supplemental Request</i>	<i>2016 Revised CIP Budget Estimate</i>
Design			
Prop/ROW/Easements			-
Construction			-
Internal Engr-Proj Mgmt/ Inspect	2,000	8,000	10,000
Materials	37,600	(8,000)	29,600
Other			
Interfund Financial Services	400	-	400
Contingencies		-	-
Total Project Expense Budget:	40,000	-	40,000

PROJECT ALLOCATIONS BY YEAR

<i>Project to Date 12/31/15</i>	<i>Estimated Year End 2016</i>	<i>Planned Year 2017</i>	<i>Planned Year 2018</i>	<i>Planned Year 2019</i>	<i>Planned Year 2020</i>
-	10,000				
-	29,600				
-	400				
-					
-	40,000	-	-	-	-

Funding Sources

<i>Funding Sources</i>	<i>1/1/16 Current CIP Budget</i>	<i>2016 CIP Supplemental Request</i>	<i>2016 Revised CIP Budget Estimate</i>
Marina Rate Transfer	40,000	-	40,000
Total Project Revenue Budget:	40,000	-	40,000

<i>Project to Date 12/31/15</i>	<i>Scheduled Year 2016</i>	<i>Scheduled Year 2017</i>	<i>Scheduled Year 2018</i>	<i>Scheduled Year 2019</i>	<i>Scheduled Year 2020</i>
-	40,000				
-	40,000	-	-	-	-

Barnes Creek/KDM Culvert ReplacementProject # **451.804.040**

Project Manager:
Lead Department:
Design Start Date:
Bid Opening:
Award:
Accepted by Council:
Retainage Released:

Est. Actual

Summary Project Description:

Project improvements will include the installation of 80 to 100 feet of 48-inch or 60-inch diameter culvert or possibly the construction of a box culvert, depending on the method of construction and current fisheries requirements. Due to the depth of culvert and the high traffic of Kent-Des Moines Road, use of of boring or other trench-less technology will be explored. The dramatic elevation change from upstream to downstream and the need to moderate velocity for fish passage may require that a special energy dissipater and/or fish ladder be installed at the culvert outlet.

TOTAL PROJECT SCOPE

Expenditures	1/1/16 Current CIP Budget	2016 CIP Supplemental Request	2016 Revised CIP Budget Estimate
Design			
External Engineering	180,000	-	180,000
Internal Engineering/Project Mgmt	41,128	-	41,128
Permits	25,000	-	25,000
Prop/ROW/Easements			-
Construction			-
External Engineering/Inspect	135,000	-	135,000
Internal Engr-Proj Mgmt/ Inspect	35,000	-	35,000
Construction Contract 1	752,500	-	752,500
Other			
Interfund Financial Services	15,770	-	15,770
Non-Capitalizable Services (Alternative Analysis)	75,000	-	75,000
Contingencies	617,315	-	617,315
Total Project Expense Budget:	1,878,014	-	1,878,014

PROJECT ALLOCATIONS BY YEAR

Project to Date 12/31/15	Estimated Year End 2016	Planned Year 2017	Planned Year 2018	Planned Year 2019	Planned Year 2020
-	180,000	-			
26,128	15,000				
-	25,000				
-		135,000			
-		35,000			
-		752,500			
935	3,235	11,600			
75,000					
291,382	100,000	225,933			
394,746	323,235	1,160,033	-	-	-

Funding Sources

Funding Sources	1/1/16 Current CIP Budget	2016 CIP Supplemental Request	2016 Revised CIP Budget Estimate
Transfer in fund 450	717,981	-	717,981
SWM Capital Fund Balance	1,160,033	-	1,160,033
Total Project Revenue Budget:	1,878,014	-	1,878,014

Project to Date 12/31/15	Scheduled Year 2016	Scheduled Year 2017	Scheduled Year 2018	Scheduled Year 2019	Scheduled Year 2020
394,746	323,235				
-		1,160,033			
394,746	323,235	1,160,033	-	-	-

24th Ave Pipeline Replace/UpgradeProject # **451.815.040**

Project Manager:
 Lead Department:
 Design Start Date:
 Bid Opening:
 Award:
 Accepted by Council:
 Retainage Released:

Est. Actual

Summary Project Description:

Replacement of existing 12-inch storm drainage system on 24th Avenue from S. 224th to S. 227th Street with approximately 1100 feet of 36-inch pipe.

TOTAL PROJECT SCOPE

Expenditures	1/1/16 Current CIP Budget	2016 CIP Supplemental Request	2016 Revised CIP Budget Estimate
Design			
Internal Engineering/Project Mgmt	20,000	-	20,000
Prop/ROW/Easements			-
Construction			-
Internal Engr-Proj Mgmt/ Inspect	24,000	-	24,000
Construction Contract 1	168,100	-	168,100
Other			
Interfund Financial Services	2,600	-	2,600
Contingencies	48,000	-	48,000
Total Project Expense Budget:	262,700	-	262,700

PROJECT ALLOCATIONS BY YEAR

Project to Date 12/31/15	Estimated Year End 2016	Planned Year 2017	Planned Year 2018	Planned Year 2019	Planned Year 2020
8,000	12,000				
-	24,000				
-	168,100				
-	2,600				
-	48,000				
8,000	254,700	-	-	-	-

Funding Sources

	1/1/16 Current CIP Budget	2016 CIP Supplemental Request	2016 Revised CIP Budget Estimate
Transfer in fund 450	262,700	-	262,700
Total Project Revenue Budget:	262,700	-	262,700

Project to Date 12/31/15	Scheduled Year 2016	Scheduled Year 2017	Scheduled Year 2018	Scheduled Year 2019	Scheduled Year 2020
8,000	254,700				
8,000	254,700	-	-	-	-

L Massey CreekProject # **451.821.040**

Project Manager:
Lead Department:
Design Start Date:
Bid Opening:
Award:
Accepted by Council:

Est. Actual

Retainage Released:

Summary Project Description:

This project involves widening the Massey Creek channel between 10th Avenue South and the Taco Time property east of Marine View Drive, berming the north side of the creek, constructing a sheetpile floodwall on the south side of the creek, installing a small pump station, installing native plantings along the stream, removing invasive species and installing stream fish habitat features such as woody debris, stream boulders and bank logs. External funding is provide from King County with two grants: \$200K Flood Reduction Grant and \$196 Regional Opportunity Grant.

TOTAL PROJECT SCOPE

Expenditures	1/1/16 Current CIP Budget	2016 CIP Supplemental Request	2016 Revised CIP Budget Estimate
Design			
External Engineering	107,996	-	107,996
Internal Engineering/Project Mgmt	246,323	-	246,323
Surveying Services	3,356	-	3,356
Other Professional Services	2,998	-	2,998
Permits	10,784	-	10,784
Prop/ROW/Easements			
Other Miscellaneous	1,061	-	1,061
Construction			
External Engineering	125,000	-	125,000
Internal Engr-Proj Mgmt/ Inspect	30,900	-	30,900
Construction Contract 1	973,400	-	973,400
Other			
Contingencies	406,700	-	406,700
Total Project Expense Budget:	1,908,518	-	1,908,518

PROJECT ALLOCATIONS BY YEAR

Project to Date 12/31/15	Estimated Year End 2016	Planned Year 2017	Planned Year 2018	Planned Year 2019	Planned Year 2020
107,996					
246,323					
3,356					
2,998					
10,784					
1,061					
-	125,000				
-	30,900				
-	973,400				
50,000	356,700				
422,518	1,486,000	-	-	-	-

Funding Sources

Funding Sources	1/1/16 Current CIP Budget	2016 CIP Supplemental Request	2016 Revised CIP Budget Estimate
Transfer in fund 450	1,512,337	-	1,512,337
King County Flood Reduct Grant (Construct Exp 1	200,000	-	200,000
King County Flood Control Fund (Construct Exp 1	196,181	-	196,181
SWM Capital Fund Balance		-	-
Total Project Revenue Budget:	1,908,518	-	1,908,518

Project to Date 12/31/15	Scheduled Year 2016	Scheduled Year 2017	Scheduled Year 2018	Scheduled Year 2019	Scheduled Year 2020
1,512,337					
-	200,000				
-	196,181				
-					
1,512,337	396,181	-	-	-	-

South 251st Street Slide Emergency WorkProject # **451.826.040**

Project Manager:
 Lead Department:
 Design Start Date:
 Bid Opening:
 Award:
 Accepted by Council:

Est. Actual

Retainage Released:

Summary Project Description:

TOTAL PROJECT SCOPE				PROJECT ALLOCATIONS BY YEAR					
Expenditures	1/1/16 Current CIP Budget	2016 CIP Supplemental Request	2016 Revised CIP Budget Estimate	Project to Date 12/31/15	Estimated Year End 2016	Planned Year 2017	Planned Year 2018	Planned Year 2019	Planned Year 2020
Design									
External Engineering		-	-	-					
Internal Engineering/Project Mgmt		-	-	-					
Surveying Services		-	-	-					
Other Professional Services		-	-	-					
Permits	150		150	150					
Prop/ROW/Easements									
Internal Engineering	-		-	-					
Other Miscellaneous	-		-	-					
Construction									
External Engineering	-		-	-					
External Proj Mgmt/Inspect - KPG	15,000		15,000	15,000					
Internal Engr-Proj Mgmt/Inspect	5,000		5,000	5,000					
Maint/Repair Contract - Scarcella	59,850		59,850	59,850					
Const Contract 1 - Sales Tax	-		-	-					
Other									
Contingencies	20,000		20,000	15,000	5,000				
Total Project Expense Budget:	100,000	-	100,000	95,000	5,000	-	-	-	-

Activity Center Floor RepairProject # **506.016.045**

Project Manager:
 Lead Department:
 Design Start Date:
 Bid Opening:
 Award:
 Accepted by Council:
 Retainage Released:

Est. Actual

Summary Project Description:

Repair Activity Center floor if necessary.

TOTAL PROJECT SCOPE

<i>Expenditures</i>	<i>1/1/16 Current CIP Budget</i>	<i>2016 CIP Supplemental Request</i>	<i>2016 Revised CIP Budget Estimate</i>
Design			
Internal Engineering/Project Mgmt		-	-
Prop/ROW/Easements			-
Other Professional Services		-	-
Construction			-
Other			
Non-Capitalizable Services		-	-
Contingencies	20,000	-	20,000
Total Project Expense Budget:	20,000	-	20,000

PROJECT ALLOCATIONS BY YEAR

<i>Project to Date 12/31/15</i>	<i>Estimated Year End 2016</i>	<i>Planned Year 2017</i>	<i>Planned Year 2018</i>	<i>Planned Year 2019</i>	<i>Planned Year 2020</i>
-					
-					
-					
-					
-					
-	20,000				
-	20,000	-	-	-	-

Funding Sources

<i>Funding Sources</i>	<i>1/1/16 Current CIP Budget</i>	<i>2016 CIP Supplemental Request</i>	<i>2016 Revised CIP Budget Estimate</i>
Facility Repair and Replacement Fund Cash	20,000	-	20,000
Total Project Revenue Budget:	20,000	-	20,000

<i>Project to Date 12/31/15</i>	<i>Scheduled Year 2016</i>	<i>Scheduled Year 2017</i>	<i>Scheduled Year 2018</i>	<i>Scheduled Year 2019</i>	<i>Scheduled Year 2020</i>
-	20,000				
-	20,000	-	-	-	-

Council Chambers LightingProject # **506.704.040**

Project Manager:
 Lead Department:
 Design Start Date:
 Bid Opening:
 Award:
 Accepted by Council:
 Retainage Released:

Est. Actual

Summary Project Description:

Improve lighting in Council Chambers.

TOTAL PROJECT SCOPE

<i>Expenditures</i>	<i>1/1/16 Current CIP Budget</i>	<i>2016 CIP Supplemental Request</i>	<i>2016 Revised CIP Budget Estimate</i>
Design			
Internal Engineering/Project Mgmt		-	-
Permits	1,000	-	1,000
Other Misc (Advertise, Postage, Etc.)		-	-
Prop/ROW/Easements			-
Construction			-
Internal Engr-Proj Mgmt/ Inspect	1,300	-	1,300
Maint/Repair Contract 1	20,500	-	20,500
Other			
Contingencies	2,200	-	2,200
Total Project Expense Budget:	25,000	-	25,000

PROJECT ALLOCATIONS BY YEAR

<i>Project to Date 12/31/15</i>	<i>Estimated Year End 2016</i>	<i>Planned Year 2017</i>	<i>Planned Year 2018</i>	<i>Planned Year 2019</i>	<i>Planned Year 2020</i>
-					
-	1,000				
-					
-					
-	1,300				
-	20,500				
-					
-	2,200				
-	25,000	-	-	-	-

Funding Sources

<i>Funding Sources</i>	<i>1/1/16 Current CIP Budget</i>	<i>2016 CIP Supplemental Request</i>	<i>2016 Revised CIP Budget Estimate</i>
Facility Repair and Replacement Fund Cash	25,000	-	25,000
Total Project Revenue Budget:	25,000	-	25,000

<i>Project to Date 12/31/15</i>	<i>Scheduled Year 2016</i>	<i>Scheduled Year 2017</i>	<i>Scheduled Year 2018</i>	<i>Scheduled Year 2019</i>	<i>Scheduled Year 2020</i>
-	25,000				
-	25,000	-	-	-	-

LED Exterior LightingProject # **506.705.040**

Project Manager:
 Lead Department:
 Design Start Date:
 Bid Opening:
 Award:
 Accepted by Council:
 Retainage Released:

Est. Actual

Summary Project Description:

Activity Center	\$4,000
PW Service Center	\$7,200
City Hall	\$9,100
PW Engineering	\$2,750
Police	\$5,200
Field House	\$3,500
SJU Park	\$2,100

TOTAL PROJECT SCOPE

<i>Expenditures</i>	<i>1/1/16 Current CIP Budget</i>	<i>2016 CIP Supplemental Request</i>	<i>2016 Revised CIP Budget Estimate</i>
Design			
External Engineering		-	-
Internal Engineering/Project Mgmt		-	-
Permits	1,200	-	1,200
Prop/ROW/Easements			
Construction			
Internal Engr-Proj Mgmt/ Inspect	1,300	-	1,300
Maint/Repair Contract 1	28,500	-	28,500
Other			
Contingencies	3,000	-	3,000
Total Project Expense Budget:	34,000	-	34,000

PROJECT ALLOCATIONS BY YEAR

<i>Project to Date 12/31/15</i>	<i>Estimated Year End 2016</i>	<i>Planned Year 2017</i>	<i>Planned Year 2018</i>	<i>Planned Year 2019</i>	<i>Planned Year 2020</i>
-					
-					
-	1,200				
-	1,300				
-	28,500				
-	3,000				
-	34,000	-	-	-	-

Funding Sources

<i>Funding Sources</i>	<i>1/1/16 Current CIP Budget</i>	<i>2016 CIP Supplemental Request</i>	<i>2016 Revised CIP Budget Estimate</i>
Facility Repair and Replacement Fund Cash	34,000	-	34,000
Total Project Revenue Budget:	34,000	-	34,000

<i>Project to Date 12/31/15</i>	<i>Scheduled Year 2016</i>	<i>Scheduled Year 2017</i>	<i>Scheduled Year 2018</i>	<i>Scheduled Year 2019</i>	<i>Scheduled Year 2020</i>
-	34,000				
-	34,000	-	-	-	-

GENERAL INFORMATION

“We all do better when we work together. Our differences do matter, but our common humanity matters more.”

— Bill Clinton

COMPARATIVE SUMMARY OF AD VALOREM TAXES
(\$ per \$1000 ASSESSED VALUE)

	2013 Tax Year Assessed in 2012			2014 Tax Year Assessed in 2013		
	ASSESSED	LEVY PER	AMOUNT	ASSESSED	LEVY PER	AMOUNT
	VALUE	\$1000 A.V.		VALUE	\$1000 A.V.	
GENERAL LEVY						
CURRENT EXPENSE	\$ 2,291,203,000	\$1.5796	\$ 3,619,294	\$ 2,249,628,000	\$1.5819	\$ 3,558,582

	2015 Tax Year Assessed in 2014			Est 2016 Tax Year Assessed in 2014		
	ASSESSED	LEVY PER	AMOUNT	ASSESSED	LEVY PER	AMOUNT
	VALUE	\$1000 A.V.		VALUE	\$1000 A.V.	
GENERAL LEVY						
CURRENT EXPENSE	\$ 2,641,915,375	\$1.6545	\$ 4,371,100	\$ 2,858,454,936	\$1.6530	\$ 4,725,045

RATIO of GOVERNMENTAL ACTIVITY GENERAL OBLIGATION DEBT
to ASSESSED VALUE and NET BONDED DEBT PER CAPITA
as of DECEMBER 31

<u>FISCAL YEAR</u>	<u>APRIL 1 POPULATION</u>	<u>ASSESSED VALUATION</u>	<u>DEBT</u>	<u>RATIO OF DEBT TO ASSESSED VALUE</u>	<u>DEBT PER CAPITA</u>
2006	29,020	\$2,357,985,000	\$4,088,469	0.7%	140.88
2007	29,090	\$2,590,865,000	\$3,285,078	0.6%	112.93
2008	29,180	\$2,908,318,000	\$4,012,534	0.5%	137.51
2009	29,270	\$3,267,952,000	\$4,295,811	0.4%	146.76
2010	29,673	\$2,758,797,000	\$4,024,709	0.3%	135.64
2011	29,680	\$2,696,885,000	\$3,953,740	0.3%	133.21
2012	29,700	\$2,459,855,000	\$3,665,513	0.2%	123.42
2013	26,730	\$2,291,203,000	\$3,400,795	0.1%	127.23
2014	30,030	\$ 2,249,628,000	\$ 3,100,291	0.1%	103.24
2015	30,030	\$ 2,641,915,375	\$ 3,100,291	0.1%	103.24
2016*	30,100	\$ 2,858,454,936	\$ 2,505,868	0.1%	83.25

* Estimated

CITY OF DES MOINES

DEBT LIMITATION AS OF DECEMBER 31, 2016

ESTIMATED ASSESSED VALUATION for 2016 TAXES		\$ 2,858,454,936
GENERAL PURPOSES		
Councilmanic:		
Capacity (1.50% of Assessed value)		42,876,824
Less:		
G.O. Bonds Outstanding	1,870,000	
State L.O.C.A.L. Program	57,977	
State PWTF	571,300	
		<u>2,499,277</u>
Available Councilmanic Capacity Excluding Capital Leases		40,377,547
Voter-Approved: 60 percent approval		
Total Capacity (2.50% of Assessed Value)		71,461,373
Less:		
Councilmanic Outstanding		
Issued Voter-Approved		<u>0</u>
Available Voter-Approved Capacity		\$ 71,461,373
UTILITY PURPOSES		
Voter-Approved:		
Capacity (2.5% of Assessed Value)		<u>71,461,373</u>
Available Utility Capacity		71,461,373
OPEN SPACE AND PARK FACILITIES		
Voter-Approved:		
Capacity (2.5% of Assessed Value)		<u>71,461,373</u>
Available Open Space and Park Facilities Capacity		<u>71,461,373</u>
TOTAL AVAILABLE DEBT CAPACITY		<u><u>\$ 214,384,119</u></u>

CITY OF DES MOINES
Projected As of December 31, 2016

SUMMARY OF DEBT (EXCEPT L.I.D.'s)

<u>PURPOSE</u>		<u>ORIGINAL ISSUE AMOUNT</u>	<u>DATED</u>	<u>INTEREST RATE(S)</u>	<u>MATURITY DATE</u>
GENERAL OBLIGATION DEBT					
COUNCILMANIC BONDS:					
2008 LTGO	Transportation	2,515,000	12/1/2008	4.00 - 4.75%	12/1/2028
2008B LTGO	Ref 1997- New City Hall Wing	935,000	12/1/2008	4.00 - 4.25%	2/1/2017
VOTER-APPROVED BONDS:					
None					
OTHER GENERAL OBLIGATION DEBT:					
2004 PWTF	Pac Highway Construction	2,250,000	6/29/2004	0.50%	7/1/2024
2009 PWTF	Gateway Construction	120,000	8/1/2006	0.50%	7/1/2028
2011 LOCAL	Energy Savings	106,138	11/6/2011		12/1/2021
Capital Lease	Document Mgmt System	17,739	8/4/2013	0.84%	10/15/2018
BUSINESS DEBT					
2008A LTGO	Marina	6,080,000	12/1/2008	4.00 - 4.75%	12/1/2028
2012 LTGO	Marina - 2002 Refunding	2,810,000	4/19/2012	2.00 - 4.00%	12/1/2022
OTHER BUSINESS DEBT:					
None					

CITY OF DES MOINES
Projected As of December 31, 2016

SUMMARY OF DEBT

PRINCIPAL DUE DATE	INTEREST DUE DATES	PRINCIPAL OUTSTANDING 12/31/2015	2016 DEBT SERVICE REQUIREMENTS			PRINCIPAL OUTSTANDING 12/31/2016
			PRINCIPAL	INTEREST	TOTAL	
12/1	6/1,12/1	1,860,000	110,000	84,300	194,300	1,750,000
12/1	6/1,12/1	235,000	115,000	9,988	124,988	120,000
TOTAL COUNCILMANIC BONDS		2,095,000	225,000	94,288	319,288	1,870,000
TOTAL VOTER APPROVED BONDS		0	0	0	0	0
TOTAL G.O. BOND DEBT		2,095,000	225,000	94,288	319,288	1,870,000
6/30	6/30	212,566	23,618	1,063	24,681	188,948
6/30	6/30	414,215	31,863	2,071	33,934	382,352
12/1	6/1,12/1	68,269	10,292	2,855	13,147	57,977
Monthly	Monthly	10,143	3,552	72	3,624	6,591
TOTAL OTHER GENERAL DEBT		705,193	69,325	6,061	75,386	635,868
TOTAL GENERAL OBLIGATION DEBT		\$ 2,800,193	\$ 294,325	\$ 100,349	\$ 394,674	\$ 2,505,868
12/1	6/1,12/1	4,915,000	285,000	226,429	511,429	4,630,000
12/1	6/1,12/1	1,850,000	240,000	68,400	308,400	1,610,000
TOTAL REVENUE BONDED DEBT		1,850,000	240,000	68,400	308,400	1,610,000
TOTAL OTHER BUSINESS DEBT		0	0	0	0	0
TOTAL UTILITY DEBT		1,850,000	240,000	68,400	308,400	1,610,000
TOTAL CITY DEBT		\$ 4,650,193	\$ 534,325	\$ 168,749	\$ 703,074	\$ 4,115,868

GLOSSARY OF TERMS

AD VALOREM TAXES - (Property Tax) A tax levied on the assessed value of real property.

APPROPRIATION - A legal authorization granted by a legislative body to make expenditures and to incur obligations for specific purposes. An appropriation is usually limited in amount and as to the time when it may be expended.

APPROPRIATION ORDINANCE OR RESOLUTION – An ordinance or resolution by means of which appropriations are given legal effect. It is the method by which the expenditure side of the annual operating budget is enacted into law by the legislative body.

ASSESSED VALUATION - A valuation set upon real estate or other property by the County Assessor as a basis for levying property taxes.

BASIS OF ACCOUNTING – The timing of recognition, that is, when the effects of transactions or events should be recognized for financial reporting purposes. For example, the effects of transactions or events can be recognized on an accrual basis (that is, when the transactions or events take place), or on a cash basis (that is, when cash is received or paid). Basis of accounting is an essential part of measurement focus because a particular timing of recognition is necessary to accomplish a particular measurement focus.

Cash Basis - A basis of accounting under which transactions are recognized only when cash is received or disbursed.

Accrual Basis - A basis of accounting under which transactions are recorded in the periods in which those transactions occur, rather than only in the periods in which cash is received or paid by the government.

Modified Accrual Basis - A basis of accounting according to which (a) revenues and other financial resources are recognized when they become available and measurable and (b) expenditures are recognized in the accounting period in which the fund liability is incurred, if measurable, except for unmatured interest on general long-term debt and certain similar accrued obligations, which should be recognized when due.

Modified Cash Basis – is the cash basis of accounting adjusted for Washington State statute. RCW 35.33.151 and RCW 35A.33.150 requires cities to keep their books open in order to pay December bills by the following January 20. RCW 36.40.200 requires counties to keep their books open until January 30 in order to pay December bills and charge the prior year.

BOND - A written promise to pay a specified sum of money, called the face value or principal amount, at a specified date or dates in the future, called the maturity date(s), together with

periodic interest at a specified rate. The difference between a note and a bond is that the latter runs for a longer period of time and requires greater legal formality.

BUDGET - A plan of financial operation embodying an estimate of proposed expenditures for a given period and the proposed means of financing them. Used without any modifier, the term usually indicates a financial plan for a single fiscal year. The term "budget" is used in two senses in practice. Sometimes it designates the financial plan presented to the appropriating body for adoption and sometimes the plan formally approved by that body. It is usually necessary to specify whether the budget under consideration is preliminary and tentative or whether the appropriating body has approved it.

BUDGETARY CONTROL - The control or management of a government or enterprise in accordance with an approved budget for the purpose of keeping expenditures within the limitations of available appropriations and available revenues.

BUDGET DOCUMENT - The instrument used by the budget-making authority to present a comprehensive financial program to the appropriating body. In addition to the budget document, an appropriation ordinance is necessary to formally approve the budget.

CAPITAL IMPROVEMENTS PROJECT - A plan for capital expenditures to be incurred each year over a fixed period of years to meet capital needs arising from the long-term work program or otherwise. It sets forth each project or other contemplated expenditure in which the government is to have a part and specifies the full resources estimated to be available to finance the projected expenditures.

CAPITAL OUTLAYS - Expenditures that result in the acquisition of or addition to fixed assets.

DEBT - An obligation resulting from the borrowing of money or from the purchase of goods and services. Debts of governments include bonds, registered warrants, notes, contracts, and accounts payable.

DEBT SERVICE FUND - A fund established to account for the accumulation of resources and for the payment of general long-term debt principal and interest. Formerly called a sinking fund.

DEBT LIMIT - The maximum amount of gross or net debt that is legally permitted.

DEFICIT - (1) The excess of the liabilities of a fund over its assets. (2) The excess of expenditures over revenues during an accounting period; or, in the case of proprietary funds, the excess of expense over income during an accounting period.

EMPLOYEE/PERSONNEL BENEFITS - For budgeting purposes, employee benefits are employer payments for social security, retirement, group health and life insurance, and worker's compensation. These expenses are budgeted at the activity level.

ENTERPRISE FUND - Proprietary fund type used to report an activity for which a fee is charged to external users for goods or services.

EXPENDITURES - Decreases in net current assets. Expenditures include debt service, capital outlays, and those current operating costs that require the use of current assets.

EXPENSES - Decreases in net total assets. Expenses represent the total cost of operations during a period regardless of the timing of related expenditures.

FISCAL POLICY - The City Government's policies with respect to revenues, spending, and debt management as these relate to government services, programs and capital investment. Fiscal policy provides an agreed upon set of principles for the planning and programming of government budgets and their funding.

FISCAL YEAR - A 12-month period to which the annual operating budget applies and at the end of which a government determines its financial position and the results of its operations. The City begins its annual operations on the first day of January and ends on the last day of December.

FIXED ASSETS - Assets intended to be held or used for a long term purpose, such as land, buildings, improvements other than buildings, machinery and equipment. In common usage, the term refers only to operating facilities and equipment, not to long-term investments and other non-current assets. The City's capitalization threshold is \$5,000.

FUND - A fiscal and accounting entity with self-balancing set of accounts recording cash and other financial resources, together with all related liabilities and residual equities or balances, and changes therein, which are segregated for the purpose of carrying on specific activities or attaining certain objectives in accordance with special regulations, restrictions, or limitations.

FUND BALANCE - The difference between assets and liabilities reported in a governmental fund.

GENERALLY ACCEPTED ACCOUNTING PRINCIPALS (GAAP) - Uniform minimum standards and guidelines for financial accounting and reporting. They govern the form and content of the financial statements of an entity. GAAP encompasses the conventions, rules and procedures necessary to define the accepted accounting practice at a particular time. They include not only broad guidelines of general application, but also detailed practices and procedures. GAAP provide a standard by which to measure financial presentations. The

primary authoritative body on the application of GAAP to state and local governments is the Governmental Accounting Standards Board.

GOVERNMENTAL ACCOUNTING STANDARDS BOARD (GASB) – The authoritative accounting and financial standard-setting body for government entities.

GENERAL FUND - Accounts for all revenues and expenditures that are not accounted for in any other fund except those required by statute. It is a fund supported by taxes, fees, and other miscellaneous revenues.

GENERAL OBLIGATION BONDS - Bonds for the payment of which the full faith and credit of the issuing government are pledged. G.O. Bonds can be voter approved (unlimited-tax general obligation bond-UTGO) where property owners are assessed property taxes for the debt repayment, or non-voted (limited-tax general obligation bonds-LTGO) that are authorized by the governing authority (City Council) and are paid with existing tax revenues or another source.

INTERNAL SERVICE FUNDS – These funds account for operations that provide goods or services to other departments or funds of the City or to other governmental units on a cost-reimbursement basis.

INTERGOVERNMENTAL REVENUE - Funds received from federal, state and other local government sources in the form of grants, shared revenues, and payments in lieu of taxes.

LEVY - (1) (Verb) To impose taxes, special assessments or service charges for the support of government activities. (2) (Noun) The total amount of taxes, special assessments or service charges imposed by a government.

LIABILITY - A debt or other legal financial obligation.

LICENSES AND PERMITS - Documents issued in order to regulate various kinds of businesses and other activity within the community. A degree of inspection may accompany the issuing of a license or permit, as in the case of business licenses or building permits. In most instances, a fee is charged in conjunction with the issuance of a license or permit, generally to cover the cost of administration.

LID - Local Improvement District or Special Assessments made against certain properties to defray part or all of the cost of a specific improvement or service deemed to primarily benefit those properties.

LONG TERM DEBT - Debt with a maturity of more than one year after the date of issuance.

LIMITED TAX GENERAL OBLIGATION (LTGO) BONDS - See General Obligation Bonds

OPERATING BUDGET - Plans of current expenditures and the proposed means of financing them. The annual operating budget is the primary means by which most of the financing of acquisition, spending, and service delivery activities of a government are controlled. The use of annual operating budgets is usually required by law. Even where not required by law, however, annual operating budgets are essential to sound financial management and should be adopted by every government.

OPERATING TRANSFER - Routine and/or recurring transfers of assets between funds.

ORGANIZATIONAL CHART - A graphic portrayal of relationships among positions and officials established by the City.

PERSONNEL - Refers to the number of full-time or part-time regular authorized positions which may be employed within the operation of the City.

REFUNDING BONDS - Bonds issued to retire bonds already outstanding. The refunding bonds may be sold for cash and outstanding bonds redeemed in cash, or the refunding bonds may be exchanged with holders of outstanding bonds.

RESERVE - (1) An account used to segregate a portion of fund balance to indicate that it is not available for expenditure; and (2) an account used to segregate a portion of fund equity as legally set aside for a specific future use.

REVENUE - Income received by the City in support of a program of services to the community. It includes such items as property taxes, fees, user charges, grants, fines and forfeits, interest income and miscellaneous revenue. The term designates an increase to a fund's assets from other than expense refunds, capital contributions, and residual equity transfers.

REVENUE BONDS - Bonds whose principal and interest are secured by and payable exclusively from earnings of an enterprise or proprietary fund.

SALARIES AND WAGES - Monetary compensation in the form of an annual or hourly rate of pay for hours worked.

SERVICES AND CHARGES - Expenditures for services other than personal services which are required by the City in the administration of its assigned functions or which are legally or morally obligating on it; such as, contracted services, utilities, printing, advertising, insurance and rental of equipment.

SPECIAL REVENUE FUNDS - Funds used to account for the proceeds of specific revenue sources that are legally restricted to expenditure for specific purposes.

SUPPLIES AND MATERIALS - Articles and commodities which are consumed or materially altered when used; such as, office supplies, motor fuel, building supplies and postage.

TAXES - Compulsory charges levied by a government to finance services performed for the common benefit. This term does not include specific charges made against particular persons or property for current or permanent benefits, such as special assessments. Neither does the term include charges for services rendered only to those paying such charges (e.g., sewer service charges).

TAX RATE - The amount of tax stated in terms of a unit of the tax base. The amount of tax levied for each \$1,000 of market valuation.

TAX-RATE LIMIT - The maximum rate at which a government may levy a tax. The limit may apply to taxes raised for a particular purpose or to taxes imposed for all purposes and may apply to a single government or to a class of governments operating in a particular area. Overall tax rate limits usually restrict levies for all purposes and of all governments, state and local, having jurisdiction in a given area. The tax rate limit for general purposes for the City of Des Moines is \$3.60.

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Additional cost containment measures to consider relating to irrigation, landscape maintenance and janitorial maintenance:

Staff was asked to review irrigation costs, the landscape maintenance contract, and the custodial contract to explore options for potential savings.

Irrigation Costs

One of the potential budget cuts initially suggested by the PBPW Director was reducing or eliminating irrigation of Park facilities. The PBPW Director had indicated that there was a potential for up to \$60,000 in savings by doing so. While that is accurate if all of the water meters were turned off, it is not realistic.

The expenditure detail for 2015 irrigation costs and included in the following table shows the 31 locations where we currently have water expenditures. The 2015 expenses are broken out by location.

2015 Irrigation/Water Costs				
Park/Location	Cost through October	Anticipated Costs Nov. - Dec.	Projected Total	Lock off savings
Westwood Park	\$2,117.10	\$368.88	\$2,485.98	\$ 222.68
Water Tower Park	\$2,129.70	\$322.68	\$2,452.38	\$ 222.68
24th Ave. S. Streetscape	\$2,614.80	\$99.75	\$2,714.55	
216th Streetscape	\$5,677.95	\$88.50	\$5,766.45	
City Hall	\$97.55	\$27.91	\$125.46	
Big Catch Plaza - Octavia	\$798.00	\$141.60	\$939.60	\$ 35.60
Big Catch Plaza - Boat	\$804.80	\$180.60	\$985.40	\$ 35.60
Big Catch Plaza	\$1,177.20	\$180.60	\$1,357.80	\$ 74.60
SJ Underwood Restroom	\$725.18	\$95.60	\$820.78	
SJ Underwood Park	\$10,402.17	\$387.21	\$10,789.38	\$ 152.54
Beach Park	\$1,556.90	\$499.80	\$2,056.70	\$ 74.60
Overlook Park #1	\$539.60	\$160.60	\$700.20	\$ 35.60
Overlook Park #2	\$946.20	\$141.60	\$1,087.80	\$ 35.60
MVD Streetscape	\$1,414.80	\$472.60	\$1,887.40	\$ 1,787.40
PHS Streetscape	\$887.37	\$161.34	\$1,048.71	\$ 61.34
PW Service Center	\$419.77	\$82.76	\$502.53	
South Marina park	\$1,283.60	\$180.60	\$1,464.20	\$ 74.60
City Park	\$240.90	\$43.80	\$284.70	\$ 184.70
Kiddle Park	\$245.10	\$43.80	\$288.90	
220th Ponds	\$486.75	\$88.50	\$575.25	\$ 475.25
Sonju Park	\$357.43	\$126.70	\$484.13	
16th Streetscape	\$2,001.90	\$748.41	\$2,750.31	\$ 405.08
Wooton Park Drinking Fountain	\$125.59	\$49.50	\$175.09	
Wooton Park	\$1,322.13	\$504.72	\$1,826.85	
Redondo Parking Lot	\$543.21	\$204.81	\$748.02	
Midway Park Drinking Fountain	\$126.27	\$49.50	\$175.77	
Midway Park	\$3,161.10	\$420.81	\$3,581.91	\$ 152.54
KDM Ponds	\$486.75	\$132.75	\$619.50	\$ 519.50
Flag Triangle	\$843.60	\$422.20	\$1,265.80	
Field House Park	\$6,367.00	\$1,624.20	\$7,991.20	\$ 174.60
Dr. Shirley Gordon Park	\$1,787.58	\$250.00	\$2,037.58	
Rev. Water District 54	-\$1,091.93	\$0.00	-\$1,091.93	
	\$50,596.07	\$8,302.33	\$58,898.40	\$ 4,724.51

Staff has identified an option to "lock off" the meters at certain locations during the winter months which will help reduce monthly charges during this time when most if not all of the irrigation systems are turned off. These systems can then be unlocked in the spring and summer when irrigation becomes necessary. This could provide an annual savings of up to \$4,000.

Staff does not recommend eliminating or reducing water use at Steven J. Underwood or the Field House Ball Fields and grounds, or at the Beach Park. These are all facilities that are used for rentals and events. However, the Park Maintenance staff have identified an upgrade to the irrigation system for these locations that could save money over time by managing water use more effectively and efficiently. This is a computerized system that monitors weather conditions and determines water application rates and times based on a series of algorithms. The initial cost of the system is approximately \$10,500 per location, and the vendor has indicated to us that the savings in water use would pay for upgraded system in about 4 or 5 years. This is an option that could be considered for the use of "one time revenue" as it would require an up-front capital investment.

The PBPW Director does not recommend eliminating or reducing water use at most streetscapes. Most of these streetscapes were provided for as part of capital improvement projects which were largely funded by grants. The streetscapes are often a requirement of the grants that we receive, or at least a criteria that was considered when we were awarded grant funds. The fact of the matter is that any arterial street improvement we make with grant funding, now and into the future, will have to have streetscape landscaping. These streetscapes are important for many reasons; esthetics, economic development, walkability, etc., but eliminating or damaging the landscaping in these streetscapes could impact our ability to obtain future grant funding.

Irrigation of streetscapes is reduced over time once the plants in the streetscapes have been established. Eventually irrigation costs drop significantly, and the systems can be turned off, or irrigation reduces significantly. This can be seen when comparing the irrigation costs for the MVD streetscape (which was installed over a decade ago) with costs at \$1,900, versus the South 216th Street streetscape installed a year ago with costs at \$5,800.

The Council could direct staff to reduce water use at some of these neighborhood parks like Midway Park, Watertower Park, Kiddie Park, Westwood Park, Shirley Gordon Park, and/or Wooton Park. For example, if the Council directed staff to reduce water use at all of these neighborhood parks by 10%, that would provide an annual savings of approximately \$1,250. A 25% reduction could provide an annual savings of approximately \$3,150. If the water was turned off completely at these locations, there would be an annual savings of approximately \$10,000. The Council should be aware that this has been tried in the past but due citizen complaints, has never lasted long.

Landscape Maintenance Contract

On November 12th, the Council approved the Goods and Services Contract for Landscape Maintenance Services with Northwest Landscape Service. The maximum annual contract amount for these services is \$134,062.31, of which \$6,059.76 is funded by the SWM fund, and \$7,161.04 is funded by the Marina Fund. That means that the general fund has to cover up to \$120,841.51.

The contract includes landscape maintenance services at 18 Parks and City facilities. The contract includes mowing, trimming, and edging at these locations 39 times per year – weekly March through October, and twice in February and November. The costs obviously vary by location based on the type and amount of area and landscaping to be maintained at each of the locations.

Staff has discussed expenditure reduction options with the contractor. The contractor has indicated that the level of service could be reduced to a minimum of 26 times per year. If the Council were to consider reducing the frequency down from 39 to 26 times per year, there would be an annual savings of \$8,151.60.

Staff also discussed with the contractor reducing the frequency down to only 20 times per year. While this would provide an annual savings of \$14,332.48, this alternative is not recommended by staff or the contractor.

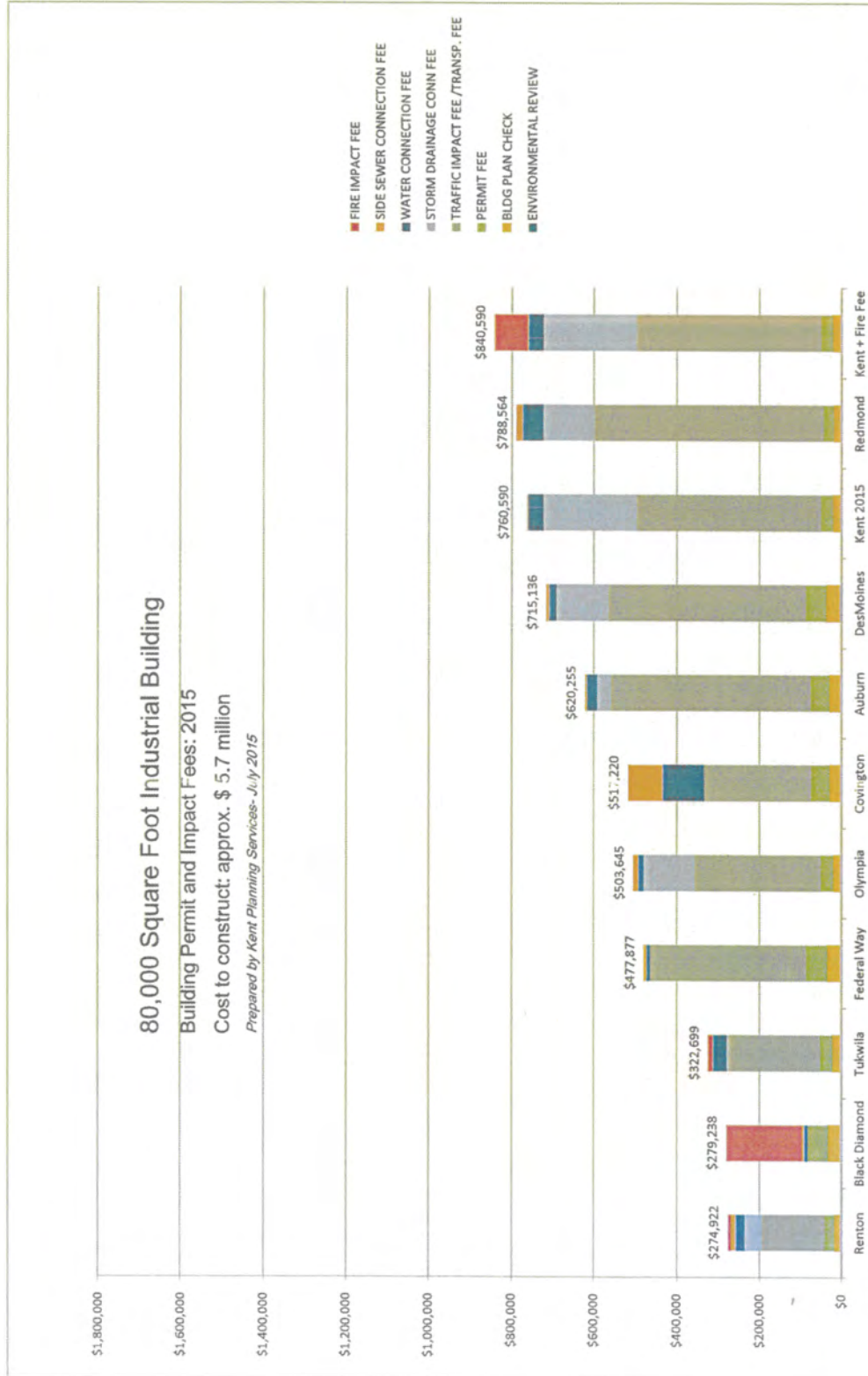
The contract also includes landscape maintenance services at 8 streetscapes and medians. The contract includes mowing, trimming, and edging at the streetscape locations 4 times per year. The PBPW Director recommends against reducing landscape maintenance of the streetscapes, primarily for liability reasons as it is important to keep landscaping in these areas maintained to address visibility and safety concerns. However, if the Council were to consider reducing the frequency down from 4 to 3 times per year, there would be an annual savings of \$5,804.96.

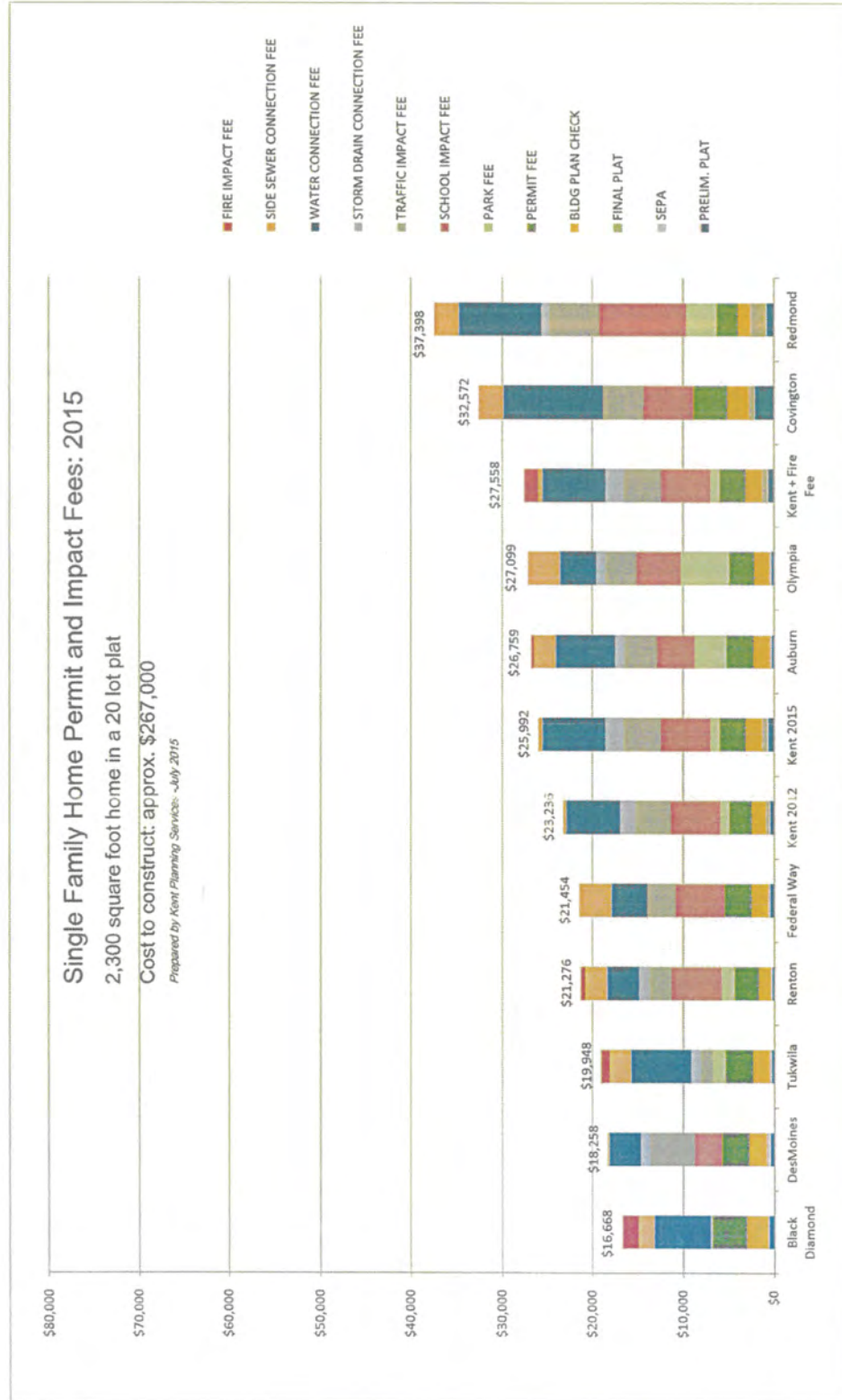
The contract also includes landscape maintenance services at 3 storm water detention facilities. The contract includes mowing, trimming, and edging at these locations 8 times per year. The PBPW Director does not recommend reducing landscape maintenance services at these locations as it is important to keep these facilities maintained for functionality and as part of our NPDES permit requirements. Besides, the costs for these services are paid for from the SWM fund – not the general fund.

Janitorial Contract

On September 10th, the Council approved the Goods and Services Contract for Janitorial Services with American Building Services, Inc. The maximum annual contract amount for these services is \$197,890.20, of which \$88,400.00 would be funded by rental fees. This means that the general fund has to cover up to \$109,490.20.

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A G E N D A I T E M

BUSINESS OF THE CITY COUNCIL City of Des Moines, WA

SUBJECT: 2015 Operating and Capital Budgets

FOR AGENDA OF: December 17, 2015

ATTACHMENTS:

1. Draft Ordinance No. 15-133
2. Appendix A 2015 Operating Budget
3. Appendix B 2015 Capital Budget
4. 2015 Revised Budget Detail for Appendix A

DEPT. OF ORIGIN: Finance

DATE SUBMITTED: December 8, 2015

CLEARANCES:

- [X] Legal IG
 [X] Finance DM
 [] Marina _____
 [] Parks, Recreation & Senior Services _____
 [] Planning, Building & Public Works _____
 [] Police _____
 [] Courts _____

APPROVED BY CITY MANAGER
 FOR SUBMITTAL: Will/ACH

Purpose and Recommendation

The purpose of this report is to amend the 2015 Operating and Capital Budgets.

Suggested Motion

Motion 1: I move to suspend Rule 26(a) in order to enact Draft Ordinance No. 15-133 on first reading.

Motion 2: I move to enact Draft Ordinance No. 15-133 amending the 2015 Operating and Capital Budgets.

Background

The current and capital revenues and expenditures for the City differ from forecasts used to create the 2015 budget, enacted by Ordinance No. 1615, and such differences justify certain adjustments regarding obligations incurred and expenditures of proceeds for fiscal year 2015.

In addition to numerical changes, there are also a variety of structural changes to the original budget based on council discussion throughout the year and to more closely align the city record keeping with the financial goals of the city.

Structural changes can be grouped as follows:

Combined Funds.

1. The Transportation Impact Fee Fund, the Municipal Capital Improvement Fund, and the Transportation Capital Improvement Fund have each been replaced by the following sub-funds which together comprise the new "CONSTRUCTION FUND".
 - REET 1 Holding sub-fund
 - REET 2 Holding sub-fund
 - Park Levy sub-fund
 - Park In Lieu sub-fund
 - One Time Sales Tax sub-fund
 - Municipal Capital Improvement sub-fund
 - Transportation Capital Improvement sub-fund
 - Traffic In Lieu sub-fund
 - Traffic Impact – City Wide sub-fund
 - Traffic Impact – Pac Ridge sub-fund
2. The 1995 GO Bond Police Facility Fund (now inactive as the final bond payment has been made). The "LID Fund", the 2008 GO& Ref Bond-Transp CIP Fund" and the "Misc Debt Service Fund" have been replaced by the "REET 1 Debt Service" sub-fund and the "REET 2 Debt Service" sub-fund which together comprise the new "DEBT SERVICE FUND".
3. The "MARINA FUND" now consists of three sub-funds:
 - Marina Operations sub-fund
 - Marina Capital Improvement sub-fund
 - Marina Debt Service & Reserve sub-fund
4. The SURFACE WATER MANAGEMENT FUND" now consists of two sub-funds:
 - SWM Operations sub-fund
 - SWM Capital Improvement sub-fund

External to Internal Fund.

The Transportation Benefit District (TBD) Fund has been its own legally separate entity and therefore had its own separate legal budget. Now that the city has assumed the TBD, the TBD budget is included in the City's budget as a Special Revenue Fund (and is reported as such in the city's annual financial statements as well).

Same Activity – New Funds Added.

1. Redondo Zone Fund – This activity was previously included in the Marina Fund.
2. PBPW Automation Fee – This activity was previously included in the General Fund.

3. AE Automated Speed Enforcement- This activity was previously included in the General Fund.

New Activity – New Fund Added.

1. Arterial Street Pavement Fund – This is a new fund to account for the use of the 2nd \$20 of the car tab fee revenue and expenditures.

Capital Budget definition change.

Previously, the methodology used to calculate the Capital Budget was to include in the budget the future remaining costs of the project. The new method calculates the Capital Budget to include all of the project costs (life-time) in the budget without regard to the year expenditures occur.

Discussion

Combined Funds. This creates a new legal fund. Legal fund definitions are used for audit, budget and annual financial statement reporting purposes. It creates the legal level of compliance. “Sub-funds” are used for accountability and management information. Sub-funds are a key component to efficiently utilizing the computerized accounting system to track and manage legal restrictions over cash and other balance sheet accounts in addition to management restricted revenue and expenditure accounts.

The combining of funds and new definitions have created several transfers to reflect the movement between funds. Transfers between funds, by law, require council approval. Transfers *within sub-funds* do not require council approval, but since they are significant (especially in the case of the Marina) they are included as well so council is kept aware. Typically sub-fund transfers are used within an enterprise fund (such as Marina and SWM) to move cash received as revenues in the operations sub-fund to be used by the construction and/or debt service sub-funds.

Same Activity – New Funds Added.

These activities have been moved from inside an existing fund to more efficiently and effectively monitor and cash and other balance sheet accounts related to these activities as well as managing the restricted revenues and expenditures. It provides quick and efficient costing information for rate setting and revenue analysis. These separate funds assist in managing cash balances which carryover from year to year which otherwise were commingled in the previous fund structure.

The 2016 budget and charts of accounts have been established to include the change in fund structure.

Capital Budget definition change. The new definition conforms to the state auditors’ definition of a capital budget (project budget). The advantage of this approach is that council, the public and management can more easily monitor the project spending as compared to project budget *as a whole* without regards to *the timing* of expenditures. The *annual* portion of capital spending and capital revenues associated with a given year are included as a component of the overall annual operating budget.

Amount Changes. The detail amounts and explanations for line item level changes are attached.

Alternatives

Financial Impact. None.

Recommendation or Conclusion

Staff recommends council approves the transfers and changes to the operating and capital budgets.

Concurrence

CITY ATTORNEY'S FIRST DRAFT 07/27/2015

DRAFT ORDINANCE NO. 15-133

AN ORDINANCE OF THE CITY OF DES MOINES, WASHINGTON relating to municipal finance, amending Ordinance No. 1615 (uncodified) (Budget 2015), and authorizing certain expenditures in the amounts specified in this Ordinance.

WHEREAS, the City Council finds that current and capital revenues and expenditures for the City differ from forecasts used to create the 2015 budget, enacted by Ordinance No. 1615, and further finds that such differences justify certain adjustments regarding obligations incurred and expenditures of proceeds for fiscal year 2015,

WHEREAS, the City Council finds that the 2015 budget amendments to the City's budget are in the public interest; now therefore,

THE CITY COUNCIL OF THE CITY OF DES MOINES ORDAINS AS FOLLOWS:

Sec. 1. Findings. Each and every of the findings expressed in the recitals to this Ordinance are hereby adopted and incorporated by reference.

Sec. 2. Amendment to 2015 Budget. Exhibit "A" of Ordinance No. 1615 (uncodified) (2015 Budget) is amended by Appendix "A" and Appendix "B" attached to this Ordinance and incorporated herein by this reference as though fully set out.

Sec. 3. Ratification and confirmation. All acts taken by City officers and staff prior to the enactment of this Ordinance that are consistent with and in furtherance of the purpose or intent of this Ordinance are hereby ratified and confirmed by the City Council.

Sec. 4. Severability - Construction.

(1) If a section, subsection, paragraph, sentence, clause or phrase of this Ordinance is declared unconstitutional or invalid for any reason by any court or competent jurisdiction, such decision shall not affect the validity of the remaining portions of this Ordinance.

Ordinance No. _____
 Page 2 of 2

(2) If the provisions of this Ordinance are found to be inconsistent with other provisions of the Des Moines Municipal Code, this Ordinance deems control.

Sec 5. Effective date. This Ordinance shall take effect and be in full force five (5) days after its passage, approval and publication according to law.

PASSED BY the City Council of the City of Des Moines this 17th day of December, 2015 and signed in authentication thereof this _____ day of _____, 2015.

 M A Y O R

APPROVED AS TO FORM:

 City Attorney

ATTEST:

 City Clerk

Published: _____

APPENDIX A 2015 OPERATING BUDGET

	FUND	ORIGINAL BUDGET		AMENDED BUDGET		CHANGE IN BUDGET	
		EXPENDITURE	REVENUE	EXPENDITURE	REVENUE	EXPENDITURE	REVENUE
001	GENERAL FUND.....	\$ 19,405,491	\$ 19,405,491	\$ 19,405,491	\$ 19,405,491		
101	STREETS	1,251,018	1,251,018	1,545,214	1,545,214	\$ 294,196	\$ 294,196
107	POLICE DRUG SEIZURE	22,338	22,338	31,934	31,934	9,596	9,596
111	HOTEL-MOTEL TAX	28,387	28,387	31,927	31,927	3,540	3,540
140	REDONDO ZONE			101,298	101,298	101,298	101,298
142	BPBW AUTOMATION FEE			22,000	22,000	22,000	22,000
180	ABATEMENT			1,500	1,500	1,500	1,500
190	AUTOMATED SPEED ENFORCE (ASE)			356,870	356,870	356,870	356,870
199	TRANSPORTATION BENEFIT DISTRICT	424,436	424,436	489,650	489,650	489,650	489,650
201-202	DEBT SERVICE	425,774	425,774	431,945	431,945	431,945	431,945
211	1995 GO Bond Police Facility	235	235				
212	LID Fund	3,419	3,419				
219	2008 GO&Ref Bond - Transp CIP	334,814	334,814				
220	Misc Debt Service Fund	87,306	87,306				
301-322	CONSTRUCTION	11,859,057	11,859,057	11,859,057	11,859,057		
190	Transportation Impact Fee Fund	642,623	642,623				
310	Municipal Capital Improvement Fund	3,292,932	3,292,932				
319	Transportation Capital Improvement Fund	7,923,502	7,923,502				
401-406	MARINA	6,166,889	6,166,889	10,275,139	10,275,139	4,108,250	4,108,250
401	Marina Revenue Fund	5,155,209	5,155,209				
403	Marina Repair & Replacement Fund	326,639	326,639				
406	Marina Depreciation and Improvement Fund	685,041	685,041				
450-451	SURFACE WATER MANAGEMENT	6,235,913	6,235,913	6,997,757	6,997,757	761,844	761,844
450	Surface Water Operations Fund	4,110,843	4,110,843				
451	Surface Water Capital Fund	2,125,070	2,125,070				
500	EQUIPMENT RENTAL OPERATIONS	780,781	780,781	780,781	780,781		
501	EQUIPMENT RENTAL REPLACEMENT	2,015,871	2,015,871	1,948,685	1,948,685		
506	FACILITY REPAIR & REPLACEMENT	302,073	302,073	340,194	340,194	38,121	38,121
510	COMPUTER OPERATIONS.....	454,188	454,188	454,188	454,188		
511	COMPUTER REPLACEMENT.....	376,648	376,648	395,666	395,666	19,018	19,018
520	SELF INSURANCE.....	778,707	778,707	787,622	787,622	8,915	8,915
530	UNEMPLOYMENT INSURANCE.....	343,116	343,116	343,116	343,116		
	GRAND TOTAL ALL FUNDS (Excluding TBD)	\$ 50,446,251	\$ 50,446,251	\$ 56,600,034	\$ 56,600,034	\$ 6,646,743	\$ 6,646,743
	GRAND TOTAL ALL FUNDS (Including TBD)	\$ 50,870,687	\$ 50,870,687	\$ 56,600,034	\$ 56,600,034	\$ 6,646,743	\$ 6,646,743

Amounts in Blue not Included in Original Budget total and are shown for comparison purposes only.

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APPENDIX B - 2015 CAPITAL BUDGET

<u>Project #</u>	<u>Project Title</u>	<u>2015 Budget</u>	<u>Change</u>	<u>2015 Revised</u>
<u>PROJECTS CLOSED</u>				
101.105.040	Pavement Management Program	59,000	13,158	72,158
101.205.040	Annual Sidewalk Program 2015	25,000	-	25,000
101.905.040	Redondo Parking Study	103,842	23,148	126,990
140.615.040	Redondo Boardwalk Emerg Repairs	28,131	25,198	53,329
310.000.000	Ending Fund Balance (emerg project)	561,425	(561,425)	-
310.054.045	DMBP Dining Hall Rehabilitation	3,135,534	(34,819)	3,100,715
310.056.045	Banner/Signs	31,000	(31,000)	-
310.059.045	Beach Park Parking Pay Stations	40,000	(40,000)	-
310.701.040	Keyless Entry System -CLOSED	43,215	-	43,215
310.702.040	Activity Center Generator	122,315	(14,923)	107,392
310.799.040	TRANSFER TO DEBT	119,535	(119,535)	-
310.799.040	TRANSFER TO 319	300,000	(300,000)	-
310.000.000	Emergency Reserve (No Spending-Xfer to Proj)	561,425	(561,425)	561,425
319.604.040	Citywide Arterial Streets	203,709	27,395	231,104
319.607.040	MVD Crosswalk (no tab)	-	4,022	-
319.608.040	MVD & S 240th RAB	225,251	(178,918)	46,333
319.612.040	South 216 - 11th Ave Crosswalk (no tab)	-	1,056	-
319.326.040	TRANSFER TO DEBT	252,881	-	-
319.000.000	Emergency Reserve (End Fund Balance)	932,005	(932,005)	-
319.905.101	Parking Study Transfer to Fund 101	-	68,148	-
403.000.000	End Fund balance (Budget only no tab)	6,639	(6,639)	-
403.100.070	Repair & Maint (Budget only no tab)	20,000	(20,000)	-
403.200.070	Ph 2 - J Dock Rebuild	305,116	712,743	1,017,859
403.402.070	Marina Paid Parking - CLOSED	120,000	(120,000)	-
403.452.070	S Parking Lot Stormwater Retrofit	73,504	17,111	90,615
451.812.040	DMMD Pipeline 212th to 213th-CLOSED	249,241	3,083	252,324
451.819.040	216th Place Culvert Replacement (no tab)	-	2,211	-
451.999.040	Available Fund Bal for New Projects	523,905	(523,905)	-
506.200.040	Picnic Shelter Tree Repair	116,375	(14,888)	101,487
506.201.040	PW Service Ctr Wall Repair	-	15,000	15,000
506.203.040	Police Interior Paint	61,000	-	61,000
506.204.040	Engineer Service Bldg Fascia Repairs	5,000	-	5,000
506.205.040	PW Service Center Exterior Paint	61,010	(10)	61,000
506.206.040	Police Dept Keyless Access	-	30,000	30,000
TOTAL PROJECTS CLOSED		8,286,058	(2,517,219)	6,001,946

APPENDIX B - 2015 CAPITAL BUDGET

<u>Project #</u>	<u>Project Title</u>	<u>2015 Budget</u>	<u>Change</u>	<u>2015 Revised</u>
<u>2015 NEW/CONTINUING PROJECTS</u>				
310.057.045	Field House Tennis Court	164,675	(139,675)	25,000
310.061.045	DMBP Picnic Shelter/Restrooms	752,529	(129,529)	623,000
310.062.045	Parkside Playground	395,000	21,129	416,129
310.065.045	Parkside Soil Remediation	119,500	1,200	120,700
310.514.024	Financial System Replacement	-	252,000	252,000
319.300.040	24th Ave South Improvements	8,389,503	110,693	8,500,196
319.326.040	SW Bridge Seismic Retrofit	3,514,582	1,012,022	4,526,604
319.332.040	S 216th St - Segment 1A	2,327,987	4,557,356	6,885,343
319.336.040	S 224th Street Improvements	614,617	(2)	614,615
319.345.040	Barnes Creek Trail/SR 509 ROW	1,194,915	(130,903)	1,064,012
319.471.040	16th Ave S Improve - Segment 5A	128,839	181,700	310,539
319.606.040	Midway Elem SRTS	638,559	(242,903)	395,656
319.614.040	S 268th Street Sidewalks	70,000	515,800	585,800
319.615.040	Redondo Board Walk Repair	-	4,700,710	4,700,710
451.804.040	Barnes Creek/KDM Culvert Replacement	393,811	1,484,203	1,878,014
451.815.040	24th Ave Pipeline Replace/Upgrade	260,100	2,600	262,700
451.821.040	L Massey Creek	1,508,087	400,431	1,908,518
451.826.016	South 251st Street Slide Emergency Work	-	100,000	100,000
506.016.045	Activity Center Floor Repair	22,946	(2,946)	20,000
TOTAL CONTINUING PROJECTS		20,495,650	12,693,886	33,189,536

BUDGET DETAIL FOR APPENDIX A

FUND	ORIGINAL BUDGET		AMENDED BUDGET		CHANGE IN BUDGET	
	EXPENDITURE	REVENUE	EXPENDITURE	REVENUE	EXPENDITURE	REVENUE
101	STREETS	1,251,018	1,251,018	1,545,214	\$ 294,196	\$ 294,196
	Beginning Fund Balance					
101.000.000.318.12.00.00	PARKING TAX					43,387
101.000.000.336.00.87.00	MOTOR VEHICLE FUEL TAX (MVFT)					12,275
101.000.000.344.19.99.01	INTERNAL STREET MTC & REPAIR CHARGES					18,100
101.105.302.397.00.00.00	XFER IN FROM REET 2 2015 PAVE MGMT					33,175
101.205.190.397.00.00.00	XFER IN FROM ASE ANNUAL SIDEWALK					72,160
101.905.319.397.00.00.00	XFER IN FROM TRANSP CIP PARKING STUDY					25,000
101.000.000.369.90.01.00	MISCELLANEOUS					68,150
						21,949
101.105.040.542.30.41.90	Pavement Mgmt Program				72,160	
101.200.040.542.63.47.13	STREET LIGHTING-ELECTRICITY				78,000	
101.205.016.542.61.41.90	Annual Sidewalk Program				25,000	
101.905.*	Redondo Parking Study				68,150	
101.930.040.597.43.00.00	Transfer out / Energy Savings				3,945	
	Ending Fund Balance				46,941	
					294,196	294,196
107	POLICE DRUG SEIZURE	22,338	22,338	31,934	\$ 9,596	\$ 9,596
107.000.000.332.21.00.00	EQUITABLE SHARING FEDERAL FORFEITED PROP Amount is variable by nature of activity.					9,596
	Ending Fund Balance				9,596	
					9,596	9,596
111	HOTEL-MOTEL TAX	28,387	28,387	31,927	\$ 3,540	\$ 3,540
111.000.000.313.31.00.00	HOTEL/MOTEL TAX					3,540
	Ending Fund Balance				3,540	
					3,540	3,540

FUND		ORIGINAL BUDGET		AMENDED BUDGET		CHANGE IN BUDGET	
		EXPENDITURE	REVENUE	EXPENDITURE	REVENUE	EXPENDITURE	REVENUE
140	REDONDO ZONE			120,973	120,973	\$ 101,298	\$ 101,298
140.000.000.354.00.00.00	PARKING FINES	New Fund; Activity was previously included in Marina Fund					
140.000.000.362.30.00.00	PARKING FEES SHORT TERM	New Fund; Activity was previously included in Marina Fund					
140.615.040.333.20.20.01	FEDL INDIR BOARDWALK REPAIRS	Unplanned storm event					
140.615.301.397.00.00.00	REET 1 BOARDWALK REPAIRS	Unplanned storm event					
140.100.070.576.80.31.22	OPERATING SUPPLIES	New Fund; Activity was previously included in Marina Fund					
140.100.070.576.80.42.00	COMMUNICATION	New Fund; Activity was previously included in Marina Fund					
140.100.070.576.80.44.04	PARKING TAX	New Fund; Activity was previously included in Marina Fund					
140.100.070.576.80.47.01	ELECTRICITY	New Fund; Activity was previously included in Marina Fund					
140.100.070.576.80.47.02	WATER	New Fund; Activity was previously included in Marina Fund					
140.100.070.576.80.47.03	SEWER	New Fund; Activity was previously included in Marina Fund					
140.100.070.576.80.47.05	GARBAGE	New Fund; Activity was previously included in Marina Fund					
140.100.070.576.80.48.00	REPAIRS AND MAINTENANCE	New Fund; Activity was previously included in Marina Fund					
140.100.070.576.80.99.08	MARINA I/F MAINT	New Fund; Activity was previously included in Marina Fund					
140.615.040.542.61.48.90	CONTINGENCIES REDONDO BOARDWALK RE	New Fund; Activity was previously included in Marina Fund					
	Ending Fund Balance			21,845		101,298	101,298
142	PBPW AUTOMATION FEE			22,000	22,000	\$ 22,000	\$ 22,000
142.000.000.341.81.00.00	COM DEV AUTOMATION FEES	New Fund; Activity was previously included in General Fund					
	Ending Fund Balance			22,000		22,000	22,000
180	ABATEMENT			1,500	1,500	\$ 1,500	\$ 1,500
180.000.000.342.33.07.00	SENTENCE COMPLIANCE FEE	New Fund; New Activity					
180.000.000.353.70.04.00	OTHER INFRACTIONS - ABATEMENT	New Fund; New Activity					
180.100.040.345.29.48.00	MAINTENANCE	New Fund; New Activity					
	Ending Fund Balance			1,500		1,500	1,500

		ORIGINAL BUDGET		AMENDED BUDGET		CHANGE IN BUDGET	
		EXPENDITURE	REVENUE	EXPENDITURE	REVENUE	EXPENDITURE	REVENUE
FUND	AUTOMATED SPEED ENFORCE (ASE)						
190	ASE PROGRAM INFRACTION-WOODMONT						
190.000.000.353.10.03.00	ASE PROGRAM INFRACTION-MIDWAY						
190.205.101.597.00.00.00	TRANSFER OUT/FUND SIDEWALK PROG						
190.385.030.521.70.10.00	SALARIES & WAGES						
190.385.030.521.70.20.00	PERSONNEL BENEFITS						
190.385.030.521.70.41.00	PROFESSIONAL SERVICES						
190.385.030.521.70.41.04	PROF SERV-INTERPRETING						
190.606.319.597.00.00.00	X-FER OUT MIDWAY 24TH AVE SIDEWALK						
190.614.319.597.00.00.00	TRANSFER OUT SOUTH 268H SIDEWALK						
	Ending Fund Balance						
						38,235	
						356,870	
							356,870
199	TRANSPORT BENEFIT DISTRICT	424,436	424,436	489,650	489,650	489,650	489,650
	Beginning Fund Balance						
199.000.000.317.60.00.00	TBD VEHICLE FEES						
199.100.040.543.30.46.00	INSURANCE						
199.100.040.543.30.49.98	INTERFUND MAINT SERVICES						
	Ending Fund Balance						
						2,500	
						419,200	
						67,950	
						489,650	
							489,650

		ORIGINAL BUDGET		AMENDED BUDGET		CHANGE IN BUDGET	
		EXPENDITURE	REVENUE	EXPENDITURE	REVENUE	EXPENDITURE	REVENUE
FUND							
201-202	DEBT SERVICE	425,774	425,774	431,945	431,945	\$ 431,945	\$ 431,945
	Beginning Fund Balance						
201.117.301.397.00.00.00	XFER IN 08B CITY HALL						36,664
201.305.001.397.00.00.00	XFER IN LOCAL ENERGY GENL FND						119,450
201.305.101.397.00.00.00	XFER IN LOCAL ENERGY STREETS FND						11,439
201.305.450.397.00.00.00	XFER IN LOCAL ENERGY SWM FND						4,602
202.128.302.397.00.00.00	XFER IN 08 GO TRANSPORT						7,363
202.224.302.397.00.00.00	XFER IN PWTF PAC HWY						193,763
202.228.302.397.00.00.00	XFER IN PWTF GATEWAY						24,701
	INTEREST						33,908
201.117.050.591.18.71.00	PRINCIPAL 08B GO CITY HALL						55
201.117.050.592.18.83.00	INTEREST 08B GO CITY HALL						
201.221.050.591.18.79.00	PRINCIPAL LOCAL						
201.221.050.592.18.83.00	INTEREST LOCAL						
202.128.050.591.95.71.00	PRINCIPAL 08 GO TRANSP						
202.128.050.592.95.83.00	INTEREST 08 GO TRANSP						342
202.224.050.591.95.79.00	PRINC PWTF PAC HIGHWAY						
202.224.050.592.95.83.00	INTEREST PWTF PAC HWY						
202.228.050.591.95.79.00	PRINC PWTF GATEWAY						
202.228.050.592.95.83.00	INTEREST PWTF GATEWAY						
	Ending Fund Balance					45,397	
						431,945	431,945
301-322	CONSTRUCTION	11,859,057	11,859,057	11,859,057	11,859,057	-	-
	Beginning Fund Balance						3,283,903
	Revenues						8,575,154
	Expenditures					10,935,781	
	Ending Fund Balance					923,276	
						11,859,057	11,859,057

FUND		ORIGINAL BUDGET		AMENDED BUDGET		CHANGE IN BUDGET	
		EXPENDITURE	REVENUE	EXPENDITURE	REVENUE	EXPENDITURE	REVENUE
450-451	SURFACE WATER MGMT	6,235,913	6,235,913	6,997,757	6,997,757	\$ 761,844	\$ 761,844
	Beginning Fund Balance						216,381
450.000.000.374.03.10.00	DOE GRANT/NPDES						(51,230)
450.000.000.369.90.00.00	MISCELLANEOUS						(22,770)
451.000.000.379.00.00.01	STORM DRAINAGE HOOK-UP FEES						300,580
451.000.000.337.09.03.00	KC FLOOD CONTROL/LOWER MASSEY						(180,000)
451.000.000.337.09.04.00	KC FLOOD REDUCTGRANT/LOWER MASSEY						(200,000)
451.804.450.397.00.00.00	TRANSFER IN BARNES CREEK/KDM CULVERT						(323,440)
451.815.450.397.00.00.00	TRANSFER IN 24TH AVE PIPELINE						(167,496)
451.821.450.397.00.00.00	TRANSFER IN L MASSEY CREEK						1,089,819
451.826.450.397.00.00.00	TRANSFER IN 251ST STREET SLIDE EMERG.						100,000
450.300.040.597.31.00.00	TRANSFER OUT/FUND 220 ENERGY SVNGS					6,311	
450.300.040.597.31.00.01	TRANSFER OUT/FUND 451					(758,450)	
450.804.451.597.00.00.00	TRANSFER OUT - BARNES CRK TRAIL					93,453	
450.815.451.597.00.00.00	TRANSFER OUT - 24TH AVE PIPELINE					8,000	
450.821.451.597.00.00.00	TRANSFER OUT - L MASSEY CREEK					1,252,815	
450.826.451.597.00.00.00	TRANSFER OUT - 251ST ST SLIDE EMERG					100,000	
	Ending Fund Balance					59,715	
						761,844	761,844
506	FACILITY REPAIR & REPLACE.....	302,073	302,073	340,194	340,194	\$ 38,121	\$ 38,121
	Beginning Fund Balance						19,425
506.206.302.397.00.00.00	XFER IN POLICE DEPT KEYLESS ENTRY						30,000
506.000.000.395.20.00.00	INSURANCE RECOVERIES-CAPITAL ASSETS						(11,304)
506.200.040.518.30.48.27	ACTIVITY CENTER INTERIOR PAINT					1,284	
506.205.040.518.30.48.90	PW CNTR EXTERIOR PAINT-see 506.202					5,000	
506.206.040.518.30.48.90	POLICE DEPARTMENT KEYLESS ENTRY					30,000	
	Ending Fund Balance					1,837	
						38,121	38,121

	FUND	ORIGINAL BUDGET		AMENDED BUDGET		CHANGE IN BUDGET	
		EXPENDITURE	REVENUE	EXPENDITURE	REVENUE	EXPENDITURE	REVENUE
511	COMPUTER REPLACEMENT..... Beginning Fund Balance	376,648	376,648	395,666	395,666	19,018	\$ 19,018
511.000.040.397.58.00.00	TRANSFER IN/FUND 001 AUTOMATION FEES						38,593
511.000.000.361.40.20.00	OTHER INTEREST-(BOND PREM/DISCT)						(17,500)
511.000.000.597.43.01.00	TRANSFER-OUT/FUND 510						(2,075)
	Ending Fund Balance					(8,400)	
				27,418		27,418	
				19,018		19,018	
520	SELF INSURANCE..... Beginning Fund Balance	778,707	778,707	787,622	787,622	8,915	\$ 8,915
520.000.000.341.47.00.01	AWC WRKR COMP RETRO PRGM						14,577
520.100.023.518.60.46.00	INSURANCE						(5,662)
520.002.040.576.80.48.00	UNDERWOOD PARK WIRING REPAIRS					(2,342)	
520.200.040.553.70.41.27	GROUND WATER MONITORING SERVICE					45,000	
520.100.000.514.78.41.00	PROFESSIONAL SERVICES					(32,500)	
	Ending Fund Balance					15,000	
						(16,243)	
						8,915	
						8,915	

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