

Marysville City Council Meeting
7:00 p.m.

July 28, 2008

City Hall

Call to Order

Invocation

Pledge of Allegiance

Roll Call

Committee Reports

Presentations

A. Employee of the Month. *

Audience Participation

Approval of Minutes (*Written Comment Only Accepted from Audience.*)

1. Approval of July 14, 2008 City Council Meeting Minutes.
2. Approval of July 21, 2008 City Council Work Session Minutes. *

Consent

3. Approval of July 16, 2008 Claims in the Amount of \$464,566.71; Paid by Check No.'s 48769 through 48971 with no Check No.'s Voided.
4. Approval of July 23, 2008 Claims in the Amount of \$635,498.08; Paid by Check No.'s 48972 through 49127 with Check No.'s 45365, 48792, 48819 and 48879 Voided. *
5. Approval of July 18, 2008 Payroll in the Amount of \$754,618.49; Paid by Check No.'s 20074 through 20152. *
8. Authorize Executive Staff to Proceed with Evaluating Future Solid Waste Program Alternatives.
9. Authorize the Mayor to Sign the Civic Center Complex Consulting Agreement with Public-Private Developer Solutions (PPDS).
10. Authorize the Mayor to Sign the Professional Services Agreement between City of Marysville and Makers, Inc. for Consulting Services to Complete a Civic Center Selection Study.
11. Authorize the Mayor to Sign the Professional Services Agreement between the City of Marysville and Otak, Inc. to Provide Consulting Services that Will Aid in the Implementation of the Alternatives Identified in the Smokey Point Master Plan. *

****These items have been added or revised from the materials previously distributed in the packets for the July 21, 2008 Work Session.***

July 28, 2008

**Marysville City Council Meeting
7:00 p.m.**

City Hall

12. Authorize the Mayor to Sign the Professional Services Agreement between City of Marysville and Puget Sound Security, Inc. for Security Services for Marysville Municipal Court.
13. Authorize the Mayor to Sign the Purchase Order Amendment No. 1 Authorizing the Increase of \$3,498.04 totaling \$42,145.74 to Purchase a Dump Body for a New Dump Truck from Northend Truck Equipment, Inc.
14. Authorize the Following Additions to the 2008 Budget; Program Specialist Position to be added within the Municipal Court; One Prosecutor and an Administrative Secretary; Upgrade an Officer to Position of Sergeant to Oversee the "Proact" Team; Hiring of an Additional Custody Officer to Fill for Military Leave Deployment; Add 13 New Double Bunks to Replace Single Bunks; and On-Line Registration Software for Parks and Recreation Department.
18. Authorize the Mayor to Sign the Supplemental Agreement No. 1 to Professional Services Agreement between City of Marysville and Strategies 360 Inc. for Consultant Services.

Review Bids

6. Award Grove Street and Alder Avenue Intersection Improvements.

Public Hearings

7. An **Ordinance** of the City of Marysville, Washington Approving a Cable Television Franchise between the City of Marysville, Washington "City" and Verizon Northwest Inc. "Franchisee". *

New Business

15. A **Resolution** of the City of Marysville, Providing for the Submission to the Qualified Electors of the City at a Special Election to be Held within the City on November 4, 2008, in Conjunction with the State General Election, a Proposition Authorizing a Regular Levy on Property Taxes to be Made in 2008 for Collection in 2009 and Continuing thereafter. This Proposition would Authorize the City to Set an Amount not to Exceed Fifty Cents (\$.50) per Thousand Dollars (\$1,000) of Assessed Valuation for 2008, and thereafter Pursuant to RCW 84.55.050 and Subject to any Otherwise Applicable Statutory Dollar Rate Limitations, the Proceeds from Such Levy to be Used for the Provisions of Emergency Medical Care and Services.
16. An **Ordinance** of the City of Marysville Amending Portions of Marysville Municipal Code Chapter 5.02 Relating to Business Licenses and Providing for Severability. *

**These items have been added or revised from the materials previously distributed in the packets for the July 21, 2008 Work Session.*

Marysville City Council Meeting

July 28, 2008

7:00 p.m.

City Hall

17. A **Resolution** of the City of Marysville Declaring Seven Sections of Library Shelving to be Surplus and Authorizing the Donation of the Same to Sno-Isle Regional Library District.
19. Interlocal Agreement - Second Amendment Regarding Legal Fees and Costs Associated with the Permit Cross-Appeal Filed by Puget Soundkeepers Alliance and Others. *

Legal

Mayor's Business

20. Marysville Salary Commission Appointment; Gary Clark. *

Staff Business

Call on Councilmembers

Adjourn

Executive Session

- A. Litigation
- B. Personnel
- C. Real Estate

Adjourn

Special Accommodations: The City of Marysville strives to provide accessible meetings for people with disabilities. Please contact Tracy Jeffries, Assistant Administrative Services Director, at (360) 363-8000 or 1-800-833-6384 (Voice Relay), 1-800-833-6388 (TDD Relay) two days prior to the meeting date if any special accommodations are needed for this meeting.

**These items have been added or revised from the materials previously distributed in the packets for the July 21, 2008 Work Session.*

Call to Order/Pledge of Allegiance/Roll Call	7:00 p.m.
Presentations	
Swear-in Police Officer	Completed
Mayor's Presentation	Cancelled
Off-Leash Dog Park Proposal	Approved
Approval of Minutes	
Approve June 23, 2008 City Council Meeting Minutes.	Approved
Approve July 7, 2008 City Council Work Session Minutes.	Approved
Approve July 1, 2008 City Council Retreat Minutes.	Approved
Approve July 2, 2008 City Council Retreat Minutes.	Approved
Consent Agenda	
Approval of June 25, 2008 Claims in the Amount of \$448,624.03; Paid by Check No.'s 48323 through 48479 with Check No.'s 47484, 47485, 48047, 48179 and 48241 Voided.	Approved
Approval of July 2, 2008 Claims in the Amount of \$1,823,181.67; Paid by Check No.'s 48480 through 48635 with no Check No.'s Voided.	Approved
Approval of July 9, 2008 Claims in the Amount of \$948,200.77; Paid by Check No.'s 48636 through 48768 with Check No. 46238 Voided.	Approved
Approval of July 3, 2008 Payroll in the Amount of \$1,299,635.58; Paid by Check No.'s 19982 through 20073.	Approved
Authorize the Mayor to Sign the Professional Services Agreement with Eric Owl for the Development of a Community Garden Feasibility Study.	Approved
Review Bids	
Award 88th Street Lift Station Panel Replacement Project to Dahl's Electric, Inc. in the Amount of \$91,357.00.	Approved
Award Strawberry Fields Soccer Field Drainage System Project to Aquajet Enterprises in the Amount of \$92,091.22.	Approved
Public Hearings	
Consider a Resolution of the City of Marysville Adopting a Six Year Transportation Improvement Program (2009-2014) in Accordance with RCW 35.77.010.	Approved
New Business	
Adopt a Resolution of the City of Marysville Declaring Certain Multiple Items of Personal Property to be Surplus and Authorizing the Sale or Disposal Thereof.	Approved Res. No. 2247
Adopt a Resolution of the City of Marysville Adopting a Six-Year Transportation Improvement Program (2009-2014).	Approved Res. No. 2246
Legal	
Mayor's Business	
Staff Business	
Call on Councilmembers	
Adjournment	8:52 p.m.

COUNCIL



MINUTES

Regular Meeting

July 14, 2008

Call to Order / Invocation / Pledge of Allegiance

Mayor Dennis Kendall called the July 14, 2008 meeting of the Marysville City Council to order at 7:00 p.m. at Marysville City Hall. The invocation was given by Elder Carl Hall of the Marysville Seventh Day Adventist Church. Mayor Kendall led those present in the Pledge of Allegiance.

Roll Call

Chief Administrative Officer Mary Swenson gave the roll call. The following staff and councilmembers were in attendance.

Mayor: Dennis Kendall

Council: Councilmember Jon Nehring, Councilmember Lee Phillips, Councilmember Carmen Rasmussen, Councilmember Jeff Seibert, Councilmember John Soriano, and Councilmember Donna Wright

Absent: Councilmember Jeff Vaughan

Also Present: Chief Administrative Officer Mary Swenson, Finance Director Sandy Langdon, Assistant Administrator Paul Roberts, Police Chief Rick Smith, Public Works Director Kevin Nielsen, Parks and Recreation Director Jim Ballew, City Engineer John Cowling, Commander Lamoureux, City Clerk Tracy Jeffries, and Recording Secretary Laurie Hugdahl

Motion made by Councilmember Seibert, seconded by Councilmember Rasmussen, to excuse Councilmember Donna Wright from the July 7 Work Session. **Motion** passed unanimously (6-0).

Motion made by Councilmember Nehring, seconded by Councilmember Seibert, to excuse Councilmember Vaughan tonight. **Motion** passed unanimously (6-0).

Committee Reports

Councilmember Rasmussen reported on the **Park Advisory Board** meeting of July 9. Topics discussed included the following:

- Off-leash park proposal
- Healthy Communities prioritization information - subcommittees are moving closer to their recommendations
- Poochpalooza festival was very successful
- Update on Strawberry Fields construction project
- Update on Parks and Recreation's summer activities
- BBQ at Senior Center on August 13 – Volunteers are invited to contact Parks
- Red Barn is being repainted (red)
- Discussion about online registration software options

Councilmember Seibert reported on the **Snohomish County Solid Waste Advisory Committee** meeting where there was discussion regarding the Electronic Waste Producer Responsibility Update and a presentation from Washington Materials Management and Finance Authority. There was also discussion regarding the Solid Waste budget.

Councilmember Soriano reported that that the **LEOFF 1 Board** met and reviewed and approved six claims on July 9.

Presentations

A. Swear-In Police Officer.

Commander Lamoureux introduced Molly Ingram who was given the Oath of Office by Mayor Kendall.

B. Mayor's Presentation - cancelled

C. Off-Leash Dog Park Proposal

Parks and Recreation Director Jim Ballew delivered a PowerPoint presentation regarding a proposed interim off-leash dog park at Strawberry Fields as outlined in Council's packet.

CAO Swenson addressed the need for additional ball fields at Strawberry Fields. She emphasized that the City still intends to continue with the plan to look at developing more fields.

Councilmember Wright asked if there would just be one entrance to the dog park. Director Ballew replied that there would be just one entrance for safety purposes.

Councilmember Nehring spoke in support of an off-leash dog park for the community, but noted that he had some concerns about this particular site.

- He asked what would happen if the permitting process is completed for the ball fields and this site is already in existence. He does not want this site to impede progress for the ball fields. Mr. Ballew discussed the timeframe for the ball fields plan and stressed that this would be an interim site for the dog park.
- Councilmember Nehring spoke in support of regular updates of the off-leash park and requested updates on the progress towards ball fields as well. CAO Swenson suggested doing some signage on the property and using the word *interim* in the signage. She indicated that staff would provide regular updates to the Council.
- Councilmember Nehring asked about the cost of the dog park. Director Ballew replied that it would be less than \$20,000. The ongoing maintenance cost would be greatly reduced if there is a partnership with MDOG.
- Councilmember Nehring asked about dog etiquette within dog parks. Councilmember Rasmussen stated that owners are generally responsible for their own pets. She stated that dogs are usually less territorial in an off-leash park than they are when they are on a leash and also that dogs that come to the parks are usually well-socialized. Councilmember Ballew added that owners need to be aware of their dog's ability to participate in this type of environment.
- He commented on the importance of not allowing dogs to make messes on the soccer fields. Director Ballew concurred.
- He complimented Director Ballew for taking the time to address this need.
- Grant Weed commented that it would be wise for the City to have signage indicating that this will be an unsupervised off-leash park so dog owners are responsible for their own pets. Director Ballew concurred.

Councilmember Seibert summarized that the City still has plans to do ball fields at this location. In the meantime the City is looking for another site for a dog park and another place that would be more cost-effective for ball fields. He asked what would happen to the dog park at Strawberry Fields if another site was chosen for either athletic fields or a dog park. Director Ballew explained that they would need to consider this very carefully if it happens.

Councilmember Rasmussen commented that there had been some citizen concerns regarding dog parks. She feels the annual reports would be very valuable from the perspective of potential relocation at some time. She suggested that many of the people who are already using the soccer fields may also use the dog park. She spoke in strong support of this proposal.

Public comment was solicited. There was none.

Motion made by Councilmember Seibert, seconded by Councilmember Nehring, to authorize staff to proceed with this site through the Interim Use application which is currently under review by the Community Development Department. **Motion** carried 5-0 with Councilmember Rasmussen abstaining from the vote.

Audience Participation - None

Approval of Minutes

1. Approval of June 23, 2008 City Council Meeting Minutes.

Motion made by Councilmember Wright, seconded by Councilmember Seibert to approve the June 23, 2008 City Council Meeting Minutes as presented. **Motion** passed unanimously (6-0).

2. Approval of July 7, 2008 City Council Work Session Minutes.

Motion made by Councilmember Nehring, seconded by Councilmember Rasmussen, to approve the July 7, 2008 City Council Work Session Minutes as presented. **Motion** passed (5-0) with Councilmember Wright abstaining.

3. Approval of July 1, 2008 City Council Retreat Minutes.

Motion made by Councilmember Soriano, seconded by Councilmember Seibert, to approve the July 1, 2008 City Council Retreat Minutes as presented. **Motion** passed unanimously (6-0).

4. Approval of July 2, 2008 City Council Retreat Minutes.

Motion made by Councilmember Wright, seconded by Councilmember Nehring, to approve the July 2, 2008 City Council Retreat Minutes as presented. **Motion** passed unanimously (6-0).

Consent Agenda

Councilmember Nehring moved for approval of the following Consent Agenda items:

5. Approval of June 25, 2008 Claims in the Amount of \$448,624.03; Paid by Check No.'s 48323 through 48479 with Check No.'s 47484, 47485, 48047, 48179 and 48241 Voided.
6. Approval of July 2, 2008 Claims in the Amount of \$1,823,181.67; Paid by Check No.'s 48480 through 48635 with no Check No.'s Voided.
7. Approval of July 9, 2008 Claims in the Amount of \$948,200.77; Paid by Check No.'s 48636 through 48768 with Check No. 46238 Voided.
8. Approval of July 3, 2008 Payroll in the Amount of \$1,299,635.58; Paid by Check No.'s 19982 through 20073.
11. Authorize the Mayor to Sign the Professional Services Agreement with Eric Owl for the Development of a Community Garden Feasibility Study.

Motion passed unanimously (6-0).

Review Bids

9. Award 88th Street Lift Station Panel Replacement Project to Dahl's Valley Electric, Inc. in the Amount of \$91,357.00.

Councilmember Seibert asked to confirm the name of the bidder. Nielsen indicated that they would make sure that it was correct.

Public comment was solicited. There was none.

Motion made by Councilmember Rasmussen, seconded by Councilmember Seibert, to authorize the Mayor to award the bid for the 88th Street Lift Station Panel Replacement project to Dahl's Valley Electric, Inc or Dahl's Electric, Inc., subject to review of the proper name being on the contract, in the amount of \$91,357.00 including Washington State Sales Tax, and approve a management reserve of \$4,643.00 for a total allocation of \$96,000. **Motion** passed unanimously (6-0).

10. Award Strawberry Fields Soccer Field Drainage System Project to Aquajet Enterprises in the Amount of \$92,091.22.

Public comment was solicited. There was none.

Motion by Councilmember Nehring, seconded by Councilmember Soriano, to authorize the Mayor to sign the Small Works Contract with Aquajet Enterprises of Mt. Vernon, WA in the amount of \$92,091.22 for the Strawberry Fields Soccer Field Drainage System Project including applicable taxes and a management reserve of \$4,604.56 for a total project budget authorization of \$96,695.78. **Motion** passed unanimously (6-0).

Public Hearings

14. Consider a Resolution of the City of Marysville Adopting a Six Year Transportation Improvement Program (2009-2014) in Accordance with RCW 35.77.010.

Public Works Director Kevin Nielsen stated that staff is currently reviewing the traffic impact fee as well as reviewing the transportation comprehensive plan so there will be a large modification to this Transportation Improvement Plan in the future.

City Engineer John Cowling delivered a PowerPoint presentation and reviewed the list of projects and the Transportation Investment Initiative as contained in Council's packet.

Public Works Director Kevin Nielsen emphasized that the \$1.5 million annually from the General Fund would be used for ROW acquisition. He noted that those homes could also be rented out until the properties are needed. He acknowledged Gloria Hirashima's work on this project.

Public Comment:

Kristin Kinnemon, 5708 91st Place NE, Marysville, commended the City for its support of Healthy Communities and the community garden. She emphasized that she is disappointed in the TIP as it stands now. She discussed the importance of reprioritizing transportation funding to accommodate non-motorized transportation. She also requested that the City form a bicycle-pedestrian advisory committee.

Council Discussion:

Councilmember Rasmussen asked about signalized intersections at the 40th intersections. Mr. Cowling reviewed that these would be utilized until roundabouts would be warranted. Councilmember Rasmussen thanked Ms. Kinnemon for her comments and also spoke in support of non-motorized transportation improvements. She assured Ms. Kinnemon that that is a commitment both of the Council and the city staff.

Councilmember Nehring spoke about a citizen's concerns related to the Sunnyside project near the old Moose Lodge. Kevin Nielsen explained plans for this section and noted that it would correlate with the 1st Street bypass.

Director Nielsen discussed the City's strong funding commitment to pedestrian improvements such as Safe Sidewalks to Schools. He also reviewed the plans for signalization on 40th.

Councilmember Soriano asked if the 40th Street NE corridor project needs to coincide with WSDOT's project. Mr. Cowling said it would be desirable to coincide with their Lundeen to SR92 project, but the timeline may not work out. Director Nielsen said they would do whatever was possible to meet WSDOT's timeline and may have to come up with additional funds in order to do this.

Councilmember Seibert discussed the City's commitment to non-motorized transportation improvements. He spoke in support of the Transportation Investment Initiative. He thanked John Cowling, Kevin Nielsen and Gloria Hirashima for their work on this.

New Business

12. A Resolution of the City of Marysville Declaring Certain Multiple Items of Personal Property to be Surplus and Authorizing the Sale or Disposal Thereof.

Motion made by Councilmember Wright, seconded by Councilmember Seibert, to authorize the Mayor to sign Resolution 2247, declaring items of personal property to be surplus and authorizing the sale or disposal thereof. **Motion** passed unanimously (6-0).

13. A Resolution of the City of Marysville Adopting a Six-Year Transportation Improvement Program (2009-2014).

Motion made by Councilmember Seibert, seconded by Councilmember Phillips, to approve Resolution 2246, adopting a Six-Year Transportation Improvement Plan (2009-2014) for the City of Marysville. **Motion** passed unanimously (6-0).

Legal

Mayor's Business

- He enjoyed Poochapalooza on Saturday. It was a great turnout.
- The concert on Friday night was a lot of fun.
- The Baxter Center music on Thursday was also very nice.
- He thanked Maryke Burgess for the work she has done on the concerts program.

Staff Business

John Cowling had no additional comments.

Chief Smith reported that they will be having interviews tomorrow for the Records Lead Position. The Crime Analyst Position closes soon.

Jim Ballew:

- He informed the Mayor that the movies are at Harborview Park on 52nd.
- He thanked Doug and Leslie Buell for their work on Poochapalooza.
- Movies and concerts are going very well.

Paul Robinson expressed appreciation for the work that goes into the TIP.

Kevin Nielsen:

- The signal at 3rd and 47th should be active tomorrow.
- Thanks to police for helping to get cars removed along State Avenue.
- He commented that the TIB says they have no money for transportation projects.

Sandy Langdon confirmed that there will be a Finance Committee meeting this Wednesday.

Grant Weed stated that there was no need for an executive session.

Mary Swenson reported that the City issued a final conditional job offer today and will be at full staffing if this candidate is successful. She commended Chief Smith, Officer Stiles, Officer Wade, and Human Resources, including Kristie Guy and Marcia Kelley, for their work on the hiring.

Call on Councilmembers

Carmen Rasmussen:

- She commended staff for thinking ahead on the transportation improvements funding.

- She also commended Parks and Recreation for the concert and the excellent condition of the park.
- She asked if there would still be a meeting with Tribes on Thursday. Mayor Kendall responded that there would be.

LeePhillips:

- Poochapalooza was a good event.
- 136th speed limit has been reduced because of construction, but many people are ignoring this. He recommended more of a traffic emphasis on this. Chief Smith indicated they would do that.

John Soriano:

- He thanked staff for the work on the TIP and the foresight to do the planning.
- Thanked staff for the pylons on 4th Avenue.

Jon Nehring:

- He thanked staff for the work on the TIP. He agreed with the future planning for funding needs.
- He congratulated Councilmember Rasmussen for her job announcing at Poochapalooza.
- He commented that 4th Avenue seems better.

Donna Wright:

- She thanked staff for their work on the TIP.
- The music in the park was very enjoyable. It was interesting seeing the cross-section of people at the events.
- She has received numerous compliments on the flower baskets in the city.

Jeff Seibert:

- He thanked Commander Lamoureux for responding to an incident in his neighborhood and Jim Ballew for providing information that was requested.
- He encouraged staff to put up signage on 3rd and 47th.
- He discussed issues with 4th Street.

Adjournment

Seeing no further business, Mayor Kendall adjourned the meeting at 8:52 p.m.

Approved this _____ day of _____, 2008.

Mayor
Dennis Kendall

Asst. Admin. Svcs. Director
Tracy Jeffries

COUNCIL



MINUTES

Work Session
July 21, 2008

Call to Order / Invocation / Pledge of Allegiance

Mayor Dennis Kendall called the July 21, 2008 Work Session of the Marysville City Council to order at 7:00 p.m. at Marysville City Hall and led those present in the Pledge of Allegiance.

Roll Call

Chief Administrative Officer Mary Swenson gave the roll call. The following staff and councilmembers were in attendance.

Mayor: Dennis Kendall

Council: Councilmember Jon Nehring, Councilmember Carmen Rasmussen, Councilmember Jeff Seibert, Councilmember John Soriano, Councilmember Jeff Vaughan and Councilmember Donna Wright

Absent: Lee Phillips

Also Present: Chief Administrative Officer Mary Swenson, Finance Director Sandy Langdon, Police Commander Robb Lamoureux, Community Development Director Gloria Hirashima, Public Works Director Kevin Nielsen, Parks and Recreation Director Jim Ballew, Community Information Officer Doug Buell, City Clerk Tracy Jeffries, and Recording Secretary Laurie Hugdahl

Chief Administrative Officer Swenson noted that Councilmember Lee Phillips was absent because of work.

Motion made by Councilmember Nehring, seconded by Councilmember Wright, to excuse Councilmember Phillips' absence. **Motion** passed unanimously (6-0).

Committee Reports

None

Presentations

None

Discussion Items

Approval of Minutes

1. Approval of July 14, 2008 City Council Meeting Minutes.
2. Approval of July 21, 2008 City Council Work Session Minutes.

Consent

3. Approval of July 16, 2008 Claims in the Amount of \$464,566.71; Paid by Check No.'s 48769 through 48971 with no Check No.'s Voided.
4. Approval of July 23, 2008 Claims.
5. Approval of July 18, 2008 Payroll.

Review Bids

6. Award Grove Street and Alder Avenue Intersection Improvements (pulled 7/21/08).

Mayor Kendall explained that the Public Works Director stated that they would not be accepting any of the bids due to costs.

Public Hearings

None

New Business

7. An Ordinance of the City of Marysville, Washington Approving a Cable Television Franchise between the City of Marysville, Washington "City" and Verizon Northwest Inc. "Franchisee".

Bob Duchen, Vice President -Cable Consultant for River Oaks Communication

Larry Manion, Senior Franchising Manager, Verizon

Mr. Manion reviewed Verizon's plan for upgrading its existing facilities and services in the City of Marysville. This would enable them to offer its competitive FiOS digital television service.

Councilmember Carmen Rasmussen asked whether the school district has indicated if they want the access channel to go to the 108th campus, rather than the new campus. Mr. Manion explained that this has been addressed with the school and the City. For now they will go to the 108th campus, but there is a provision allowing for the addition of the new campus in the future when needed.

Councilmember Donna Wright asked about the franchise area. Mr. Manion explained that it is the current city limits. The future annexation area will be built out under the Snohomish County agreement and when the annexation takes place it will transfer over under this agreement.

Councilmember Jeff Seibert referred to page 22 of the Agreement, Miscellaneous Provisions, which talks about a franchise grant which is allowed to be a pass-through cost. Mr. Manion explained that under federal law fees of that nature can be passed on to the consuming public, but they do not intend to collect that from the subscriber.

8. Solid Waste Study.

Public Works Director Kevin Nielsen discussed public concerns related to solid waste.

FSC Consultant Peter Moy reviewed the Future Solid Waste Program Alternatives as contained in Council's packet.

Councilmember Jeff Seibert asked if there wasn't already an increase built into solid waste. Finance Director Sandy Langdon replied that there was not. That was part of the reason for the study.

Public Works Director Kevin Nielsen stated that staff is requesting authorization to communicate with private providers in order to ascertain what potential options exist.

Chief Administrative Officer Mary Swenson reiterated that staff is requesting authorization to go out for requests for qualifications to see who might be able to provide the services other than the city. From there they would go into a negotiation process for a contract for those services. She discussed the City's growth position and the possibility of reassigning employees who otherwise might be laid off.

Councilmember Jeff Seibert asked if the proposed annexation in 2009 was considered in this study. Mr. Moy indicated that it was not part of their scope of work, however Sunnyside was considered in the study.

Councilmember Jeff Seibert asked what tipping fee was used in the studies. Mr. Moy stated that it was an inflated number that goes up over time.

Councilmember Jeff Seibert brought up the issue of mandatory garbage service which would need to be considered.

Councilmember Jeff Seibert referred to page 16 and asked about the stated costs for food waste participation. He thought that the costs of taking that waste out of the tipping costs would offset the cost. Public Works Director Kevin Nielsen concurred.

Councilmember Jeff Seibert pointed out the unit cost allocation. He discussed the differences in tipping costs for different sized containers, which didn't appear to be addressed in this study. Mr. Moy stated that it was based on an average.

Councilmember Jeff Seibert expressed support for looking at this, but had concerns about the service model, the cost, and the wages of their employees.

Councilmember Carmen Rasmussen spoke in support of the study. Her primary concern is the quality of service, especially related to weather or other catastrophes. She agreed with the wage issue. She suggested that significant penalties for interruption to service related to labor disputes might be motivation to treat their employees better. She also expressed concern about the existing staff and hoped for the best possible treatment of them. She asked Finance Director Sandy Langdon what would be done with the fund balance in Solid Waste Fund. Director Langdon explained that there would still be a fund because the residents would be paying the City the fees unless it was totally privatized. In that case, any funds would go back into the general fund.

Chief Administrative Officer Mary Swenson emphasized that they had some discussions with the union and have discussed this several times already with the crew so that there are no surprises.

Councilmember Jon Nehring agreed that missed days or interruption of service should have specific remedies outlined in the contract.

Councilmember Jon Nehring asked where the complaints would be directed. Public Works Director Kevin Nielsen recommended that those be routed directly to the service provider.

Councilmember Donna Wright expressed support for mandatory pickup.

Councilmember John Soriano asked about any impact on the bonding capacity. Finance Director Sandy Langdon replied that it would not be an issue.

Councilmember Jeff Seibert commented that Snohomish County is proposing increasing rates 15.7% in the next cycle. He commented on the benefits so far of having the solid waste utility because it has been managed very well. Regarding interruption of service requirements, he cautioned against having penalties that are too harsh because it may result in safety issues.

Councilmember Carmen Rasmussen asked that the study also include the other large annexation coming up.

9. Civic Center Complex Consulting Agreement with Public-Private Developer Solutions (PPDS).
10. Professional Services Agreement between City of Marysville and Makers, Inc. for Consulting Services to Complete a Civic Center Selection Study.

Community Development Director Gloria Hirashima reviewed the scope of the Professional Services Agreement with Makers. Chief Administrative Officer Mary Swenson discussed the background of the City's facilities and the need for cost efficiency with the City's buildings.

Councilmember Carmen Rasmussen referred to Exhibit A: Phase 1, Item 1 and emphasized the importance of pedestrian access and the ability to have a facility that would be an asset to the citizens beyond economic development and the consolidation of services. She encouraged some out-of-the-box thinking on this project.

Councilmember Jeff Seibert noted that there is a possibility for some expansion of the basic project in the future. Due to financial constraints, it may be necessary to do some phasing.

11. Professional Services Agreement between the City of Marysville and Otak, Inc. to Provide Consulting Services that Will Aid in the Implementation of the Alternatives Identified in the Smokey Point Master Plan.

Public Works Director Kevin Nielsen reviewed the Professional Services Agreement with Otak. He added that the dollar amount would be filled in for Council next week. Otak will provide the City with the expertise as a biologist to work with all the regulating agencies.

12. Professional Services Agreement between City of Marysville and Puget Sound Security, Inc. for Security Services for Marysville Municipal Court.

Kim Ricker explained that they are trying to contract with Puget Security Services for screening at the court entrances.

Councilmember Jeff Seibert asked about operating hours in the evening. Ms. Ricker responded that they would be locking their doors at 4:30 and there is no court held in the evening.

13. Purchase Order Amendment No. 1 Authorizing the Increase of \$3,498.04 totaling \$42,145.74 to Purchase a Dump Body for a New Dump Truck from Northend Truck Equipment, Inc.

Public Works Director Kevin Nielsen reviewed the Amendment #1.

14. 2008 Midyear Budget Review.

Chief Administrative Officer Mary Swenson discussed recommendations for additions to 2008 budget as contained in Council packet.

15. A Resolution of the City of Marysville, Providing for the Submission to the Qualified Electors of the City at a Special Election to be Held within the City on November 4, 2008, in Conjunction with the State General Election, a Proposition Authorizing a Regular Levy on Property Taxes to be Made in 2008 for Collection in 2009 and Continuing thereafter. This Proposition would authorize the City to Set an Amount not to Exceed Fifty Cents (\$.50) per Thousand Dollars (\$1,000) of Assessed Valuation for 2008, and thereafter Pursuant to RCW 84.55.050 and Subject to any Otherwise Applicable Statutory Dollar Rate Limitations, the Proceeds from Such Levy to be used for the Provisions of Emergency Medical Care and Services.

Mayor Kendall reviewed the need for this submission as a backup.

16. An Ordinance of the City of Marysville Amending Portions of Marysville Municipal Code Chapter 5.02 Relating to Business Licenses and Providing for Severability.

Community Development Director Gloria Hirashima reviewed the Ordinance. City Attorney Cheryl Beyer reviewed additional sections that would be amended to reference the Hearing Examiner instead of the City Council. Councilmember Jeff Seibert pointed out other instances that needed to be changed to Hearing Examiner on page 6 of 8, Suspension and Revocation.

Councilmember Jeff Vaughan asked Chief Corn how the consolidated business license system has affected his department. Chief Corn explained that it has resulted in a more efficient system.

17. A Resolution of the City of Marysville Declaring Seven Sections of Library Shelving to be Surplus and Authorizing the Donation of the Same to Sno-Isle Regional Library District.
18. Supplemental #1 to Professional Services Agreement with Strategies 360 Inc.

Chief Administrative Officer Mary Swenson reviewed the need for the Agreement.

Legal

Mayor's Business

Mayor Kendall gave an update on the Clean Air issue.

Staff Business

Jim Ballew:

- The All Comers Track series starts this week.

- He commended the police department for their work in apprehending two minors who were involved in arson incidents at Strawberry Fields.

Robb Lamoureux displayed a map showing fireworks complaints throughout the city. Councilmember Jeff Seibert thanked Commander Lamoureux for the information. The Council indicated an interest in seeing fire information in a similar format.

Doug Buell had no comments.

Kevin Nielsen:

- The signal has gone on, signage is up and there have been no major accidents at 3rd and 47th.
- Speed is increasing on 528 so staff will be looking at a speed study.

Sandy Langdon stated that the auditors are on site until Friday. They will be finishing their report by the end of next week.

Gloria Hirashima:

- Community Development has made several important hires recently.
- The County has requested the Council's position on fully-contained communities. Staff will let them know that the Council is not in favor of fully-contained communities.

Cheryl Beyer had no comments.

Mary Swenson:

- The new hotel is very impressive and will bring a huge amount of people to the area. They are set up to do very large events, as well as weddings and proms.
- She noted that the Tribes will be doing a letter of support to the County regarding 88th Street improvements.
- They have also assigned people to the Joint Economic Development Committee. They will be focusing mainly on the riverfront and downtown area.
- Snohomish County City Managers Group will be developing a group to come up with a rational approach to the Transportation Benefit District issue.

Call on Councilmembers

Jeff Vaughan had no comments.

John Soriano:

- The tour of the hotel was very impressive and will generate a lot of activity in the area.
- There was a very positive feeling about working with the Tribes on the waterfront area.
- He will need an excused absence for next week.

Donna Wright discussed the walkability Portsmouth, New Hampshire. She also discussed pet-friendly businesses that have developed around the dog parks in Portland, Maine.

John Soriano noted that the Tribes seemed very interested in working with the City towards design continuity in the downtown waterfront area.

Jon Nehring noted that he also would need an excused absence next week for a work trip.

Jeff Seibert:

- Thanks to Doug Buell for his work on the franchise agreement.
- He requested an update on the pole. Kevin Nielsen said that it should be out the week of August 15th.
- He is glad to hear that the new hotel sounds significantly different than those in Las Vegas.
- He discussed the importance of keeping sidewalks wide and emphasizing walkability in the downtown core.

Adjournment

Seeing no further business, Mayor Kendall adjourned the meeting at 9:26 p.m.

Approved this _____ day of _____, 2008.

Mayor
Dennis Kendall

Asst. Admin. Svcs. Director
Tracy Jeffries

CITY OF MARYSVILLE

EXECUTIVE SUMMARY FOR ACTION

CITY COUNCIL MEETING DATE: July 28, 2008

AGENDA ITEM: Claims	AGENDA SECTION:	
PREPARED BY: Sandy Langdon, Finance Director	AGENDA NUMBER:	
ATTACHMENTS: Claims Listings	APPROVED BY: 	
	MAYOR	CAO
BUDGET CODE:	AMOUNT:	

Please see attached.

RECOMMENDED ACTION:

The Finance and Executive Departments recommend City Council approve the July 16, 2008 claims in the amount of \$464,566.71 paid by Check No.'s 48769 through 48971 with no Check No.'s voided.

COUNCIL ACTION:

BLANKET CERTIFICATION
CLAIMS
FOR
PERIOD-7

I, THE UNDERSIGNED, DO HEREBY CERTIFY UNDER PENALTY OF PERJURY THAT THE MATERIALS HAVE BEEN FURNISHED, THE SERVICES RENDERED OR THE LABOR PERFORMED AS DESCRIBED HEREIN AND THAT THE **CLAIMS** IN THE AMOUNT OF **\$464,566.71 PAID BY CHECK NO.'S 48769 THROUGH 48971 WITH NO CHECK NUMBER'S VOIDED** ARE JUST, DUE AND UNPAID OBLIGATIONS AGAINST THE CITY OF MARYSVILLE, AND THAT I AM AUTHORIZED TO AUTHENTICATE AND TO CERTIFY SAID CLAIMS.



AUDITING OFFICER



DATE

MAYOR

DATE

WE, THE UNDERSIGNED COUNCILMEMBERS OF MARYSVILLE, WASHINGTON DO HEREBY APPROVE FOR PAYMENT THE ABOVE MENTIONED **CLAIMS** ON THIS **16th DAY OF JULY 2008.**

COUNCIL MEMBER

**CITY OF MARYSVILLE
 INVOICE LIST**

FOR INVOICES FROM 7/10/2008 TO 7/16/2008

<u>CHK #</u>	<u>VENDOR</u>	<u>ITEM DESCRIPTION</u>	<u>ACCOUNT #</u>	<u>ITEM AMOUNT</u>
48769	AUTOMATIC FUNDS TRANSFER SERVICES	PRINTING SERVICES	00143523.541000.	9.46
	AUTOMATIC FUNDS TRANSFER SERVICES		00143523.541000.	13.49
	AUTOMATIC FUNDS TRANSFER SERVICES		00143523.541000.	17.80
	AUTOMATIC FUNDS TRANSFER SERVICES		00143523.541000.	35.66
	AUTOMATIC FUNDS TRANSFER SERVICES		00143523.541000.	172.20
	AUTOMATIC FUNDS TRANSFER SERVICES		00143523.541000.	239.88
	AUTOMATIC FUNDS TRANSFER SERVICES		00143523.541000.	400.45
	AUTOMATIC FUNDS TRANSFER SERVICES		00143523.541000.	1,035.27
	AUTOMATIC FUNDS TRANSFER SERVICES		00143523.541000.	4,944.52
48770	AIRGAS NOR PAC	WELDING SET	40140480.535000.	560.31
48771	ALFYS PIZZA, MARYSVILLE	PIZZAS FOR 08 SUMMER DAY CAMP	00105120.531080.	54.74
	ALFYS PIZZA, MARYSVILLE	PIZZAS FOR KIBSCC POTLUCK	10605250.549000.	95.92
48772	ALPINE PRODUCTS INC	WHITE PAINT & EXTRUDE THERMO	10110564.531000.	2,978.75
48773	AMERICAN CLEANERS	DRY CLEANING JUNE 2008	00103010.526000.	19.15
	AMERICAN CLEANERS		00103121.526000.	89.19
	AMERICAN CLEANERS		00103222.526000.	140.82
	AMERICAN CLEANERS		00103960.526000.	21.70
	AMERICAN CLEANERS		00104190.526000.	58.54
	AMERICAN CLEANERS		00104230.526000.	15.19
48774	AWWA NW SUBSECTION	MEMBERSHIP FEES-HAWLEY	40143410.549000.	173.00
	AWWA NW SUBSECTION	FIRE HYDRANT PACKAGE	40143410.549060.	140.50
48775	ARAMARK UNIFORM SERVICES	MAT CLEANING- PW ADMIN BLDG	40143410.549000.	99.75
	ARAMARK UNIFORM SERVICES	MAT CLEANING-MEZZANINE	40143780.549000.	15.63
	ARAMARK UNIFORM SERVICES		40143780.549000.	24.51
	ARAMARK UNIFORM SERVICES	MECHANICS UNIFORM	42047165.526000.	18.89
	ARAMARK UNIFORM SERVICES		42047165.526000.	18.89
	ARAMARK UNIFORM SERVICES	UNIFORM CLEANING-BOB, MARK,STE	50100065.526000.	58.25
48776	CITY OF ARLINGTON	ARLINGTON CHRISTIAN SCHOOL-WTR	40140080.533000.	171.90
48777	CITY OF ARLINGTON	SURFACE WATER REVENUE 2ND QTR	401.237000.	26,224.34
48778	ASCOM HASLER/GE CAP PROG	POSTAGE METER	00100110.531000.	44.27
	ASCOM HASLER/GE CAP PROG		00100310.531000.	44.27
	ASCOM HASLER/GE CAP PROG		00101023.531000.	44.27
	ASCOM HASLER/GE CAP PROG		00101130.531000.	44.27
	ASCOM HASLER/GE CAP PROG		00143523.531000.	44.27
48779	KENT BAKER	INSTRUCTOR SERVICES	00105120.541020.	240.00
48780	BANK OF AMERICA	MEAL REIMBURSEMENT	00100110.549000.	32.08
48781	BANK OF AMERICA	FEE REIMBURSEMENT	00103010.549000.	33.65
48782	BANK OF AMERICA	CONF REIMBURSEMENT	40143410.543010.	1,000.32
	BANK OF AMERICA		40143410.549000.	48.30
48783	BANK OF AMERICA	REIMB LODGING/MEALS/PARKING	00100050.549000.	23.37
	BANK OF AMERICA		00100060.543000.	1,218.36
	BANK OF AMERICA		00100060.549000.	321.44
	BANK OF AMERICA		00100110.543000.	801.19
	BANK OF AMERICA		00100110.549000.	492.13
	BANK OF AMERICA		00100310.549000.	23.37
	BANK OF AMERICA		00100720.549000.	23.37
	BANK OF AMERICA		00101023.549000.	45.92
	BANK OF AMERICA		00101130.549000.	23.37
	BANK OF AMERICA		00102020.543000.	204.38
	BANK OF AMERICA		00103010.549000.	23.37
	BANK OF AMERICA		00105380.549000.	23.37
	BANK OF AMERICA		40143410.549000.	23.37
48784	BANK OF AMERICA	FEE REIMBURSEMENT	00103010.549000.	53.71

CITY OF MARYSVILLE
INVOICE LIST
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48785	BANK OF AMERICA	MEETING REIMBURSEMENT	00100060.549000.	60.00
	BANK OF AMERICA		00100110.549000.	40.00
	BANK OF AMERICA		00100720.549000.	20.00
48786	BANK OF AMERICA		00101023.543000.	121.16
48787	BANK OF AMERICA	SEMINAR REIMBURSEMENT	00100020.549000.	105.60
	BANK OF AMERICA		40143410.549020.	268.80
	BANK OF AMERICA		40145040.549000.	52.80
	BANK OF AMERICA		41046060.549000.	52.80
48788	BARNES DISTRIBUTION INC	MISC NUTS, BOLTS & WASHERS	50100065.531000.	78.17
48789	BAXTER AUTO CENTER	GLASS TUBE FUSES	40140180.531000.	2.54
48790	CITY OF BELLEVUE	NPDES LITIGATION	40145042.541000.	10,000.00
48791	OWEN EQUIPMENT COMPANY	HOSE AND WELDMENT	40145040.531000.	111.64
	OWEN EQUIPMENT COMPANY		40145040.531000.	516.68
48792	BLUMENTHAL UNIFORMS & EQUIPMENT	MAG POUXH-SHACKLETON	00103222.526000.	35.92
	BLUMENTHAL UNIFORMS & EQUIPMENT	PANT, SHIRT-GOOLSBY	00103222.526000.	96.99
	BLUMENTHAL UNIFORMS & EQUIPMENT	SUTHERLAND	00103222.526000.	180.91
	BLUMENTHAL UNIFORMS & EQUIPMENT		00103222.526000.	289.80
	BLUMENTHAL UNIFORMS & EQUIPMENT	BOOTS-MC SHANE	00103222.526000.	391.26
	BLUMENTHAL UNIFORMS & EQUIPMENT	NEW HIRE-INGRAM	00103222.526000.	458.31
	BLUMENTHAL UNIFORMS & EQUIPMENT	INGRAM	00103222.526000.	522.24
	BLUMENTHAL UNIFORMS & EQUIPMENT	NEW HIRE-SUTHERLAND	00103222.526000.	683.72
	BLUMENTHAL UNIFORMS & EQUIPMENT	JACKET-MC SHANE	00103222.526000.	722.67
	BLUMENTHAL UNIFORMS & EQUIPMENT	NEW HIRE-VERMEULEN	00103222.526000.	1,508.91
	BLUMENTHAL UNIFORMS & EQUIPMENT	DROPS	00103222.531000.	81.59
	BLUMENTHAL UNIFORMS & EQUIPMENT	DRUG KITS	00103222.531000.	100.06
48793	DAN BOSTON	REFUND DEPOSIT FOR RENTAL	001.239100.	58.00
48794	RAE BOYD, APRN, BC	INMATE MEDICAL SERVICES	00103960.541000.	1,985.00
	RAE BOYD, APRN, BC		00103960.541000.	2,100.00
48795	MARTY BREWER	USED GOLF BALLS	420.141100.	300.00
48796	BRIM TRACTOR COMPANY, INC.	TRANS PRESSURE SWITCH	50100065.534000.	70.00
	BRIM TRACTOR COMPANY, INC.	SCANNER ASSEMBLY	50100065.534000.	316.21
48797	BRINKS INC	ARMORED TRUCK SRVC JULY 08	00100050.541000.	289.34
	BRINKS INC		00102020.541000.	148.33
	BRINKS INC		00103010.541000.	289.33
	BRINKS INC		00143523.541000.	289.34
	BRINKS INC		40143410.541000.	148.33
	BRINKS INC		42047061.541000.	136.33
48798	BRUNSH, ANATOLIY	UB 420750167001 16509 41ST DR	401.122110.	140.10
48799	BURLINGTON NORTHERN SANTA FE	WATER PIPELINE XING @ KRUSE	40143410.553200.	100.00
	BURLINGTON NORTHERN SANTA FE		40143410.553200.	100.00
48800	CAPTAIN DIZZYS EXXON	CAR WASHES-POLICE DEPT	00103222.548000.	85.50
	CAPTAIN DIZZYS EXXON		00104230.548000.	27.00
	CAPTAIN DIZZYS EXXON	CAR WASHES-PARKS DEPT	00105380.531000.	4.50
48801	CARR'S ACE HARDWARE	RECEPTACLES,RAGS,PAINT,BOLTS	10110463.548000.	90.01
	CARR'S ACE HARDWARE	RAT BAIT	40142080.549000.	21.12
	CARR'S ACE HARDWARE	HOSE CLAMPS	40142480.548000.	7.45
	CARR'S ACE HARDWARE	PAINT,ROLLERS,BRUSHES	41046060.531000.	70.24
	CARR'S ACE HARDWARE	PIPE FLANGE	50100065.534000.	20.35
48802	CHAMPION BOLT & SUPPLY	MISC HYDRANT PARTS	40140480.535000.	106.20
	CHAMPION BOLT & SUPPLY	FINISH HEX NUT	40142480.531300.	11.21
	CHAMPION BOLT & SUPPLY	ALLEN HEAD COUNTERSINK BOLT	50100065.534000.	9.16
	CHAMPION BOLT & SUPPLY		50100065.534000.	82.47
48803	ASSOC OF SNO CO CITIES & TOWNS	DINNER MTG-KENDALL/SWENSON/SO	00100060.549000.	37.50

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48803	ASSOC OF SNO CO CITIES & TOWNS	DINNER MTG-KENDALL/SWENSON/SO	00100110.549000.	75.00
48804	CLEARCREEK CONTRACTORS INC	PAY ESTIMATE # 1 & FINAL FILL	00100011.541000.0863	21,996.21
48805	CLICK2MAIL	MAILING SERVICES	00100020.542000.	500.00
48806	CNR, INC	REBUILD CALL ACCT'ING SERVER	50300090.542000.	606.52
48807	COMMERCIAL FIRE PROTECTION	FIRE EXT ANNUAL SERVICE	501.141100.	39.00
48808	COMPMANAGEMENT INC	2008 AWC SERVICE FEE	00100310.541000.	17,323.69
48809	CONKLIN, RUSSELL & CATHERINE	UB 561782700000 17827 34TH DR	401.122110.	189.56
48810	CONLEY, ROBERT	UB 761282340001 6112 76TH AVE	401.122110.	153.88
48811	CONTRACT SOLUTIONS GROUP	CHNG ORDER NEGOTIATIONS CLASS	00100020.549000.	189.00
48812	COOK PAGING (WA)	PAGERS:4253390338 & 4253390336	00105380.542000.	43.20
	COOK PAGING (WA)	PAGERS:4252573829 & 4253390613	10111230.542000.	3.73
	COOK PAGING (WA)		40143410.542000.	3.73
48813	CO-OP SUPPLY	QUIKCRETE	00105120.531080.	3.79
	CO-OP SUPPLY	BATTERY	00105380.531000.	14.75
	CO-OP SUPPLY	S-HOOKS AND CHAIN	00105380.531000.	20.01
	CO-OP SUPPLY	MOSS OUT FOR WALKS & ROOFS	10110770.531000.	30.37
	CO-OP SUPPLY	SUSPENDERS FOR WADERS	42047165.526000.	15.18
	CO-OP SUPPLY	HIP WADERS	42047165.526000.	136.69
48814	WA DEPT OF CORRECTIONS	INMATE FOOD	00103960.531250.	1,589.99
48815	COVAD COMMUNICATIONS	INTERNET SERVICES	50300090.541000.	239.95
48816	CRAFT MART	STEPPING STONE MOLDS	00105120.531080.	64.88
48817	NATL CRIME PREVENTION COUNCIL	NATIONAL NIGHT OUT SUPPLIES	001.231700.	-30.08
	NATL CRIME PREVENTION COUNCIL		00103630.531000.	383.87
48818	DAN MEEKS	JOB @ 60TH ST NE	10110361.531000.	11,438.00
48819	DATA QUEST	TRANS INTERNAL AND EXT FILTERS	50100065.534000.	65.21
48820	DATA QUEST	CREDIT CHECKS	00103222.541000.	16.00
48821	DATABASE SECURE RECORDS DESTRUCTIO	MONTHLY SHREDDING SERVICES	00100020.531000.	2.55
	DATABASE SECURE RECORDS DESTRUCTIO		00100110.549000.	8.50
	DATABASE SECURE RECORDS DESTRUCTIO		00102020.531000.	2.55
	DATABASE SECURE RECORDS DESTRUCTIO		00103010.548000.	73.00
	DATABASE SECURE RECORDS DESTRUCTIO		00105380.531000.	8.50
	DATABASE SECURE RECORDS DESTRUCTIO		40143410.531000.	2.55
	DATABASE SECURE RECORDS DESTRUCTIO		50100065.531000.	0.42
	DATABASE SECURE RECORDS DESTRUCTIO		50200050.531000.	0.43
48822	DATABASE SECURE RECORDS DESTRUCTIO		00101023.541000.	8.50
48823	DAY WIRELESS SYSTEMS	LIDAR RECALIBRATE	00103222.548000.	81.46
48824	DEAVER ELECTRIC	JOHN TATUM'S NEW OFFICE	40143780.548000.	4,318.30
48825	DELL MARKETING LP	LAPTOPS X 10 MULTIPLE DEPT'S	00103222.535000.	3,592.20
	DELL MARKETING LP	DOCKING ACCESSORIES	10111230.535000.	610.75
	DELL MARKETING LP	LAPTOPS X 10 MULTIPLE DEPT'S	10111230.535000.	1,197.41
	DELL MARKETING LP	DOCKING ACCESSORIES	40143410.535000.0840	1,221.49
	DELL MARKETING LP	LAPTOPS X 10 MULTIPLE DEPT'S	40143410.535000.0840	3,592.23
	DELL MARKETING LP	CREDIT WRONG PC'S	50300090.535000.	-4,060.62
	DELL MARKETING LP	CREDIT WRONG LAPTOP SCREEN	50300090.535000.	-235.39
	DELL MARKETING LP	LAPTOPS X 10 MULTIPLE DEPT'S	50300090.535000.	3,592.23
48826	DEX MEDIA INC	YELLOW PAGE AD	42047267.544000.	77.00
48827	DICKS TOWING INC	TOW 72 CHEV VAN, #08-3626	00103222.541000.	43.40
48828	DANIEL DIMASCIO	REFUND DEPOSIT FOR RENTAL	001.239100.	58.00
48829	DOCUMENT SCANNING SYSTEMS & IMAG.	DSSI JMS SOFTWARE & MAINT, 4TH	00103121.548000.	9,600.00
48830	ROBERT DOLHANYK	REIMBURSE AIR FARE/LODGING	00103010.549100.	741.50
48831	DOOLEY, JEAN N	UB 751601000002 7306 53RD ST N	401.122110.	217.42
48832	ROBERT L DYER	LEOFF 1 REIMBURSEMENT	00103010.541100.	516.26
48833	E&E LUMBER INC	LOCTITE, DAP AND FASTENERS	00100010.531000.	11.54

CITY OF MARYSVILLE
INVOICE LIST
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48834	EDGE ANALYTICAL INC	LAB SAMPLES	40140780.541000.	180.00
	EDGE ANALYTICAL INC		40140780.541000.	180.00
	EDGE ANALYTICAL INC		40140780.541000.	180.00
	EDGE ANALYTICAL INC		40140780.541000.	180.00
	EDGE ANALYTICAL INC		40145040.553100.	81.00
48835	EVERETT BARK & LANDSCAPING SUPPLY, I	1 YD BLACK BARK	00105380.531000.	29.27
48836	THE DAILY HERALD COMPANY	AD-DEP CITY CLERK/CONF SECRETA	00101130.544000.	500.84
48837	EVERETT STAMP WORKS	DRAFT STAMPS	00101130.549000.	31.33
48838	EVERETT TIRE & AUTOMOTIVE	FRONT END ALIGNMENT	50100065.548000.	89.92
48839	FARWEST GOLF CARS OF WA INC	GOLF CART WINDSHIELDS	42047165.548000.	489.60
48840	FARWEST INDUSTRIES, INC	CASUAL TOW BAR	42047165.548000.	260.55
48841	FAWNS FAUCETT	REFUND DEPOSIT FOR RENTAL	001.239100.	58.00
48842	JOHN FAULKNER	LEOFF 1 REIMBURSEMENT	00103010.541100.	409.60
48843	CRAIG A. FULLERTON	CONSULTING FOR PRKS AND REC	00105380.541000.	1,045.00
48844	GARDNER, JAMES & EMILY	UB 684615100000 4615 100TH ST	401.122110.	78.61
48845	GENERAL CHEMICAL CORP	ALUMINUM SULFATE 11.754DRY TON	40142480.531320.	3,481.60
	GENERAL CHEMICAL CORP	ALUMINUM SULFATE 11.764DRY TON	40142480.531320.	3,484.57
48846	GOVERNMENT FINANCE OFFICERS ASSOC	CAFR REVIEW FEE	00101023.549000.	480.00
48847	SARAH GILYEAT	REFUND DEPOSIT FOR RENTAL	001.239100.	58.00
48848	GLORIA JEANE HAULING & HWY REHAB IN	TRUCKING & DRIVER SERVICES	40145040.548000.	780.00
	GLORIA JEANE HAULING & HWY REHAB IN		40145040.548000.	1,800.00
	GLORIA JEANE HAULING & HWY REHAB IN		40145040.548000.	3,570.00
	GLORIA JEANE HAULING & HWY REHAB IN		40145040.548000.	4,350.00
48849	GREG LARSON SPORTS	BALLS 08 ULTIMATE SPORT CAMP	00105120.531090.	705.29
48850	JEFF GOLDMAN	REIMB FOR LUNCH, PARADE DETAIL	00103222.531000.	260.14
48851	GRAYBAR ELECTRIC CO INC	SWITCH AND KLEIN TOOL	40142480.548000.	174.33
48852	GREENSHIELDS INDUSTRIAL SUPPLY	4 WAY SWING, CHOKER 10' & 8'	40140480.535000.	607.88
	GREENSHIELDS INDUSTRIAL SUPPLY	CAB GUARD PROTECTOR AND KIT	50100048.564000.	344.91
48853	JARL GUNDERSON	REIMB FOR EAR PIECES PURCHASED	00103222.526000.	412.20
48854	HAACK BROTHERS CONSTRUCTION	WATCHDOG REFUND LESS DEPOSIT	401.245200.	188.80
48855	ANDREA HARTLAND	REIMBURSEMENT TEEN TRIPS COSTS	00105120.531050.	95.59
	ANDREA HARTLAND	REIMBURSEMENT SUMMER CAMP SU	00105120.531080.	119.67
48856	HD FOWLER COMPANY	COUPLINGS,FITTINGS,ADAPTORS	401.141400.	957.33
	HD FOWLER COMPANY	12" BACKFLOW VALVE, GASKETS	40140180.531000.	3,249.70
48857	HD SUPPLY WATERWORKS, LTD	COUPLINGS AND FLANGE	401.141400.	214.19
48858	HOME DEPOT CREDIT SVCS	RETURN PLANT BRACKETS	00105380.531000.	-173.26
	HOME DEPOT CREDIT SVCS	PLANT BRACKETS,SCREWS,BITS	00105380.531000.	200.65
48859	IOS CAPITAL	COPIER CHARGES	00100050.548000.	118.27
	IOS CAPITAL		00100050.548000.	220.26
	IOS CAPITAL		00102020.545000.	371.88
	IOS CAPITAL		00103121.545000.	321.16
	IOS CAPITAL		00103222.545000.	33.16
	IOS CAPITAL		00103960.545000.	27.14
	IOS CAPITAL		00104190.545000.	58.59
	IOS CAPITAL		00104190.545000.	233.93
	IOS CAPITAL		00104190.545000.	406.97
	IOS CAPITAL		00105250.545000.	22.79
	IOS CAPITAL		00105380.545000.	321.16
	IOS CAPITAL		00143523.542000.	1,049.74
	IOS CAPITAL		40142480.545000.	42.87
	IOS CAPITAL		40143410.545000.	27.14
	IOS CAPITAL		40143410.545000.	211.59
	IOS CAPITAL		40143410.545000.	238.27

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<u>CHK #</u>	<u>VENDOR</u>	<u>ITEM DESCRIPTION</u>	<u>ACCOUNT #</u>	<u>ITEM AMOUNT</u>
48859	IOS CAPITAL	COPIER CHARGES	40143410.545000.	384.09
	IOS CAPITAL		42047165.545000.	21.70
	IOS CAPITAL		50100065.545000.	86.43
	IOS CAPITAL		50200050.545000.	418.81
48860	IOS CAPITAL	COPIER IMAGE CHARGES	00100050.548000.	73.52
	IOS CAPITAL		00100050.548000.	82.29
	IOS CAPITAL		00100310.549000.	72.66
	IOS CAPITAL		00100310.549000.	102.90
	IOS CAPITAL		00102020.545000.	448.50
	IOS CAPITAL		00103121.545000.	173.05
	IOS CAPITAL		00103222.545000.	19.66
	IOS CAPITAL		00103960.545000.	65.92
	IOS CAPITAL		00104190.545000.	12.15
	IOS CAPITAL		00104190.545000.	173.09
	IOS CAPITAL		00104190.545000.	695.89
	IOS CAPITAL		00105250.545000.	13.02
	IOS CAPITAL		00105380.545000.	115.41
	IOS CAPITAL		00143523.542000.	245.11
	IOS CAPITAL		40142480.545000.	10.55
	IOS CAPITAL		40143410.545000.	17.09
	IOS CAPITAL		40143410.545000.	34.05
	IOS CAPITAL		40143410.545000.	52.32
	IOS CAPITAL		40143410.545000.	682.72
	IOS CAPITAL		42047165.545000.	16.14
	IOS CAPITAL		50100065.545000.	13.97
	IOS CAPITAL		50200050.545000.	56.33
48861	DEPT OF INFORMATION SERVICES	TELE SERVICES JUNE 2008	00104190.551000.	723.71
48862	IRON MOUNTAIN QUARRY LLC	3/4 MINUS & 1 1/4 MINUS	10110130.531000.	1,551.41
48863	TRACY JEFFRIES	REIMBURSEMENT FOR MILES DRIVEN	00101130.543000.	71.54
48864	JUDAH PRAISE CENTER	REFUND DEPOSIT FOR RENTAL	001.239100.	58.00
48865	K-MART	BASKETBALL NETS X 4	00105380.531000.	26.00
48866	KAR, CHRISTIAN	UB 920660000000 420 STATE AVE	401.122110.	118.79
48867	DEPARTMENT OF LABOR & INDUSTRIES	L & I 2ND QTR 2008	00100050.524000.	12.70
	DEPARTMENT OF LABOR & INDUSTRIES		00103222.524000.	278.58
	DEPARTMENT OF LABOR & INDUSTRIES		00105120.524000.	66.18
	DEPARTMENT OF LABOR & INDUSTRIES		00105250.524000.	84.68
	DEPARTMENT OF LABOR & INDUSTRIES		00105515.549000.	0.38
48868	LAKEWOOD SCHOOL DISTRICT	INSTRUCTOR SERVICES	00105120.541020.	1,823.50
48869	SANDY LANGDON	REIMB MEALS/EMPLOYEE APPRECIAT	00100310.549010.	132.06
	SANDY LANGDON		00101023.543000.	233.00
	SANDY LANGDON		00101023.549000.	42.20
48870	ELIZABETH LANGLET	REFUND CAMP FEE LESS \$5 ADMIN	00110347.376010.	70.00
48871	LASTING IMPRESSIONS INC	UNIFORM PATCHES	00103222.526000.	493.30
	LASTING IMPRESSIONS INC	PRINTED SHIRTS-B-BALL CAMP	00105120.531090.	473.88
48872	YVONNE LERVICK	REFUND CLASS FEE LESS \$5 ADMIN	00110347.376020.	19.00
48873	DEPT OF LICENSING	GAGNET, DONNA (RENEWAL)	001.237020.	18.00
48874	DEPT OF LICENSING	CC BANK FEE & SYSTEM USAGE	00102020.549000.	494.81
48875	LITTLE CREEK CASINO & RESORT	LODGING-MOTORCYCLE TRAINING	00103222.549100.	396.00
48876	LOWES HIW INC	SUPPLIES FOR HR OFFICES	00101250.531000.	41.26
48877	JUANA LUCERO	REFUND DEPOSIT FOR RENTAL	001.239100.	58.00
48878	CAROL LUDWIG	REFUND CLASS FEE	00110347.376009.	20.00
48879	JAMES MAPLES	REIMB FUEL/MEAL	00103222.549100.	-108.00
	JAMES MAPLES		00103222.549100.	27.85

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48879	JAMES MAPLES	REIMB FUEL/MEAL	00103222.549100.	86.00
48880	MARYSVILLE AWARDS	NEW SIGN FOR CITY HALL	00103530.548000.	56.15
48881	MARYSVILLE PRINTING	BUSINESS CARDS-MOORE, CINDY	00102020.531000.	113.82
	MARYSVILLE PRINTING	OVERTIME SLIPS	00103222.531000.	109.90
	MARYSVILLE PRINTING	BUSINESS CARDS-SCOTT, BOB	50100065.531000.	113.82
48882	CITY OF MARYSVILLE	WTR/SWR/GRB/STORM @ 1015 STATE	00101250.547000.	547.70
	CITY OF MARYSVILLE	FIRELINE @ 1049 STATE AVE	00103530.547000.	60.20
	CITY OF MARYSVILLE	WATER @ 1049 STATE IRRIGATION	00103530.547000.	84.00
	CITY OF MARYSVILLE	WTR/SWR/GRB @ 1049 STATE AVE	00103530.547000.	533.90
	CITY OF MARYSVILLE	WTR/SWR/GRB @ 514 DELTA AVE	00105250.547000.	475.70
	CITY OF MARYSVILLE	WATER @ 3RD & STATE	00105380.547000.	23.70
	CITY OF MARYSVILLE	IRRIGATION @ 4TH & I-5	00105380.547000.	46.30
	CITY OF MARYSVILLE	WATER @ 6TH & STATE	00105380.547000.	84.00
	CITY OF MARYSVILLE	WTR/SWR @ 1050 COLUMBIA AVE	00105380.547000.	96.30
	CITY OF MARYSVILLE	WATER @ 514 DELTA	00105380.547000.	106.65
	CITY OF MARYSVILLE	WATER @ 1ST & STATE	00105380.547000.	129.60
	CITY OF MARYSVILLE	GARBAGE @ 80 COLUMBIA AVE	10110130.547000.	444.00
	CITY OF MARYSVILLE	WATER @ 80 COLUMBIA	40142480.547000.	1,139.00
	CITY OF MARYSVILLE	WTR/SWR/GRB @ 80 COLUMBIA AVE	40142480.547000.	1,489.95
	CITY OF MARYSVILLE	WTR/SWR @ 80 COLUMBIA AVE	40143780.547000.	149.10
	CITY OF MARYSVILLE	GRB @ 80 COLUMBIA AVE	50100065.547000.	580.00
48883	BARBARA MATHIESEN	REFUND CLASS FEE LESS \$5 ADMIN	00110347.376021.	27.00
48884	WALTER MCKINNEY	LEOFF 1 REIMBURSEMENT	00103010.541100.	595.02
48885	MCLOUGHLIN & EARDLEY CORP	WHELEN RESPONDER LP AMBER	501.141100.	456.76
	MCLOUGHLIN & EARDLEY CORP		501.231700.	-35.79
48886	PAUL MCSHANE	REIMBURSEMENT FOR FUEL/MEALS	00103222.549100.	124.72
48887	MICROFLEX INC	TAXTOOLS SALES TAX SUPPORT 08	00101023.541000.	1,100.81
48888	TARA MIZELL	REIMBURSEMENT DAY CAMP ITEMS	00105120.531080.	55.41
	TARA MIZELL		00105120.531090.	75.25
48889	ARNOLD MORENO	INSTRUCTOR SERVICES	00105120.541020.	186.20
	ARNOLD MORENO		00105120.541020.	252.00
	ARNOLD MORENO		00105120.541020.	373.80
	ARNOLD MORENO		00105120.541020.	399.00
	ARNOLD MORENO		00105120.541020.	609.00
48890	HERMAN MOUNT	LEOFF 1 REIMBURSEMENT	00103010.541100.	49.00
48891	NATIONAL BARRICADE COMPANY	SIGNS FOR DOT REQUEST ON 4TH	10110564.531000.	1,102.97
	NATIONAL BARRICADE COMPANY	28" TRAFFIC CONES X 200	10111230.531000.	2,757.70
48892	NEXTEL COMMUNICATIONS	WIRELESS USB MODEM	50300090.531000.	108.49
48893	NEXTEL COMMUNICATIONS	ACCT #844448815	00100020.542000.	50.69
	NEXTEL COMMUNICATIONS		00103010.542000.	50.69
	NEXTEL COMMUNICATIONS		00103010.542000.	217.89
	NEXTEL COMMUNICATIONS		40143410.542000.	101.38
48894	NICE, CRYSTALL	UB 22135000007 4407 123RD PL	401.122110.	128.86
48895	NORTH SOUND HOSE & FITTINGS	SCREW COUPLING AND SPRAY TIPS	40142480.535000.	22.45
48896	NORTHSTAR CHEMICAL INC.	SODIUM HYPOCHLORITE 950 GALS	40142480.531320.	2,029.73
48897	NORTHWEST CASCADE INC	HONEY BUCKET	00105380.545000.	230.00
48898	OFFICE DEPOT	OFFICE SUPPLIES	00100020.531000.	6.54
	OFFICE DEPOT	CAMERA CASE	00100020.531000.	9.80
	OFFICE DEPOT	OFFICE SUPPLIES	00100020.531000.	21.38
	OFFICE DEPOT	MEMORY CARD	00100020.531000.	21.57
	OFFICE DEPOT	DIGITAL CAMERA	00100020.531000.	137.33
	OFFICE DEPOT	OFFICE SUPPLIES	00100060.531000.	11.95
	OFFICE DEPOT		00100110.531000.	110.95

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48898	OFFICE DEPOT	OFFICE SUPPLIES	00100310.531000.	33.47
	OFFICE DEPOT		00101023.531000.	166.70
	OFFICE DEPOT		00101130.531000.	74.15
	OFFICE DEPOT	MONITOR STAND	00102020.531000.	17.97
	OFFICE DEPOT	OFFICE SUPPLIES	00102020.531000.	99.09
	OFFICE DEPOT	FURNITURE FOR TERI'S OFFICE	00102020.531000.	896.25
	OFFICE DEPOT	OFFICE SUPPLIES	00103010.531000.	5.00
	OFFICE DEPOT		00103010.531000.	13.01
	OFFICE DEPOT	PAPER	00103010.531000.	34.49
	OFFICE DEPOT	OFFICE SUPPLIES	00103121.531000.	31.59
	OFFICE DEPOT		00103222.531000.	12.40
	OFFICE DEPOT		00103222.531000.	25.21
	OFFICE DEPOT		00103222.531000.	45.33
	OFFICE DEPOT		00103222.531000.	125.73
	OFFICE DEPOT		00103222.531000.	180.00
	OFFICE DEPOT		00103222.531000.	249.43
	OFFICE DEPOT		00103960.531000.	55.00
	OFFICE DEPOT		00103960.531000.	76.93
	OFFICE DEPOT		00104190.531000.	9.00
	OFFICE DEPOT		00104190.531000.	13.33
	OFFICE DEPOT		00104190.531000.	27.00
	OFFICE DEPOT		00104190.531000.	40.00
	OFFICE DEPOT		00104190.531000.	40.17
	OFFICE DEPOT		00143523.531000.	60.53
	OFFICE DEPOT		40143410.531000.	21.38
	OFFICE DEPOT	FURNITURE FOR TERI'S OFFICE	40143410.531000.	896.25
	OFFICE DEPOT	OFFICE SUPPLIES	50100065.531000.	2.37
	OFFICE DEPOT		50200050.531000.	2.37
	OFFICE DEPOT		50200050.531000.	23.96
	OFFICE DEPOT	CREDIT OFFICE SUPPLIES	50300090.531000.	-23.02
	OFFICE DEPOT	OFFICE SUPPLIES	50300090.531000.	23.02
	OFFICE DEPOT		50300090.531000.	120.78
48899	PACIFIC NW TITLE	ALTA OWNERS RESIDENTIAL(EDDY)	30500030.563000.R0701	488.70
48900	PACIFIC POWER BATTERIES	CABLE LUGS AND BATTERY CABLES	10111864.531000.	20.11
48901	PACIFIC POWER PRODUCTS	BLADES	00105380.548000.	110.61
	PACIFIC POWER PRODUCTS	SPRINKLER HEADS	42047165.531920.	328.11
48902	PACIFIC TOPSOILS INC	CONCRETE DUMP	10110361.531000.	120.00
	PACIFIC TOPSOILS INC		10110361.531000.	120.00
	PACIFIC TOPSOILS INC		10110361.531000.	140.00
	PACIFIC TOPSOILS INC		10110361.531000.	175.00
	PACIFIC TOPSOILS INC		10110361.531000.	175.00
	PACIFIC TOPSOILS INC		10110361.531000.	175.00
48903	PALMER, MARK & PATTY	UB 911830000000 1722 4TH ST	401.122110.	43.68
48904	THE PARTS STORE	REFUND BATTERY CORE	42047165.548000.	-32.55
	THE PARTS STORE		42047165.548000.	-5.43
	THE PARTS STORE	OIL FILTER	42047165.548000.	17.41
	THE PARTS STORE	BELTS	42047165.548000.	83.20
	THE PARTS STORE	OIL & AIR FILTERS,TIES,SURWASH	501.141100.	133.51
	THE PARTS STORE	OIL & AIR FILTERS,WIPER BLADES	501.141100.	223.66
	THE PARTS STORE	REB STARTER	50100065.534000.	151.99
48905	LAURIE HUGDAHL	MINUTE TAKING SERVICE	00101130.541000.	83.70
	LAURIE HUGDAHL		00101130.541000.	86.80
	LAURIE HUGDAHL		00101130.541000.	93.00

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48906	SYLVIA PENA	REFUND DEPOSIT FOR RENTAL	001.239100.	58.00
48907	KARINA PEREZ		001.239100.	58.00
48908	PERTEET ENGINEERING INC	PAY ESTIMATE # 7	30500030.563000.R0503	3,669.56
48909	PETROCARD SYSTEMS INC	FUEL CONSUMED-ENG	00100020.532000.	106.73
	PETROCARD SYSTEMS INC	FUEL CONSUMED-CD	00102020.532000.	728.84
	PETROCARD SYSTEMS INC	FUEL CONSUMED-POLICE	00103222.532000.	7,505.34
	PETROCARD SYSTEMS INC	FUEL CONSUMED-PRKS AND REC	00105380.532000.	1,289.58
	PETROCARD SYSTEMS INC	FUEL CONSUMED-STREETS	10111230.532000.	2,893.44
	PETROCARD SYSTEMS INC	FUEL CONSUMED-OPER/SANATATION	40143880.532000.	5,819.16
	PETROCARD SYSTEMS INC		41046060.532000.	4,789.12
	PETROCARD SYSTEMS INC	FUEL CONSUMED-FLEET/FACILITIES	50100065.532000.	95.33
	PETROCARD SYSTEMS INC		50200050.532000.	92.41
48910	PETTY CASH- PW	PETTY CASH-TITLE APP'S, COVERS	00100020.531000.	43.38
	PETTY CASH- PW		40143410.549000.	4.97
	PETTY CASH- PW		50100048.564000.	45.50
	PETTY CASH- PW		50200050.531000.	5.74
48911	PHOINIX EQUIPMENT, LLC	RENTAL, BULLDOZER JD 450	40145040.548000.	3,258.00
	PHOINIX EQUIPMENT, LLC	RENTAL, 140 VOLVO TRACKHOE	40145040.548000.	4,354.86
48912	DENISE FREEMAN	JACKET-RASMUSSEN	00103010.526000.	289.97
48913	PR DIAMOND PRODUCTS INC	14" & 16" SAWBLADES	401.231700.	-63.50
	PR DIAMOND PRODUCTS INC		40140480.531000.	810.50
48914	PRO FAB INC	AERATOR YOKE PINS	40142480.548000.	124.89
48915	PROTHMAN COMPANY	ENG SRVCS MNGR SEARCH	00100020.541000.	7,044.00
48916	PUD NO 1 OF SNOHOMISH COUNTY	ACCT #258-014-292-1	00105380.547000.	23.40
	PUD NO 1 OF SNOHOMISH COUNTY	ACCT #258-010-895-5	00105380.547000.	23.67
	PUD NO 1 OF SNOHOMISH COUNTY	ACCT #345-002-250-8	10111864.547000.	58.02
	PUD NO 1 OF SNOHOMISH COUNTY	ACCT #295-001-624-2	40140180.547000.	219.14
	PUD NO 1 OF SNOHOMISH COUNTY	ACCT #543-001-786-2	40142280.547000.	581.07
48917	PUGET SOUND ENERGY	ACCT #753-901-800-7	00100010.547000.	332.50
	PUGET SOUND ENERGY	ACCT #835-819-211-3	00101250.547000.	109.75
	PUGET SOUND ENERGY	ACCT #549-775-008-2 CITY HALL	00103530.547000.	92.62
	PUGET SOUND ENERGY	ACCT #616-190-400-5	00105250.547000.	56.14
	PUGET SOUND ENERGY	ACCT #922-456-500-3	40143780.547000.	33.25
	PUGET SOUND ENERGY	ACCT #435-851-700-3	40143780.547000.	203.42
	PUGET SOUND ENERGY	ACCT #433-744-264-6	42047267.547000.	28.68
48918	PUGET SOUND SECURITY	LOCKS	00100010.531000.	17.35
	PUGET SOUND SECURITY	KEYS CUT AND CORE REPAIR	10111864.531000.	13.56
48919	QUALITY INN BARON SUITES	LODGING-VEACH,ADAM DT INSTRUCT	00103960.549100.	538.00
48920	RADIOSHACK	JAIL PHONE	50300090.531000.	11.92
48921	MARIA RALEY	REFUND DEPOSIT FOR RENTAL	001.239100.	58.00
48922	BRIAN RAMEY		001.239100.	58.00
48923	DARIN RASMUSSEN	REFUND CLASS FEES	00110347.376009.	50.00
48924	WASHINGTON STATE DEPARTMENT OF	2ND QTR LEASEHOLD TAX 2008	001.237050.	30.81
	WASHINGTON STATE DEPARTMENT OF		101.237050.	9.63
	WASHINGTON STATE DEPARTMENT OF		420.237050.	1,687.17
48925	RH2 ENGINEERING INC	PAY ESTIMATE # 15	40220594.563000.W0505	147.50
48926	JUNE ROYLANCE	REIMB-MUNIS CONF/AIRFARE/POSTA	00143523.542000.	11.00
	JUNE ROYLANCE	REIMBURSEMENT FOR LODGING	00143523.543000.	200.48
	JUNE ROYLANCE	REIMB-MUNIS CONF/AIRFARE/POSTA	00143523.543000.	303.00
	JUNE ROYLANCE		00143523.549000.	625.00
48927	SNO CO CLERKS & FINANCE OFFICERS	JULY MTG-LANGDON/GRITTON	00101023.549000.	24.00
48928	LYNN SCHROEDER	REIMB TABLE CLOTH/BOWLS/COFFEE	00100110.549000.	84.32
48929	SEDY, PAMELA	UB 040520000001 6817 88TH PL N	401.122110.	137.24

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48930	SIX ROBBLEES INC	WIRE TRAILER PLUG	501.141100.	60.97
48931	RAY SIZEMORE	LEOFF 1 REIMBURSEMENT	00103010.541100.	55.52
48932	SKAGIT GARDENS	SUMMER FLOWERS FOR PARKS MAIN	00105380.531000.	4,060.08
48933	SMITH FIRE SYSTEMS INC	SPRINKLER MODIFICATIONS(TATUM)	40143780.548000.	331.35
48934	EVE SNIDER	INSTRUCTOR SERVICES	00105120.541020.	36.75
	EVE SNIDER		00105120.541020.	642.35
48935	SNO CO PUBLIC WORKS	SOLID WASTE DISPOSAL FEE 05/08	00105380.547000.	18.00
	SNO CO PUBLIC WORKS	RR7927-67 AVE NE WATERMAIN	40220594.563000.W0404	22.11
	SNO CO PUBLIC WORKS	SOLID WASTE DISPOSAL FEE 05/08	41046060.551000.	106,860.00
	SNO CO PUBLIC WORKS		50200050.549000.	272.00
48936	SNOHOMISH COUNTY TREASURER	CRIME VICTIM/WITNESS FUNDS	00102570.551000.	1,080.75
48937	S.O. CREIGHTON ENGINEERING INC	FIRE #66 SUPPRESSION REVIEW	00102020.541000.	171.50
48938	SOUND HARLEY DAVIDSON	MOTORCYCLE REPAIR AND MAINT	00103222.548000.	30.34
	SOUND HARLEY DAVIDSON		00103222.548000.	30.37
	SOUND HARLEY DAVIDSON		00103222.548000.	49.81
	SOUND HARLEY DAVIDSON		00103222.548000.	52.09
	SOUND HARLEY DAVIDSON	MOTORCYCLE REPAIR AND MAINT	00103222.548000.	212.40
	SOUND HARLEY DAVIDSON	MOTORCYCLE REPAIR AND MAINT	00103222.548000.	890.34
48939	SOUND PUBLISHING INC	ACCT#88522150- PARKS AD	00105120.531060.	150.00
48940	SOUND PUBLISHING INC	ACCT#88522148- CD LEGAL NOTICE	00102020.544000.	367.73
48941	SOUND SAFETY PRODUCTS CO INC	GLOVES	00103222.531000.	50.82
	SOUND SAFETY PRODUCTS CO INC		00103222.531000.	189.55
	SOUND SAFETY PRODUCTS CO INC	JEANS/BOOTS-CALLAHAN	40143410.526300.	264.27
	SOUND SAFETY PRODUCTS CO INC	T-SHIRTS	501.141100.	204.66
	SOUND SAFETY PRODUCTS CO INC	RAINGEAR & ORANGE VESTS	501.141100.	572.92
48942	SPIKES GOLF SUPPLIES INC	GOLF SPIKES AND WRENCH	420.141100.	235.89
48943	SPORT SUPPLY GROUP INC	STOP WATCHES & CROSSBARS	00105120.531041.	304.75
48944	WASHINGTON STATE PATROL	CPL'S FOR JUNE/TAXI CAB CHECK	001.237100.	154.00
	WASHINGTON STATE PATROL	BACKGROUND CHECKS	00100310.541000.	440.00
	WASHINGTON STATE PATROL	CPL'S FOR JUNE/TAXI CAB CHECK	00102020.541000.	30.00
48945	TATIANA SUAREZ	REFUND DEPOSIT FOR RENTAL	001.239100.	58.00
48946	SUN MOUNTAIN SPORTS INC	SPEED CARTS X 4	420.141100.	532.60
48947	ROBERT SWEARENGIN	LEOFF 1 REIMBURSEMENT	00103010.541100.	25.00
48948	SYSTEMS INTERFACE INC	REPAIR WEST TRUNK MAG FLOW MTF	40142480.541000.	780.20
48949	TAYLORMADE	BURNER STELL FW/ RH REG/BURNER	420.141100.	367.50
48950	TEXTRON FINANCIAL CORPORATION	15 E Z GO GOLF CART LEASE	42047165.545000.	1,616.00
48951	TITLEIST	GT YELLOW CART BAG	420.141100.	97.22
	TITLEIST	TITLEIST HATS	420.141100.	146.52
	TITLEIST	TITLEIST HATS AND VISORS	420.141100.	242.33
	TITLEIST		420.141100.	254.09
	TITLEIST	TITELIST BALLS	420.141100.	1,234.65
48952	TITLEIST	TITLEIST BALLS	420.141100.	1,342.47
48953	TORO NSN	IRRIGATION SOFTWARE LICENSE AG	42047165.531920.	199.00
48954	TULALIP TRIBAL COURT	BAIL POSTED BY DEAN JIMICUM	001.237100.	1,500.00
48955	UNITED PARCEL SERVICE	SHIPPING EXPENSE	00103121.542000.	36.35
	UNITED PARCEL SERVICE		00103222.542000.	52.48
	UNITED PARCEL SERVICE		00103222.542000.	189.96
48956	UNITED RENTALS	PRESSURE WASHER WAND	40142480.535000.	41.01
48957	US CAVALRY	H TYPE SUSPENDERS-GUNDERSON	001.231700.	-1.60
	US CAVALRY		00103222.526000.	20.37
48958	VCA ANIMAL MEDICAL CENTER	BLACK PIT BULL TERRIOR 5/29/08	00104230.541000.	46.89
48959	VERIZON NORTHWEST	ACCT #POLE BLDG	00103222.542000.	157.92
	VERIZON NORTHWEST	ACCT #100664011800	00104000.542000.	84.93

**CITY OF MARYSVILLE
 INVOICE LIST
 FOR INVOICES FROM 7/10/2008 TO 7/16/2008**

<u>CHK #</u>	<u>VENDOR</u>	<u>ITEM DESCRIPTION</u>	<u>ACCOUNT #</u>	<u>ITEM AMOUNT</u>
48959	VERIZON NORTHWEST	ACCT #030275102746380105	00104000.542000.	99.76
	VERIZON NORTHWEST	ACCT #103957234007	40142480.542000.	51.61
	VERIZON NORTHWEST	ACCT #030211109792481505	40143410.542000.	74.85
48960	ADAM VERMEULEN	HAWK LAPEL MICROPHONE	00103222.531000.	104.90
48961	W.A. BOTTING COMPANY	FILTERS AND LIFT ONLY-PSB	00100010.548000.	72.03
	W.A. BOTTING COMPANY	FILTERS ANDLIFT ONLY-MUNICIPAL	00101250.548000.	69.71
	W.A. BOTTING COMPANY	FILTERS AND LIFT ONLY-CITYHALL	00103530.548000.	214.60
	W.A. BOTTING COMPANY	FILTERS AND LIFT ONLY-KBSCC	00105250.548000.	26.20
	W.A. BOTTING COMPANY	FILTERS AND LIFT ONLY-PARKS	00105380.548000.	9.43
	W.A. BOTTING COMPANY		00105380.548000.	22.62
	W.A. BOTTING COMPANY	FILTERS AND LIFT ONLY-LIBRARY	00112572.548000.	639.97
	W.A. BOTTING COMPANY	FILTERS AND LIFT ONLY-EDWARD S	40140080.548000.	84.07
	W.A. BOTTING COMPANY	FILTERS AND LIFT ONLY-WATER FI	40141580.548000.	86.62
	W.A. BOTTING COMPANY	FILTERS AND LIFT ONLY-WWTP	40142480.548000.	487.38
	W.A. BOTTING COMPANY	FILTERS AND LIFT ONLY-PW	40143410.548000.	293.21
	W.A. BOTTING COMPANY	FILTERS AND LIFT ONLY-GOLF COU	42047165.548000.	358.84
48962	WASHINGTON STATE TREASURER	PUBLIC SAFETY & BLDG REVENUE	001.237010.	55,518.80
	WASHINGTON STATE TREASURER		001.237030.	313.50
48963	WALLACE, SARAH	UB 761140100001 6109 71ST DR N	401.122110.	157.33
48964	WEBCHECK	WEBCHECK CANOPY SRVC JUNE 08	00143523.541000.	408.00
48965	WESTERN FACILITIES SUPPLY INC	BLEACH	00103960.531000.	129.03
48966	WHATCOM COUNTY AS FINANCE	NW MINI CHAIN 2ND QTR 08 INTER	00103960.541000.	8,602.50
48967	WILBUR-ELLIS	FERTILIZER	42047165.531900.	860.78
48968	WINN, RICHARD & LIBIA	UB 452160560000 5722 138TH PL	401.122110.	323.13
48969	CHESTER WOGUE	USED GOLF BALLS X 1000	420.141100.	250.00
48970	WSSUA	UMPIRES FOR 08 SOFTBALL GAMES	00105120.531010.	3,106.00
48971	DAVID ZULL	REIMB FOR LODGING/MEALS/FUEL	00100020.532000.	14.99
	DAVID ZULL		00100020.543000.	485.32

WARRANT TOTAL:

464,566.71

REASON FOR VOIDS:

- INITIATOR ERROR**
- WRONG VENDOR**
- CHECK LOST IN MAIL**

CITY OF MARYSVILLE

EXECUTIVE SUMMARY FOR ACTION

CITY COUNCIL MEETING DATE: July 28, 2008

AGENDA ITEM: Claims	AGENDA SECTION:	
PREPARED BY: Sandy Langdon, Finance Director	AGENDA NUMBER:	
ATTACHMENTS: Claims Listings	APPROVED BY: 	
	MAYOR	CAO
BUDGET CODE:	AMOUNT:	

Please see attached.

RECOMMENDED ACTION:

The Finance and Executive Departments recommend City Council approve the July 23, 2008 claims in the amount of \$635,498.08 paid by Check No.'s 48972 through 49127 with Check No.'s 45365, 48792, 48819 & 48879 voided.

COUNCIL ACTION:

BLANKET CERTIFICATION
CLAIMS
FOR
PERIOD-7

I, THE UNDERSIGNED, DO HEREBY CERTIFY UNDER PENALTY OF PERJURY THAT THE MATERIALS HAVE BEEN FURNISHED, THE SERVICES RENDERED OR THE LABOR PERFORMED AS DESCRIBED HEREIN AND THAT THE **CLAIMS** IN THE AMOUNT OF **\$635,498.08 PAID BY CHECK NO.'S 48972 THROUGH 49127 WITH CHECK NUMBER'S 45365, 48792, 48819 & 48879 VOIDED** ARE JUST, DUE AND UNPAID OBLIGATIONS AGAINST THE CITY OF MARYSVILLE, AND THAT I AM AUTHORIZED TO AUTHENTICATE AND TO CERTIFY SAID CLAIMS.



AUDITING OFFICER

7/23/08

DATE

MAYOR DATE

WE, THE UNDERSIGNED COUNCILMEMBERS OF MARYSVILLE, WASHINGTON DO HEREBY APPROVE FOR PAYMENT THE ABOVE MENTIONED **CLAIMS** ON THIS **23rd DAY OF JULY 2008.**

COUNCIL MEMBER

**CITY OF MARYSVILLE
 INVOICE LIST**

FOR INVOICES FROM 7/17/2008 TO 7/23/2008

<u>CHK #</u>	<u>VENDOR</u>	<u>ITEM DESCRIPTION</u>	<u>ACCOUNT #</u>	<u>ITEM AMOUNT</u>
48972	WASHINGTON STATE DEPARTMENT OF	SALES & USE TAX JUNE 2008	001.231700.	86.69
	WASHINGTON STATE DEPARTMENT OF		00101130.549000.	0.02
	WASHINGTON STATE DEPARTMENT OF		00102020.549000.	19.61
	WASHINGTON STATE DEPARTMENT OF		00103010.549000.	41.09
	WASHINGTON STATE DEPARTMENT OF		101.231700.	212.50
	WASHINGTON STATE DEPARTMENT OF		40143410.553000.	43,592.61
	WASHINGTON STATE DEPARTMENT OF		40145040.553000.	3,562.11
	WASHINGTON STATE DEPARTMENT OF		41046060.553000.	18,981.50
	WASHINGTON STATE DEPARTMENT OF		420.231710.	12,863.72
	WASHINGTON STATE DEPARTMENT OF		42047267.553000.	713.62
	WASHINGTON STATE DEPARTMENT OF		503.231700.	131.80
48973	AUTOMATIC FUNDS TRANSFER SERVICES	WEB PAYMENT SERVICES 06/08	00143523.541000.	570.50
48974	ALBERTSONS FOOD CENTER #471	SUPPLIES FOR PRKS&REC & KBSCC	00105120.531000.	100.10
	ALBERTSONS FOOD CENTER #471		00105120.531050.	52.11
	ALBERTSONS FOOD CENTER #471		00105120.531080.	3.26
	ALBERTSONS FOOD CENTER #471		00105120.531080.	51.96
	ALBERTSONS FOOD CENTER #471		00105120.531080.	79.77
	ALBERTSONS FOOD CENTER #471		00105120.531080.	107.67
	ALBERTSONS FOOD CENTER #471		00105120.531090.	132.07
	ALBERTSONS FOOD CENTER #471		10605250.549000.	32.99
48975	ALPINE PRODUCTS INC	TRAFFIC PAINT	10110564.531000.	23,061.68
48976	AMERICAN SOCCER COMPANY	SOCCER BALLS	00105120.531090.	399.85
48977	AMSAN SEATTLE	COMMERCIAL SPREADER	50200050.535000.	356.91
48978	KYLE B. ANDERSON	MEAL REIMBURSEMENT	40142080.549000.	11.37
48979	ARAMARK UNIFORM SERVICES	MAT CLEANING-WWTP	40142480.541000.	10.97
	ARAMARK UNIFORM SERVICES		40142480.541000.	10.97
	ARAMARK UNIFORM SERVICES	MAT CLEANING-MEZZANINE	40143780.549000.	15.63
	ARAMARK UNIFORM SERVICES		40143780.549000.	24.51
	ARAMARK UNIFORM SERVICES	MECHANICS UNIFORM	42047165.526000.	18.89
	ARAMARK UNIFORM SERVICES	UNIFORM CLEANING	50100065.526000.	58.25
48980	ASSOCIATED BAG COMPANY	BAGS, WIPES	001.231700.	-62.41
	ASSOCIATED BAG COMPANY		00103960.531000.	796.59
48981	ATLAS FENCE COMPANY	MALLABLE LATCH	40142480.548000.	12.10
48982	JAMES B BALLEW	PART REIMBURSEMENT	00105380.531000.	40.13
48983	BANK OF AMERICA	CONF REIMBURSEMENT	00103222.549100.	120.67
48984	NORTH SEATTLE BATTERY VENTURE	12V REPLACEMENT BATTERIES	50300090.535000.	40.07
48985	BEACH STREET TOPSOIL & GRAVEL	BARK/MULCH 5 YDS	40143410.549000.	189.88
48986	BICKFORD FORD-MERCURY	INTERNAL/EXT TRANS FILTERS	50100065.534000.	65.21
	BICKFORD FORD-MERCURY	IGNITION TUMBLER KIT	50100065.534000.	96.93
48987	BRADY BLANKENSHIP	REFUND CLASS FEE LESS \$5 ADMIN	00110347.376008.	31.00
48988	BLUMENTHAL UNIFORMS & EQUIPMENT	MAG POUXH-SHACKLETON	00103222.526000.	35.92
	BLUMENTHAL UNIFORMS & EQUIPMENT	TIE BAR,BELT KEEPER-VERMEULEN	00103222.526000.	50.03
	BLUMENTHAL UNIFORMS & EQUIPMENT	HOBBLE	00103222.526000.	90.74
	BLUMENTHAL UNIFORMS & EQUIPMENT	PANT, SHIRT-GOOLSBY	00103222.526000.	96.99
	BLUMENTHAL UNIFORMS & EQUIPMENT	DROP, BELT LOOP, DROP SHANK	00103222.526000.	114.45
	BLUMENTHAL UNIFORMS & EQUIPMENT	SUTHERLAND	00103222.526000.	180.91
	BLUMENTHAL UNIFORMS & EQUIPMENT		00103222.526000.	289.80
	BLUMENTHAL UNIFORMS & EQUIPMENT	HOLDER,SHIRT,PANT-GOOLSBY	00103222.526000.	344.20
	BLUMENTHAL UNIFORMS & EQUIPMENT	BOOTS-MC SHANE	00103222.526000.	391.26
	BLUMENTHAL UNIFORMS & EQUIPMENT	NEW HIRE-INGRAM	00103222.526000.	458.31
	BLUMENTHAL UNIFORMS & EQUIPMENT	UNIFORM-SUTHERLAND	00103222.526000.	500.65
	BLUMENTHAL UNIFORMS & EQUIPMENT	INGRAM	00103222.526000.	522.24
	BLUMENTHAL UNIFORMS & EQUIPMENT	JACKET-MC SHANE	00103222.526000.	722.67

**CITY OF MARYSVILLE
 INVOICE LIST**

FOR INVOICES FROM 7/17/2008 TO 7/23/2008

<u>CHK #</u>	<u>VENDOR</u>	<u>ITEM DESCRIPTION</u>	<u>ACCOUNT #</u>	<u>ITEM AMOUNT</u>
48988	BLUMENTHAL UNIFORMS & EQUIPMENT	NEW HIRE-VERMEULEN	00103222.526000.	1,508.91
	BLUMENTHAL UNIFORMS & EQUIPMENT	DROPS	00103222.531000.	81.59
	BLUMENTHAL UNIFORMS & EQUIPMENT	DRUG KITS	00103222.531000.	100.06
48989	BRIAN BRAGER	REFUND DEPOSIT FOR RENTAL	001.239100.	58.00
48990	TERI BRANAN		001.239100.	58.00
48991	BRIGGS, RALPH & LINDA	UB 751144150004 7519 54TH PL N	401.122110.	404.85
48992	BRIM TRACTOR COMPANY, INC.	82005372 CAP	50100065.534000.	27.93
48993	KEVIN BROWN	REFUND CLASS FEE-SCHEDULE CONF	00110347.376008.	66.00
48994	BUILDERS EXCHANGE	PUBLISH PROJECT ONLINE/CD DOCU	30500030.563000.R0301	43.44
	BUILDERS EXCHANGE	PUBLISH PROJECT ONLINE	30500030.563000.R0804	45.00
	BUILDERS EXCHANGE		30500030.563000.R0301	486.75
	BUILDERS EXCHANGE	PUBLISH PROJECT ONLINE/CD DOCU	31000076.563000.P0804	45.00
48995	CAN AM FABRICATIONS INC	REPAIR BACKHOE BUCKET	50100065.548000.	368.90
48996	CARR'S ACE HARDWARE	PVC CEMENT,PRIMER,QUICK COUPLG	40140580.531000.	18.04
	CARR'S ACE HARDWARE	PIPE WRENCHES,SCREWDRIVER	40140780.535000.	52.57
	CARR'S ACE HARDWARE	LOCK LUB, DENATURED ALCOHOL	40142480.548000.	11.37
48997	CASCADE COLUMBIA	DRUM RETURN REFUND	40141580.531320.	-40.00
	CASCADE COLUMBIA	SODIUM BISULFITE	40141580.531320.	250.00
48998	CASCADE NATURAL GAS	NATURAL GAS SRVC @STILLY PLANT	40141580.547000.	460.39
48999	CEMEX	CLASS B	40140480.531000.	162.19
49000	CHASE, SCOTT	UB 100830000002 4605 90TH PL N	401.122110.	122.50
49001	CITY TREASURER EVERETT WA	WATER/FILTRATION SERVICE CHRGS	40140080.533000.	80,691.68
49002	CODE PUBLISHING INC	MUNICIPAL CODE ELEC UPDATE	00101130.549000.	1,197.37
49003	COLUMBIA PAINT & COATINGS	PAINT,COVERS,BRUSH,TRAY,LINERS	00100010.531000.	52.65
49004	COMCAST	PRO SHOP TV CABLE	42047267.549000.	89.82
	COMCAST	MONTHLY BROADBAND CHARGE	50300090.531000.	169.95
49005	CONCUT, INC	ASPHALT AND CONCRETE BLADES	10110130.531000.	566.28
	CONCUT, INC		10110361.531000.	566.28
49006	CO-OP SUPPLY	SUPPLIES FOR 08 CONCERT SERIES	00105120.531060.	98.97
	CO-OP SUPPLY	PRUNER X 2	00105380.535000.	82.87
	CO-OP SUPPLY	55 GAL SPRAYER TANK	10111864.535000.	790.97
	CO-OP SUPPLY	TRIMMER LINE	40140080.535000.	28.38
	CO-OP SUPPLY	PRUNER,GARDEN HOE,GARB BAGS	40140080.535000.	35.76
49007	CORPORATE OFFICE SUPPLY	DISPOSABLE CAMERAS	501.141100.	51.75
	CORPORATE OFFICE SUPPLY	HAND SANITIZER	501.141100.	63.96
49008	JEFFREY DANNER	REFUND SECURITY DEPOSIT	001.239100.	200.00
49009	DATABASE SECURE RECORDS DESTRUCTIO	MONTHLY SHREDDER SERVICE	00100050.548000.	37.75
49010	DAY WIRELESS SYSTEMS	WITNESS FEES	00100050.549210.	86.80
49011	DEJONG LLC	RECOVERY CONTRACT #246 WATER	401.253000.	1,668.90
49012	DENNISTOUN, HEIDI	UB 020500000001 5402 86TH PL N	401.122110.	27.30
49013	DMH INDUSTRIAL ELECTRIC INC	RECONDITION PUMP MOTOR	40142480.548000.	881.83
49014	JENNY DOUGLAS	REFUND DEPOSIT FOR RENTAL	001.239100.	58.00
49015	DUNLAP INDUSTRIAL	WEEDEATER REPAIR	40140280.531000.	38.98
49016	DUTTON ELECTRIC CO., INC.	NEW LIGHTS, SWITCHES/COPY ROOM	40143410.548000.	942.45
49017	E&E LUMBER INC	CONCRETE	00105380.531000.	6.40
	E&E LUMBER INC	FASTENERS, NUTDRIVER	00105380.531000.	6.82
	E&E LUMBER INC	SANDPAPER	00105380.531000.	7.57
	E&E LUMBER INC	SWIVELS	00105380.531000.	7.57
	E&E LUMBER INC	ROLLER, PAINT TRAY, BRUSH	00105380.531000.	10.58
	E&E LUMBER INC	PRIMER	00105380.531000.	10.61
	E&E LUMBER INC	PAINT, BRUSH	00105380.531000.	19.29
	E&E LUMBER INC	BRUSH,, ROLLER, MASKING TAPE	00105380.531000.	24.25
	E&E LUMBER INC	ROLLERS, BRUSHES	00105380.531000.	27.42

**CITY OF MARYSVILLE
 INVOICE LIST**

FOR INVOICES FROM 7/17/2008 TO 7/23/2008

<u>CHK #</u>	<u>VENDOR</u>	<u>ITEM DESCRIPTION</u>	<u>ACCOUNT #</u>	<u>ITEM AMOUNT</u>
49017	E&E LUMBER INC	TARP, CONCRETE, PAIL	00105380.531000.	38.29
	E&E LUMBER INC	BRACKETS,PAINT,SAND PAPER,BOLT	00105380.531000.	82.89
	E&E LUMBER INC	DUCT TAPE,SAWHORSE SET,SCREWS	00105380.531000.	133.13
	E&E LUMBER INC	PAINT SUPPLIES & 5 GAL GAS CAN	40140680.531000.	27.72
49018	ELLSWORTH, ANTHONY & JANICE	UB 300250000000 13502 56TH DR	401.122110.	24.22
49019	ARACELI ESPARZA	REFUND DEPOSIT FOR RENTAL	001.239100.	58.00
49020	THE EVERETT CLINIC	INMATE MEDICAL CARE	00103960.541000.	270.00
49021	EVERETT STAMP WORKS	PROBABLE CAUSE STAMP	00100050.531000.	18.41
	EVERETT STAMP WORKS	SIGNATURE STAMP	00100050.531000.	31.98
	EVERETT STAMP WORKS	SIGNS	00100050.531000.	403.47
49022	EVERGREEN SECURITY SYSTEMS	FIRE/SEC MONITORING CHARGES	00101250.541000.	134.00
49023	FASTENAL COMPANY	4 LOCK STATION & ELEC LOCKOUT	40140180.535000.	222.38
49024	FEDEX	SHIPPING EXPENSE	40220594.563000.W0607	24.73
49025	FIRST BAPTIST CHURCH	REFUND SECURITY DEPOSIT	001.239100.	200.00
49026	FOREMOST PROMOTIONS	MAGNETS	001.231700.	-29.75
	FOREMOST PROMOTIONS		00103630.531000.	379.75
49027	FORSON, MARK	UB 140720000000 4008 128TH ST	401.122110.	160.79
49028	FRANK LUMBER & HARDWARE	DOORS FOR NEW OFFICES	40143780.531000.	324.64
	FRANK LUMBER & HARDWARE	DOOR FOR TATUM'S OFFICE	40143780.531000.	440.37
49029	JEFF GOLDMAN	REIMBURSE AIR FARE/LODGING/PER	00103222.549100.	707.28
49030	GRAY AND OSBORNE	PAY ESTIMATE # 19	40143410.541000.	2,351.25
	GRAY AND OSBORNE	PAY ESTIMATE # 4	40220594.563000.W0808	230.35
	GRAY AND OSBORNE	PAY ESTIMATE # 24	40220594.563000.W0504	13,957.95
49031	GREENSHIELDS INDUSTRIAL SUPPLY	HOSE CLAMPS	42047165.531920.	8.81
49032	HALSTROM & ASSOCIATES, INC.	7/08 LOBBYIST RETAINER FEE	40143410.541000.	2,080.00
49033	HARBOR FREIGHT TOOLS	HYD JACK ASSEMBLY	50100065.534000.	70.58
49034	HD FOWLER COMPANY	18 GA WIRE, TAPE, CONNECTORS	00105380.531000.	69.85
	HD FOWLER COMPANY	COUPLINGS,CAPS,WING NUTS,TEES	401.141400.	410.15
	HD FOWLER COMPANY	RESETTERS,GASKETS,COUPLINGS	401.141400.	914.70
	HD FOWLER COMPANY	PRESSURE GAUGES	40140480.531000.	197.91
	HD FOWLER COMPANY	METER BOXES,STIFFENERS,VALVE	40140580.531000.	665.30
	HD FOWLER COMPANY	TRAFFIC REPAIR KIT	40140680.531000.	136.25
	HD FOWLER COMPANY	ADAPTER W/CAP & CABLE	40140680.531000.	1,535.60
	HD FOWLER COMPANY	FIRE HYDRANT,GASKET,T-BOLT SET	40140680.531000.	2,090.35
49035	HD SUPPLY WATERWORKS, LTD	12" GASKETS	40140080.531000.	12.72
	HD SUPPLY WATERWORKS, LTD	COUPLING ADAPTER	40140080.548000.	567.81
49036	HDR ENGINEERING, INC.	PAY ESTIMATE # 16	30500030.563000.R0502	38,981.38
	HDR ENGINEERING, INC.	PAY ESTIMATE # 17	30500030.563000.R0502	85,121.05
	HDR ENGINEERING, INC.	PAY ESTIMATE # 14	40143410.541000.W0704	7,823.25
49037	HEALTHFORCE PARTNERS, INC	PRE-EMPLOYMENT EXAM	00103222.541000.	512.00
	HEALTHFORCE PARTNERS, INC	DOT PHYSICAL EXAM	40143410.541000.	54.00
49038	HEDAHL, ROBERT	UB 980142000001 5900 64TH ST N	410.122100.	32.27
49039	THERESA HENLEY	REFUND CLASS FEE	00110347.376013.	36.67
49040	HORIZON	LINE TRIMMER HEAD	42047165.548000.	42.55
49041	HOT CLUB SANDWICH	SUMMER CONCERT PERFORMER	00105120.531060.	400.00
49042	LETTIE HYLARIDES	INTERPRETER SERVICES	00102515.549000.	108.08
	LETTIE HYLARIDES		00102515.549000.	108.08
	LETTIE HYLARIDES	INTERPRETER SERVICE 'S	00102515.549000.	109.28
	LETTIE HYLARIDES	INTERPRETER SERVICES	00102515.549000.	109.28
49043	INTEGRA TELECOM	LOCAL & LD CHARGES	00100020.542000.	170.32
	INTEGRA TELECOM		00100050.542000.	146.15
	INTEGRA TELECOM		00100110.542000.	60.39
	INTEGRA TELECOM		00100310.542000.	69.37

**CITY OF MARYSVILLE
 INVOICE LIST
 FOR INVOICES FROM 7/17/2008 TO 7/23/2008**

<u>CHK #</u>	<u>VENDOR</u>	<u>ITEM DESCRIPTION</u>	<u>ACCOUNT #</u>	<u>ITEM AMOUNT</u>
49043	INTEGRA TELECOM	LOCAL & LD CHARGES	00100720.542000.	19.46
	INTEGRA TELECOM		00101023.542000.	69.14
	INTEGRA TELECOM		00101130.542000.	51.23
	INTEGRA TELECOM		00102020.542000.	382.99
	INTEGRA TELECOM		00103010.542000.	99.73
	INTEGRA TELECOM		00103121.542000.	80.13
	INTEGRA TELECOM		00103222.542000.	444.66
	INTEGRA TELECOM		00103528.542000.	22.44
	INTEGRA TELECOM		00103630.542000.	13.89
	INTEGRA TELECOM		00103960.542000.	129.43
	INTEGRA TELECOM		00104190.542000.	159.33
	INTEGRA TELECOM		00104230.542000.	24.78
	INTEGRA TELECOM		00105250.542000.	27.28
	INTEGRA TELECOM		00105380.542000.	128.39
	INTEGRA TELECOM		00143523.542000.	85.82
	INTEGRA TELECOM		10111230.542000.	90.62
	INTEGRA TELECOM		40142480.542000.	108.83
	INTEGRA TELECOM		40143410.542000.	297.31
	INTEGRA TELECOM		41046170.542000.	10.83
	INTEGRA TELECOM		42047061.542000.	48.77
	INTEGRA TELECOM		50100065.542000.	26.27
	INTEGRA TELECOM		50148058.542000.	25.09
	INTEGRA TELECOM		50200050.542000.	32.78
	INTEGRA TELECOM		50300090.542000.	99.26
49044	INTERNATIONAL FACILITY MANAGEMENT	MEMBERSHIP RENEWAL-SHEPARD	50200050.549000.	316.00
49045	BOB JASON	REFUND CLASS FEE-BROKEN ARM	00110347.376008.	31.00
49046	KELLER SUPPLY COMPANY	FAUCETS	00112572.531000.	198.61
49047	PAUL KINNEY	MEAL REIMBURSEMENT	40142080.549000.	13.62
49048	KLEARWATER	BAGS ON BOARD CANISTERS&REFILL	401.231700.	-75.74
	KLEARWATER		40145040.553100.	966.85
49049	KNOLL, INC	ENLARGE WORKSTATIONS-HR	00100310.549000.	1,827.10
49050	LAKESWOOD SCHOOL DISTRICT	08 ULTIMATE TRACK&FIELD CAMP	00105120.531090.	1,760.50
49051	LANE & ASSOCIATES, INC.	PAY ESTIMATE # 18	30500030.563000.R0301	611.55
49052	LANGUAGE EXCHANGE	INTERPRETER SERVICES	00102515.549000.	180.00
49053	LASTING IMPRESSIONS INC	9 ULT VOLLEYBALL CAMP SHIRTS	00105120.531090.	107.58
	LASTING IMPRESSIONS INC	25 MINI ULT CAMP SHIRTS	00105120.531090.	266.71
	LASTING IMPRESSIONS INC	37 ULT TRACK CAMP SHIRTS	00105120.531090.	329.67
49054	DOUG LEE	REIMBURSE FUEL/MEALS/TRAINING	00103222.531000.	53.97
	DOUG LEE		00103222.549100.	1.59
49055	NICOLE Y LEE	INTERPRETER SERVICES	00102515.549000.	110.80
49056	DEPT OF LICENSING	BARRUS, RUBY (ORIGINAL)	001.237020.	18.00
	DEPT OF LICENSING	LONGLEY, KENNETH (ORIGINAL)	001.237020.	18.00
	DEPT OF LICENSING	MOCK, JAMES (ORIGINAL)	001.237020.	18.00
	DEPT OF LICENSING	OLSON, DAVIS (RENEWAL)	001.237020.	18.00
	DEPT OF LICENSING	PEREZ, ESDRA (ORIGINAL)	001.237020.	18.00
	DEPT OF LICENSING	PHILLIPS, JAMES (RENEWAL)	001.237020.	18.00
	DEPT OF LICENSING	SALVATI, ANGELO (RENEWAL)	001.237020.	18.00
	DEPT OF LICENSING	SCHLEGEL, JOSEPH (ORIGINAL)	001.237020.	18.00
	DEPT OF LICENSING	STUBRUD, LAWRENCE (ORIGINAL)	001.237020.	18.00
49057	BARBARA LYMAN	WTR/SWR CONSERVATION REBATE	40143410.549070.	50.00
49058	CITY OF LYNNWOOD	MOTORCYCLE CLASS	00103222.549100.	40.00
49059	MACAULAY & ASSOCIATES INC	FOUR AOS'S @ \$250 EACH	30500030.563000.R0701	1,000.00
49060	JAMES MAPLES	TRAVEL REIMBURSEMENT	00103222.549100.	-108.00

**CITY OF MARYSVILLE
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49060	JAMES MAPLES	TRAVEL REIMBURSEMENT	00103222.549100.	27.85
	JAMES MAPLES		00103222.549100.	83.00
49061	JENNIFER MARTIN	REFUND DEPOSIT FOR RENTAL	001.239100.	58.00
49062	MARYSVILLE PRINTING	BUSINESS CARDS	00103222.531000.	406.88
	MARYSVILLE PRINTING	TRIFOLDED, COLOR BROCHURESX250	00105380.531000.	113.93
	MARYSVILLE PRINTING	BUSINESS CARDS-KING, TIM	40143410.531000.	113.82
	MARYSVILLE PRINTING	10 PURCHASE ORDER BOOKS	50100065.531000.	249.50
49063	MARYSVILLE SCHOOL DISTRICT #25	MMS FACILITY USAGE FEES	00105120.531091.	104.16
	MARYSVILLE SCHOOL DISTRICT #25	ALLEN CREEK FACILITY USAGE FEE	00105120.531091.	133.92
49064	CITY OF MARYSVILLE	WTR/SWR/GRB @ 6802 84TH ST NE	42047267.547000.	363.70
49065	BARABARA MC CLINTOCK	PUBLIC DEFENSE FEES	00102515.541000.	113.75
	BARABARA MC CLINTOCK		00102515.541000.	113.75
49066	SEAN MCCORMACK	REFUND CLASS FEES	00110347.376001.	465.00
49067	MCEVOY OIL CO.	DIESEL FUEL DELIVERY @ PSB	00100010.547000.	60.03
	MCEVOY OIL CO.		40143880.532000.	655.20
49068	MCI	LD CHARGES	00103530.542000.	15.68
	MCI		00103530.542000.	15.68
49069	MOTZ, DUSTY L	UB 281500210001 5721 129TH ST	401.122110.	122.15
49070	NATIONAL BARRICADE COMPANY	BARRICADE	00103222.531000.	615.85
	NATIONAL BARRICADE COMPANY		00103222.531000.	615.85
	NATIONAL BARRICADE COMPANY		00103222.531000.	615.85
	NATIONAL BARRICADE COMPANY		00103222.531000.	615.85
	NATIONAL BARRICADE COMPANY	BARRICADE W/ LIGHT	00103222.531000.	615.85
	NATIONAL BARRICADE COMPANY	SIGNS AND STANDS	10110564.531000.	38.15
	NATIONAL BARRICADE COMPANY	ARROWBOARD	10110564.531000.	207.10
49071	REGINA NEIGHBORS	REFUND CLASS FEES	00110347.376017.0812	50.75
49072	NELSON PETROLEUM	DIESEL AND GASOLINE CONSUMED	42047165.532000.	1,617.30
	NELSON PETROLEUM	15/40 OIL, HYDRAULIC OIL, TRANS	501.141100.	1,642.82
49073	NEWMAN TRAFFIC SIGNS	SIGNS FOR EVERETT PIPELINE	401.231700.	-10.86
	NEWMAN TRAFFIC SIGNS		40142480.549000.	138.67
49074	NEXXPOST LLC	CONTRACT BASE	00101023.531000.	218.00
	NEXXPOST LLC		00143523.531000.	218.00
49075	NORTHUP GROUP	PRE EMPLOYMENT EXAM	00103222.541000.	300.00
49076	NORTHWEST CASCADE INC	HONEY BUCKET	00105380.545000.	102.18
49077	NORTHWESTERN AUTO REBUILD INC	REPAIR ACCIDENT DAMAGE-RR BUMF	50100065.548000.	833.06
	NORTHWESTERN AUTO REBUILD INC	REPAIR ACCIDENT DAMAGE-LF DOOR	50100065.548000.	1,887.47
49078	VANCE P ODELL	PUBLIC DEFENSE FEES	00102515.541000.	6,000.00
49079	OFFICE DEPOT	OFFICE SUPPLIES	00100020.531000.	59.29
	OFFICE DEPOT	IDEAL INK	00100050.531000.	10.88
	OFFICE DEPOT	RECEIVED STAMP	00102020.531000.	58.30
	OFFICE DEPOT	OFFICE SUPPLIES	00102020.531000.	59.30
	OFFICE DEPOT	FILE CABINET FOR TERI'S OFFICE	00102020.531000.	321.64
	OFFICE DEPOT	CABLE	00103010.531000.	3.59
	OFFICE DEPOT	OFFICE SUPPLIES	00103010.531000.	65.09
	OFFICE DEPOT		00103010.549000.	99.49
	OFFICE DEPOT		00103222.531000.	78.96
	OFFICE DEPOT		00103960.531000.	35.00
	OFFICE DEPOT		00104190.531000.	25.00
	OFFICE DEPOT		00105120.531080.	97.87
	OFFICE DEPOT	BUTCHER PAPER-DAY CAMPS	00105120.531080.	227.82
	OFFICE DEPOT	OFFICE SUPPLIES	00105380.531000.	159.86
	OFFICE DEPOT		40142480.531000.	270.22
	OFFICE DEPOT		40143410.531000.	59.29

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49079	OFFICE DEPOT	FILE CABINET FOR TERI'S OFFICE	40143410.531000.	192.98
	OFFICE DEPOT		41046060.531000.	128.66
	OFFICE DEPOT	OFFICE SUPPLIES	50100065.531000.	9.80
	OFFICE DEPOT		50200050.531000.	9.96
49080	PACIFIC TOPSOILS INC	10 CONCRETE DUMP	10200030.541000.	120.00
	PACIFIC TOPSOILS INC	9 CONCRETE DUMP	10200030.541000.	157.50
	PACIFIC TOPSOILS INC	10 CONCRETE DUMP	10200030.541000.	175.00
	PACIFIC TOPSOILS INC		10200030.541000.	175.00
	PACIFIC TOPSOILS INC		10200030.541000.	176.00
	PACIFIC TOPSOILS INC	12 CONCRETE DUMP	10200030.541000.	210.00
	PACIFIC TOPSOILS INC		10200030.541000.	210.00
	PACIFIC TOPSOILS INC	40 CONCRETE DUMP	10200030.541000.	700.00
49081	PAPE MACHINERY	FILTER ELEMENT	501.141100.	70.19
	PAPE MACHINERY	TY15994 TOOL	50100065.534000.	54.91
	PAPE MACHINERY	BUCKET TOOTH, TOOTH, PIN	50100065.534000.	178.95
49082	THE PARTS STORE	BATTERY W/CORE CHARGE	00105380.531000.	29.28
	THE PARTS STORE	AIR FILTERS, BACKUP ALARM,TIES	501.141100.	367.47
	THE PARTS STORE	DEEZEE 3" ROUND STEP BARS	50100048.564000.0851	241.66
49083	PATCHETT, KENNETH	UB 761303570001 7723 72ND DR N	401.122110.	103.83
49084	POSITIVE PROMOTIONS INC	BOOKMARKS	001.231700.	-14.83
	POSITIVE PROMOTIONS INC		00103630.531000.	189.28
49085	PUD NO 1 OF SNOHOMISH COUNTY	ACCT #418-001-612-5	00100010.547000.	2,885.56
	PUD NO 1 OF SNOHOMISH COUNTY	ACCT #557-001-739-1	00105380.547000.	121.13
	PUD NO 1 OF SNOHOMISH COUNTY	ACCT #308-001-598-9	00105380.547000.	343.56
	PUD NO 1 OF SNOHOMISH COUNTY	ACCT #348-001-954-0	00105380.547000.	388.17
	PUD NO 1 OF SNOHOMISH COUNTY	ACCT #308-001-505-4	00105380.547000.	625.83
	PUD NO 1 OF SNOHOMISH COUNTY	ACCT #490-001-155-4	00112572.547000.	2,659.09
	PUD NO 1 OF SNOHOMISH COUNTY	ACCT #690-001-250-8	10110463.547000.	1,522.84
	PUD NO 1 OF SNOHOMISH COUNTY	ACCT #660-001-330-1	10110463.547000.	1,827.93
	PUD NO 1 OF SNOHOMISH COUNTY	ACCT #670-001-300-3	10110463.547000.	10,251.49
	PUD NO 1 OF SNOHOMISH COUNTY	ACCT #528-001-292-2	10110564.547000.	56.05
	PUD NO 1 OF SNOHOMISH COUNTY	ACCT #968-001-439-7	10111864.547000.	77.39
	PUD NO 1 OF SNOHOMISH COUNTY	ACCT #557-001-738-3	10111864.547000.	121.28
	PUD NO 1 OF SNOHOMISH COUNTY	ACCT #543-001-066-9	40140180.547000.	29.95
	PUD NO 1 OF SNOHOMISH COUNTY	ACCT #493-001-113-7	40140180.547000.	246.22
	PUD NO 1 OF SNOHOMISH COUNTY	ACCT #401-001-485-2	40140180.547000.	2,865.62
	PUD NO 1 OF SNOHOMISH COUNTY	ACCT #224-078-532-5	40141580.547000.	2,045.57
	PUD NO 1 OF SNOHOMISH COUNTY	ACCT #300-001-899-8	40142280.547000.	36.97
	PUD NO 1 OF SNOHOMISH COUNTY	ACCT #381-001-187-8	40142480.547000.	95.06
	PUD NO 1 OF SNOHOMISH COUNTY	ACCT #400-001-036-5	40142480.547000.	717.05
	PUD NO 1 OF SNOHOMISH COUNTY	ACCT #370-002-191-2	40142480.547000.	5,929.71
	PUD NO 1 OF SNOHOMISH COUNTY	ACCT #461-029-794-9	40142480.547000.	6,959.17
	PUD NO 1 OF SNOHOMISH COUNTY	ACCT #447-001-040-8	40142480.547000.	19,594.92
	PUD NO 1 OF SNOHOMISH COUNTY	ACCT #529-001-155-9	40143780.547000.	1,302.16
	PUD NO 1 OF SNOHOMISH COUNTY	ACCT #289-075-529-7	40143780.547000.	1,307.71
	PUD NO 1 OF SNOHOMISH COUNTY	ACCT #416-001-067-6	40143780.547000.	2,076.60
49086	PUGET SOUND SECURITY	2 KEYS CUT TO BE USED AT PS	00100010.531000.	4.23
	PUGET SOUND SECURITY	DUPLICATE KEY MADE #P951	00103222.531000.	6.40
	PUGET SOUND SECURITY	KEYS	42047165.549000.	19.67
49087	R&D PARK CREEK LLC	RECOVERY CONTRACT #253 SEWER	401.253000.	880.22
49088	R&R PRODUCTS INC	2 CYCLE OIL	42047165.548000.	106.23
	R&R PRODUCTS INC	PIPE REPAIR SYSTEM	42047165.548000.	303.96
49089	RADIOSHACK	JAIL PHONE	50300090.531000.	23.85

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49090	RENTAL MANAGEMENT CO	UB 24999999200 10506 57TH DR	401.122110.	51.02
49091	ELLYN RITCHOTTE	REFUND DEPOSIT FOR RENTAL	001.239100.	58.00
49092	RIVER OAKS COMMUNICATIONS CORP	VERIZON FRANCHISE PROJECT	00100720.541000.	5,649.00
	RIVER OAKS COMMUNICATIONS CORP		00100720.541000.	7,348.25
49093	RANDY SCHOOLCRAFT	REIMBURSE MEAL	40142080.549000.	14.00
49094	JEFF SEIBERT	REIMBURSE MEALS/TRAVEL	00100060.543000.	197.52
49095	MARK SHELL	REFUND DEPOSIT FOR RENTAL	001.239100.	58.00
49096	TERRY SIMON	PRO-TEM SERVICES	00100050.541000.	370.00
49097	SIMPLOT PARTNERS	FAIRWAY FERTILIZER	42047165.531900.	1,895.71
49098	MICHAEL SIMPSON	REFUND DEPOSIT FOR RENTAL	001.239100.	58.00
49099	SNO CO PUBLIC WORKS	WOOD DEBRIS DUMP FEE	00105380.545010.	18.00
	SNO CO PUBLIC WORKS		00105380.547000.	43.00
	SNO CO PUBLIC WORKS	SOILD WASTE DISPOSAL FEES	41046060.551000.	103,381.00
49100	SOUND PUBLISHING INC	ACCT # 88522147 LEGAL AD'S	00101130.549000.	143.68
49101	SOUND SAFETY PRODUCTS CO INC	EARPLUGS,GOGGLES,GLOVES	501.141100.	147.98
49102	SPECIALTY CIGARS INT'L INC	CIGARS	420.141100.	307.50
49103	SPRINGBROOK NURSERY	TOPSOIL	00105380.531000.	15.60
	SPRINGBROOK NURSERY	BARK AND TOPSOIL	00105380.531000.	338.94
49104	SQUAD-FITTERS	CREDIT SHIPPING CHARGES	00103222.531000.	-10.00
	SQUAD-FITTERS	SIREN COVER,SPEAKER TIP,PATCH	00103222.531000.	267.02
49105	STATE AVENUE PLAZA, LLC	MONTHLY LEASE PYMT 1015 STATE	00101250.545000.	28,000.00
49106	SUNSET BOULEVARD PROPERTY LLC	RECOVERY CONTRACT # 253	401.253000.	880.22
49107	EMEREN SUTOR	REFUND DEPOSIT FOR RENTAL	001.239100.	58.00
49108	TAB NORTHWEST	BUCKETS AND LABELS	00100050.531000.	115.16
49109	TITLEIST	TITLEIST HATS	420.141100.	124.01
49110	LORRIE TOWERS	PRO-TEM SERVICES	00100050.541000.	1,300.00
	LORRIE TOWERS		00100050.541000.	2,400.00
49111	TRAFFIC SAFETY SUPPLY CO INC	QWIK PUNCHES,POST ANCHORS,BOLT	10111864.531000.	10,675.05
49112	DEPT OF TRANSPORTATION NW REGION	PROJECT MANAGEMENT FEB 2008	30500030.563000.R0301	179.21
	DEPT OF TRANSPORTATION NW REGION	PROJECT MANAGEMENT MAY 08	30500030.563000.R0301	299.61
49113	TRAVEL ADVANCE FUND	DOUG LEE-ADVANCED MOTORS CLAS	00103222.549100.	108.00
49114	UNITED PARCEL SERVICE	SHIPPING EXPENSE	00103121.542000.	32.66
	UNITED PARCEL SERVICE		00103222.542000.	128.65
49115	UNITED PIPE & SUPPLY INC	6" PVC FLANGE	40140180.531000.	83.76
49116	UNITED RENTALS	12 PR SAFETY GLASSES	00105380.526000.	28.52
	UNITED RENTALS	AIR HOSE GASKET	10111230.548000.	13.02
	UNITED RENTALS	SPARK PLUGS	50100065.534000.	16.29
49117	UTILITIES UNDERGROUND LOCATION CTR	EXCAVATION NOTIFICATION 06/08	40141180.541000.	408.00
49118	VALDEZ, NATALIA & LEIMBECH, ZACHARIA	UB 24999999200 10506 57TH DR	401.122110.	210.78
49119	ADAM VEACH	DT INSTRUCTOR COURSE	00103960.549100.	186.28
49120	VERIZON NORTHWEST	ACCT #03027404449227007	00100050.542000.	276.58
	VERIZON NORTHWEST	ACCT #030211107449353300	00100050.542000.	698.98
	VERIZON NORTHWEST	ACCT #03027404449227007	00100310.531000.	41.25
	VERIZON NORTHWEST	ACCT #030274109471572710	00103121.542000.	64.36
	VERIZON NORTHWEST	ACCT #108778831503	00104000.542000.	75.45
	VERIZON NORTHWEST	ACCT #109778831810	00104000.542000.	75.45
	VERIZON NORTHWEST	ACCT #11092686355 01	00104000.542000.	93.05
	VERIZON NORTHWEST	ACCT #102857559902	00112572.542000.	103.23
	VERIZON NORTHWEST	ACCT #102778795907	40143410.542000.	60.38
49121	VERIZON	ACCT #0064811477782	40143410.542000.	79.99
49122	WAXIE SANITARY SUPPLY	JANITORIAL SUPPLIES	00105380.531400.	268.39
	WAXIE SANITARY SUPPLY		00105380.531400.	615.11
49123	LOREN R. WAXLER	PUBLIC DEFENSE FEES	00102515.541000.	187.50

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49123	LOREN R. WAXLER	PUBLIC DEFENSE FEES	00102515.541000.	277.50
	LOREN R. WAXLER		00102515.541000.	315.00
	LOREN R. WAXLER		00102515.541000.	405.00
	LOREN R. WAXLER		00102515.541000.	412.50
49124	WELCOME COMMUNICATIONS	NI CAD TWO WAY BATTERY	00103222.531000.	416.75
49125	WENTLANB, MICHAL & BRENDA	UB 767920000000 7920 61ST PL N	401.122110.	308.51
49126	WIDENER & ASSOCIATES	27TH AVE NE EXT WETLAND DELINE	00100020.541000.	3,406.90
49127	WILBUR-ELLIS	GREENS FUNGICIDE	42047165.531930.	1,079.72
WARRANT TOTAL:				<u>641,419.80</u>
LESS VOIDS				
	CHECK # 45365	INITIATOR ERROR		(778.28)
	CHECK # 48792	INITIATOR ERROR		(5072.38)
	CHECK # 48819	WRONG VENDOR		(65.21)
	CHECK # 48879	INITIATOR ERROR		(5.85)
				<u>635,498.08</u>

REASON FOR VOIDS:

- INITIATOR ERROR
- WRONG VENDOR
- CHECK LOST IN MAIL

CITY OF MARYSVILLE

EXECUTIVE SUMMARY FOR ACTION

CITY COUNCIL MEETING DATE: July 28, 2008

AGENDA ITEM: Payroll	AGENDA SECTION:
PREPARED BY: Sandy Langdon, Finance Director	AGENDA NUMBER:
ATTACHMENTS: Blanket Certification	APPROVED BY: 
	MAYOR CAO
BUDGET CODE:	AMOUNT:

RECOMMENDED ACTION:

The Finance and Executive Departments recommend City Council approve the July 18, 2008 payroll in the amount \$754,618.49 Check No.'s 20074 through 20152.

COUNCIL ACTION:

CITY OF MARYSVILLE

EXECUTIVE SUMMARY FOR ACTION

CITY COUNCIL MEETING DATE: July 28, 2008

AGENDA ITEM: Solid Waste Study	AGENDA SECTION: New Business	
PREPARED BY: Mary Swenson, Sandy Langdon, Kevin Nielsen	AGENDA NUMBER:	
ATTACHMENTS: Solid Waste Utility Financial Plan and Rate Study Future Solid Waste Program Alternative Presentation	APPROVED BY:	
	MAYOR	CAO
BUDGET CODE:	AMOUNT:	

The Solid Waste Utility periodically reviews the rates of the utility for revenue to expense coverage. During this period’s review many future factors were on the horizon that was incorporated in the review. These factors include upcoming annexations and growth.

When an annexation occurs the Solid Waste Utility has seven years before servicing the annexation. This time frame is mandated through the Revised Code of Washington to allow for private solid waste collection to prepare for the change.

In the next six years the Solid Waste Utility will be faced with absorbing annexations, which are expected to add approximately 20,000 people to the city’s current population. When coupled with customer growth in existing service areas, this poses a significant impact on the solid waste operation. Growth of this magnitude and immediacy will require relatively large capital investments over a short period.

With such growth, the idea of evaluating alternatives would be a prudent business decision.

RECOMMENDED ACTION: Authorize Executive staff to proceed with evaluating future solid waste program alternatives through the Request for Qualification process.
COUNCIL ACTION:

City of Marysville
Public Works

Final Report for

SOLID WASTE
UTILITY
FINANCIAL PLAN
AND RATE STUDY

February, 2008

CONSULTING SERVICES PROVIDED BY:



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Redmond, WA 98052
T: 425.867.1802
F: 425-867-1937



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SECTION 1

STUDY FRAMEWORK

1.A. Introduction

The City of Marysville (City) has engaged FCS GROUP to complete a solid waste utility financial plan and rate study. The rate study was undertaken to assist the City in evaluating the sufficiency of existing funding to meet current and future solid waste financial obligations.

The solid waste utility is faced with absorbing annexations in the next six years which are expected to add approximately 20,000 people to the city's current population. When coupled with customer growth in existing service areas, this poses a significant impact on the solid waste operation. Growth of this magnitude and immediacy will require relatively large capital investments (solid waste trucks and a building designed to house the solid waste fleet) over a short period. It will also increase the costs of operating and maintaining the utility as a whole, as more collectors will need to be hired to service the additional customers and a larger fleet will have larger maintenance and replacement costs. General and administrative costs will increase as a result of the additional time and effort required to manage the larger customer base and team of employees. The goal of this study is to incorporate the growth-related operational impact into a comprehensive forecast of the utility's financial situation, distribute costs to solid waste customers in an equitable manner, and ultimately provide benchmarks that allow the City to monitor the effectiveness of the utility over time.

1.B. Scope of Work

The solid waste financial plan and rate study is intended to develop a multi-year financial plan that will identify the required changes to existing rates that will allow the City to meet the solid waste utility financial obligations. The rate element of the study will identify an equitable allocation of cost shares to each customer of the City based on the demands placed on utility resources. This process results in cost-based user rates.

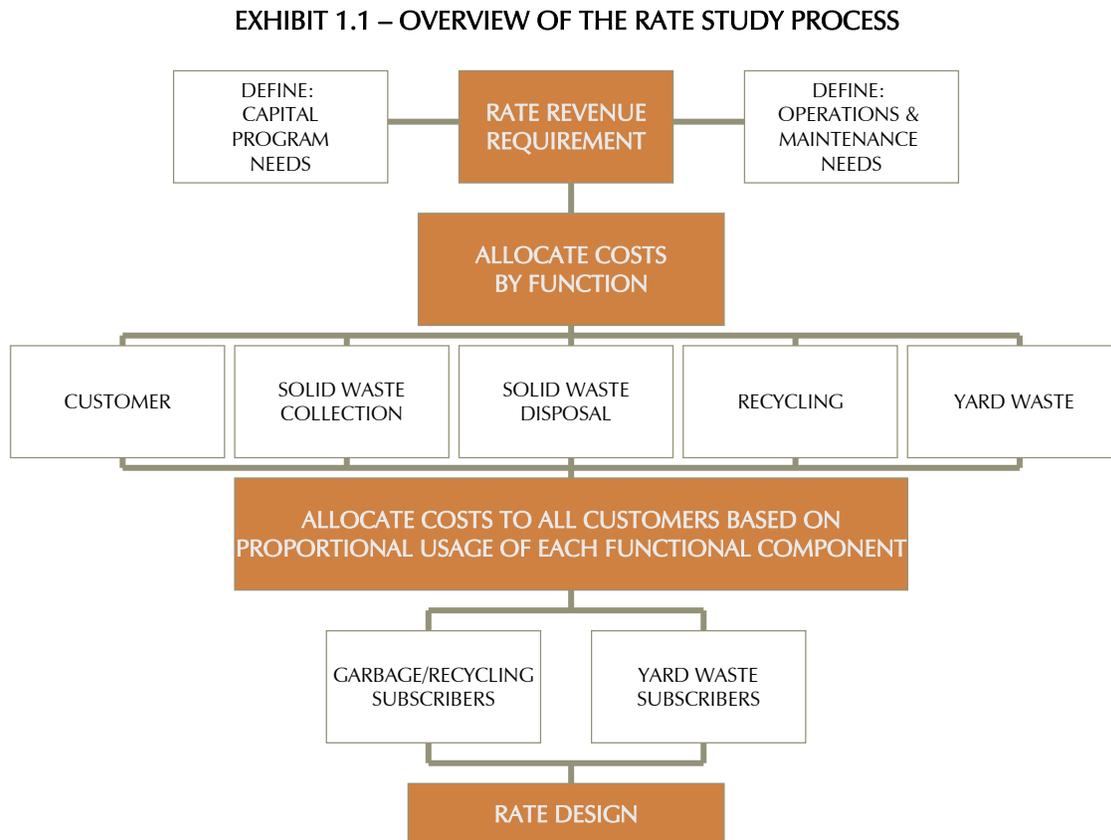
The scope of the project includes the following elements:

- ◆ Develop a multi-year financial plan (revenue requirement)
- ◆ Complete a cost-of-service analysis to allocate costs to each customer class based on the proportional use of utility resources
- ◆ Design rates to capture the required revenue stream
- ◆ Develop key indicators to monitor future utility financial performance against the industry
- ◆ Present study process, assumptions and recommendations to the city in a final presentation

These scope elements are addressed throughout each phase of the work described in this report.

1.C. Rate Study Process

The rate study process includes performing two fundamental analyses: a Revenue Requirements Analysis and a Cost-of-service Rate Analysis. Exhibit 1.1 contains a graphical overview of the rate study process.



The following section provides an overview of the major analytical methods employed by FCS GROUP to complete this work.

REVENUE REQUIREMENTS ANALYSIS

A revenue requirement analysis forms the basis for a long-range financial plan. It also enables the City to set utility rate structures that are rooted in the “costs-of-service” and which fully recover the total costs of operating the solid waste utility: capital improvement and replacement, operations, maintenance, general/administrative, fiscal policy attainment, cash reserve management, and debt repayment. Linking utility rate levels to a financial plan such as this helps to enable sound financial performance for the City’s solid waste utility as well as a clear and reasonable relationship between the costs imposed on utility customers and the costs incurred to provide them service.

When FCS GROUP conducts a revenue requirements analysis, a financial plan is developed that includes the following core elements, which together form a comprehensive portrayal of the utility’s financial obligations:

- ♦ **Operating Forecast** – Identifies future on-going costs of the solid waste operation such as administration, collection, disposal, fleet maintenance and replacement, and maintenance of

minimum reserve levels.

- ♦ **Capital Program** – Integrates the capital and debt service (if any) requirements of the utility into the operating forecast and defines a strategy for optimizing funding, including an analysis of available resources from unrestricted cash reserves and outstanding “interfund” loans out to the golf course.

From this foundation, utility rate structures can be adjusted to meet the defined annual and long-term funding targets as well as the City’s rate-setting objectives.

COST-OF-SERVICE RATE ANALYSIS

The purpose of a cost-of-service analysis is to provide a rational basis for distributing the full costs of utility service to each class of customers in proportion to the distinct demands they place on utility resources. Detailed customer statistics from the City’s billing system along with tonnage and route information help to sharpen the degree of equity that can be achieved in allocating cost shares to customers.

The cost-of-service analysis includes the following components:

- ♦ **Functional Cost Allocation** – Apportions the annual revenue requirement for a selected test year based on known or assumed cost relationships.
 - **Customer.** Costs associated with providing service to customers, such as billing, are included in this category. These costs are generally associated with the number of accounts or customers.
 - **Collection.** Costs associated with the collection of solid waste, including collector salaries and fleet costs.
 - **Disposal.** Costs associated with the direct disposal of solid waste, including tipping fees and fleet costs.
 - **Recycling.** Costs incurred via the contract with Waste Management for the collection of recycling.
 - **Yard Waste.** Costs incurred via the contract with Waste Management for the collection of yard waste.
- ♦ **Customer Classification & Cost Allocation** – Allocates functional cost pools to customer classes based on their unique demands as defined by utility planning documents, industry standards, and identified tonnage contribution (from analysis of billing data and route pages). Identifies shifts in cost recovery by customer class from that experienced under the existing rate structure. Determines the amount of revenue to be recovered from each class of customer, linked to a proportionate share of costs required to serve their demand (i.e., an equitable distribution of costs).
- ♦ **Unit Cost Determination** – Calculates the unit costs of service by customer class, laying the groundwork for how costs will be applied in the rate structures.
- ♦ **Rate Design** – Develops proposed rates that link the cost recovery to cost-based or incentive-based rates. The overall objective is to recover the appropriate amount of revenue from each class and to recover the total revenue necessary to fully fund the utility, while creating policy-driven incentives chosen by the city to reach unique operational objectives (such as the Snohomish County Comprehensive Solid Waste Management Plan goal to divert 50% of total tonnage from the waste stream).

Each of the major rate study elements discussed above was completed as part of the study for the City. Each study element's assumptions, findings and recommendations will be addressed in this report.

SECTION 2

REVENUE REQUIREMENTS

2.A. Introduction

The revenue requirement identifies the total solid waste program cost and evaluates the sufficiency of current City revenue levels to meet future operations, maintenance and capital program costs. Currently, the City's solid waste utility is sustained mainly by rate revenue from its solid waste collection service charges and yard waste charges.

- ◆ ***Solid waste collection service charges:*** These charges are collected from all customers that subscribe to solid waste service from the city. These customers use city-owned “toters” (cans) and containers, ranging in size from 20-gallons to 8 yards (cubic) in capacity, and customers are differentiated on the rate schedule based on the size of their container and frequency of pickup. Because recycling service is included with garbage service, solid waste collection charges are designed to pay for the cost of the recycling contract with Waste Management, Inc. as well as the cost of solid waste collection by the City. All city residents are required to subscribe to this service.
- ◆ ***Yard waste charges:*** Customers that choose to subscribe to the optional yard waste service are charged based on the number of 96 gallon cans they use. Currently, cans in addition to the initial one are provided at a discount per city policy. Waste Management provides this service and bills the city a flat fee per can collected. The City charges an independently-established rate to customers subscribing to this service.
- ◆ ***Unrestricted funding sources:*** The City has made clear its intention to use cash reserves to fund capital projects when available. These cash reserves include outstanding loan balances out to other government programs. Also, the City has pursued and continues to pursue Department of Ecology (DOE) grant funding when available to offset costs associated with its recycling effort.

The three main funding sources discussed above serve to generate the revenue required to meet the City's total solid waste program costs. This revenue requirement focuses on identifying the total costs and evaluating the sufficiency of the funding sources directed towards meeting them. The methodology and key assumptions used in the development of the revenue requirements are discussed below in further detail.

2.B. Annexations

Over the next several years, the large annexations scheduled for solid waste service will have a significant impact on both the revenues and expenses of the solid waste utility. Annual expenses will increase dramatically due to the operational and administrative impact posed by the annexations. This necessitates a higher minimum fund balance to maintain a healthy operating reserve. Additional routes will require the purchase of additional solid waste trucks, and because the achievement of a higher minimum fund balance

effectively makes less cash available for capital purchases, some of the capital cost of the new trucks and/or solid waste building may need to be recovered through rates. Since all of these ancillary impacts result directly from the schedule and magnitude of the services provided to the annexations, the annexation schedule is shown in Exhibit 2.2.

EXHIBIT 2.2 – ANNEXATION SCHEDULE AND ROUTE IMPACTS¹

Seven-Year Projected Annexation Schedule, Estimated Total Can and Container Growth, and Resulting Route Impacts								
	Dec. 2006	2007	2008	2009	2010	2011	2012	2013
Residential Dwelling Units Added	0	300	58	100	400	173	1,707	4,326
Commercial Units Added	0	50	1	0	0	0	52	0
Total Cans	8,720	9,191	9,425	9,706	10,298	10,670	12,612	17,260
Total Containers	697	761	777	791	806	822	890	907
Projected Can Routes	2.6	2.7	2.8	2.9	3.1	3.2	3.8	5.2
Projected Container Routes	1.7	1.8	1.8	1.9	1.9	2.0	2.1	2.2
Total Projected Routes	4.3	4.6	4.7	4.8	5.0	5.1	5.9	7.3

It is assumed that one can will be added for each annexed residential dwelling unit, and that one container will be added for each annexed commercial unit. In addition, normal growth is also expected to take place at a rate of 1.9% per year. The annual number of total cans and containers is projected according to these assumptions. Then, the annual total number of cans and containers is converted into the annual total number of routes. Because a container takes more time to collect than a can, the route impact of each added container is more significant than that of each added can. Establishing an estimate for the number of total routes is necessary to understand exactly how many trucks and collectors will be required to serve all solid waste customers.

Because much of the analysis related to the annexation impact is based on this schedule, it may be useful to refer back to Exhibit 2.2 throughout the course of the report to provide a reference to the impetus behind cost and revenue increases.

2.C. Revenue Requirement

2.C.1. Total Uses

All utility costs are based on budgeted 2007 figures with the exception of the Waste Management Contract expense. For this expense a projection is used instead, which is based on the actual 2006 Waste Management Contract expense². With these 2007 expenses in place, the operating forecast then applies a schedule of escalation factors to establish future needs. Because customer growth has a direct effect on route size and total tonnage, many of the expenses of the solid waste utility should be closely related to estimated customer growth. Pursuant to this objective, the analysis uses City-approved factors which apply specific annual cost-escalation rates to City expenses. A detailed listing of the escalation factors applied to utility expenses can be found in the appendix. There are a few instances where the projections for the O&M expenses are uniquely

¹ Collection efficiency developed by reviewing the actual rate of pickup per hour for 100% can routes (83.6 per hour) and 100% container routes (10.5 per hour). This is used to convert the total number of cans and containers into an estimate of the number of routes, assuming 40 hours of weekly availability for each truck.

² The contract with Waste Management for recycling and yard waste is forecasted based on a combination of factors. The 2006 actual WM rates for recycling and yard waste are escalated into future years based on the annual rate increases scheduled by WM (80% of Seattle CPI). These rates are then charged through to the solid waste can customer base, with an additional provision that accounts for the multifamily recycling program.

modified to capture information about future program needs and cost increases, including:

- ◆ Fleet replacement and O&M are both tied directly to projections for necessary fleet size, which are adjusted in discrete increments that are expected to accompany fleet investment. It is expected that one truck will need to be purchased by the solid waste utility in 2010, and another in 2013. This does not include any trucks purchased for replacement by Fleet Services.
- ◆ Snohomish County tipping fees are increased by 10 percent in 2008 in addition to the conventional projection because of information acquired from the Snohomish County Principal Planner.
- ◆ Additional funds required to meet the minimum balance policy are included in the solid waste Operations Expenses. This policy is explained in more detail in section 2.C.4.
- ◆ Operations labor costs are assumed to increase with the number of routes. Because three collectors will need to be hired over the course of the projection period, operations salary and benefit expenses are going to increase in a manner roughly proportional to that of the route burden.
- ◆ Customer labor costs are assumed to increase with the size of the account base. It is assumed that since general and administrative positions deal primarily with customers through account contacts, that their time spent will increase in a manner roughly proportional to that of the account burden.
- ◆ While no assumption is made regarding the cost of implementing more rigorous complaint tracking processes that are recommended as a part of the Efficiency Review, the escalation factors applied to the customer service labor costs are likely conservative and so leave room for consideration of this policy objective (see technical appendix for further detail on line-item escalators).

The O&M uses can be expressed in four major categories: 1) Solid Waste Operations Expenses (including Snohomish County tipping fees), 2) Solid Waste Customer Expenses, 3) Recycling/Yard waste expenses, and 4) Garbage and Refuse Expenses. Although the financial plan was developed through year 2020, the focus of the analysis was the 2007 through 2013 period. The two years 2014 and 2016 have also been shown to give an idea of future cost trends. Exhibit 2.2 provides a summary of the total uses over the next 10-year period. Additional detail is provided in the Appendix.

EXHIBIT 2.2 – SUMMARY OF COSTS

COSTS	2007	2008	2009	2010	2011	2012	2013	2014	2016
Solid Waste Operations Expenses	\$1,392,642	1,560,751	1,677,551	1,989,632	2,134,440	2,596,762	3,750,327	4,324,849	3,921,626
NCRTS Tipping Fees	\$1,250,000	1,409,431	1,450,288	1,534,156	1,587,660	1,865,458	2,509,916	2,557,605	2,655,717
Solid Waste Customer Expenses	\$338,572	370,660	407,253	459,038	507,101	630,255	889,828	969,447	1,150,784
Recycling & Yard Waste Expense	\$837,245	932,387	988,361	1,078,760	1,150,444	1,396,326	1,959,185	2,055,850	2,263,754
Garbage and Refuse Expense	<u>\$7,624</u>	<u>7,853</u>	<u>8,088</u>	<u>8,331</u>	<u>8,581</u>	<u>8,838</u>	<u>9,103</u>	<u>9,377</u>	<u>9,948</u>
Total Expenses	\$3,826,083	\$4,281,081	\$4,531,543	\$5,069,917	\$5,388,225	\$6,497,639	\$9,118,359	\$9,917,127	\$10,001,829

Of the total 2007 forecasted expenses, approximately 36% are operating expenses (excluding tipping fees), 33% are tipping fees, 9% are customer expenses, and 22% are Waste Management contract expenses.

2.C.2. Total Sources

The anticipated revenue sources from the collection service charges were forecasted based on the number of existing solid waste utility customers plus the projected growth. Assumed growth to the utility incorporates annexations and ongoing build-out within the expanding city limits.

In addition to the collection service charge revenue, the City receives some additional revenue from interest

income, garbage tag revenue, and penalties. The majority (98%) of revenue used to meet the total uses of the solid waste utility comes from collection service charges. Exhibit 2.3 summarizes the total annual revenue sources available to meet O&M uses.

EXHIBIT 2.3– SUMMARY OF REVENUE SOURCES³

SOURCES	2007	2008	2009	2010	2011	2012	2013	2014	2016
Collection Service Revenues (no increases)	\$ 3,905,805	4,003,609	4,119,668	4,357,901	4,509,883	5,298,992	7,129,632	7,265,095	7,543,791
Other Revenue	\$ 80,000	99,868	97,348	98,455	90,464	63,414	78,130	69,716	118,323
Total Revenue	\$3,985,805	\$4,103,477	\$4,217,016	\$4,456,356	\$4,600,347	\$5,362,406	\$7,207,762	\$7,334,810	\$7,662,114

2.C.3. Summary of Total Revenue Requirements

After forecasting all of the financial obligations facing the solid waste utility, the costs are compared to forecasted revenue sources – comprised primarily of collection service charges – at current rate levels. If these uses exceed available revenue sources, a rate increase is required to fully fund the total O&M costs of the utility. Exhibit 2.4 provides a snapshot of the annual revenue requirements and calculated rate increases, with full detail provided in the Appendix. This snapshot was used to capture the time-period in which the City’s recent and scheduled annexations are going to be incorporated into the solid waste utility account base. The 2008 required rate increase is designed for implementation in July 2008.

EXHIBIT 2.4 – SUMMARY OF REVENUE REQUIREMENTS

	2007	2008	2009	2010	2011	2012	2013	2014	2016
Sources:									
Collection Service Revenues (no increases)	\$3,905,805	4,003,609	4,119,668	4,357,901	4,509,883	5,298,992	7,129,632	7,265,095	7,543,791
Other Revenue	\$80,000	99,868	97,348	98,455	90,464	63,414	78,130	69,716	118,323
Total Revenue	\$3,985,805	4,103,477	4,217,016	4,456,356	4,600,347	5,362,406	7,207,762	7,334,810	7,662,114
Costs:									
Solid Waste Operations Expenses	\$1,392,642	1,560,751	1,677,551	1,989,632	2,134,440	2,596,762	3,750,327	4,324,849	3,921,626
NCRTS Tipping Fees	\$1,250,000	1,409,431	1,450,288	1,534,156	1,587,660	1,865,458	2,509,916	2,557,605	2,655,717
Solid Waste Customer Expenses	\$338,572	370,660	407,253	459,038	507,101	630,255	889,828	969,447	1,150,784
Recycling & Yard Waste Expense	\$837,245	932,387	988,361	1,078,760	1,150,444	1,396,326	1,959,185	2,055,850	2,263,754
Garbage and Refuse Expense	\$7,624	7,853	8,088	8,331	8,581	8,838	9,103	9,377	9,948
Total Expenses	\$3,826,083	4,281,081	4,531,543	5,069,917	5,388,225	6,497,639	9,118,359	9,917,127	10,001,829
Cash Test Revenue Surplus/ (Deficiency)	\$159,722	(177,605)	(314,527)	(613,561)	(787,878)	(1,135,233)	(1,910,597)	(2,582,317)	(2,339,715)
Required Rate Adjustment (cumulative)	-4.09%	4.44%	7.63%	14.08%	17.47%	21.42%	26.80%	35.54%	31.02%
Proposed Rate Adjustment (annual)	0.00%	4.70%	6.39%	6.08%	3.04%	3.76%	5.85%	Revisit	Revisit

The revenue requirement evaluation yields a deficit in 2008 and beyond. The deficit ranges from \$177,605 (4.4% of rate revenue) in 2008 to \$1,910,597 (26.8% of rate revenue) in 2013.

In order to more practically satisfy the revenue requirements shown in Exhibit 2.4, it is possible to apply a strategy to the annual rate increases in order to eliminate large annual impacts on rate payers and plan for future expenditures. The proposed rate transition strategy is shown in Exhibit 2.5.

EXHIBIT 2.5 – PROPOSED RATE TRANSITION PLAN

Policy-Driven Rate Adjustment Strategy	2007	2008	2009	2010	2011	2012	2013	2014	2016
Proposed Rate Adjustment (annual)	0.00%	5.50%	5.50%	5.50%	5.50%	5.50%	5.50%	Revisit	Revisit

³ Other revenue includes interest. In 2007, the budgeted interest amount is used. In 2008 thereafter, the interest calculation is based on the total balance of cash invested, including the outstanding golf course loan balance.

During and after the projection period, it is imperative that a regular evaluation of the total operations and maintenance requirements be completed. The revenue and expenditure projections are highly dependent on the growth assumptions outlined previously. Any major shift in the growth assumptions used will warrant an update to ensure revenues remain sufficient to meet all O&M obligations.

2.C.4. Fiscal Policies

In developing the financial plan underlying the recommended rate structures, FCS GROUP has assumed the attainment of certain recommended fiscal policies. The purpose of establishing fiscal policies for the City's solid waste utility is to promote the financial integrity and stability of the utility and help ensure the sustainability of essential utility services. In this study, we have presumed the following fiscal policy achievements:

Operating Fund (Fund 410)

The operating fund of the City includes outstanding interfund loan balances (golf course loans) as well as cash invested in state investment pools. Any cash flow surplus or deficiency will be added or subtracted from this fund if rate action is not taken. A minimum fund balance has been established at 60 days of annual operating expenses for the fund.

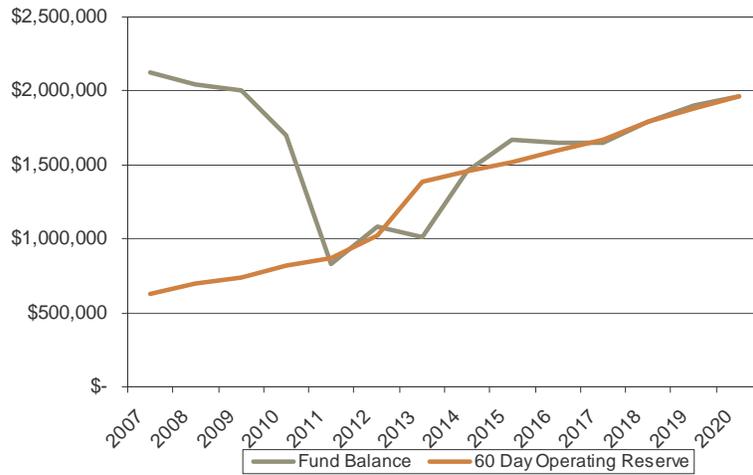
Other key issues associated with the solid waste fund are as follows:

- ◆ All capital projects will be paid for with cash from the fund balance to the extent possible. This includes the solid waste fleet building scheduled for 2011, any trucks purchased to handle the expansion of the utility due to customer growth, and new cans that need to be purchased to serve new customers. The analysis assumes temporary violations of the 60-day minimum fund balance policy to make some of these capital investments in order to smooth out the long-term rate forecast.
- ◆ All invested fund holdings are assumed to earn the Local Government Investment Pool (LGIP) rate of return, which is forecasted at 3.5% annually per city direction.
- ◆ Utility replacement policy applies to all current and future trucks, and is consistent with utility policy as described by the public works fleet services manager and the city finance director. The annual replacement expense for the utility is expected to increase with 3% inflation in conjunction with fleet size.
- ◆ Any trucks purchased as part of the fleet services replacement program are assumed to be purchased by fleet services and present no *initial* capital cost to the solid waste utility.

As a reference point, the ending fund balance is roughly \$2.1 million in 2007 and is projected to be about \$1.6 million by 2016. All draws on the fund balance in the interim are due to cash-funded capital projects. Exhibit 2.6 shows a projection of the solid waste fund annual ending balance relative to a sixty-day operating reserve.

Additional detail regarding the solid waste fund balance is provided in the Appendix.

EXHIBIT 2.6 – SUMMARY OF THE SOLID WASTE PROGRAM ENDING FUND BALANCE



Using the proposed rate transition plan allows the fund balance to move closely with the 60-day minimum balance requirement without any spikes in rates. Under this plan, the fund balance does temporarily drop below this minimum balance requirement because of the large capital investments that need to be made during the projection period. However, after the annexations have been incorporated into the solid waste operation, rates will be set at a level sufficient to provide for ongoing operations and satisfaction of the 60-day policy objective.

2.C.5. Base Case Comparison

In order to illustrate the sensitivity of the rate effect caused by the annexation assumptions, it is helpful to look at the revenue requirements under normal growth (without the annexations), as shown in Exhibit 2.7:

EXHIBIT 2.7 – SUMMARY OF REVENUE REQUIREMENTS (NO ANNEXATIONS)

	2007	2008	2009	2010	2011	2012	2013	2014	2016
Sources:									
Collection Service Revenues (no increases)	\$3,905,805	3,980,015	4,055,636	4,132,693	4,211,214	4,291,227	4,372,760	4,455,843	4,626,773
Other Revenue	<u>\$80,000</u>	<u>99,717</u>	<u>97,497</u>	<u>97,734</u>	<u>97,969</u>	<u>66,685</u>	<u>66,912</u>	<u>67,133</u>	<u>58,218</u>
Total Revenue	\$3,985,805	4,079,732	4,153,132	4,230,427	4,309,183	4,357,912	4,439,672	4,522,976	4,684,991
Costs:									
Solid Waste Operations Expenses	\$1,392,642	1,554,920	1,662,492	1,767,973	1,880,973	2,005,995	2,135,781	2,274,927	3,087,572
NCRTS Tipping Fees	\$1,250,000	1,401,125	1,427,746	1,454,874	1,482,516	1,510,684	1,539,387	1,568,635	1,628,810
Solid Waste Customer Expenses	\$338,572	368,654	401,431	437,147	476,064	518,471	564,682	615,038	729,711
Recycling & Yard Waste Expense	\$837,245	896,555	940,606	986,829	1,035,331	1,086,226	1,139,632	1,195,672	1,316,185
Garbage and Refuse Expense	<u>\$7,624</u>	<u>7,853</u>	<u>8,088</u>	<u>8,331</u>	<u>8,581</u>	<u>8,838</u>	<u>9,103</u>	<u>9,377</u>	<u>9,948</u>
Total Expenses	\$3,826,083	4,229,106	4,440,364	4,655,153	4,883,465	5,130,215	5,388,586	5,663,650	6,772,225
Cash Test Revenue Surplus/ (Deficiency)	\$159,722	(149,374)	(287,232)	(424,726)	(574,283)	(772,303)	(948,914)	(1,140,674)	(2,087,233)
Required Rate Adjustment (cumulative)	-4.09%	3.75%	7.08%	10.28%	13.64%	18.00%	21.70%	25.60%	45.11%
Proposed Rate Adjustment (annual)	0.00%	3.97%	6.03%	2.98%	3.05%	3.84%	3.14%	Revisit	Revisit

If the City were to implement a strategy under this scenario similar to the one shown in Exhibit 2.5, the annual required rate increases would need to be scheduled as shown in Exhibit 2.8.

EXHIBIT 2.8 – RATE TRANSITION PLAN (NO ANNEXATIONS)

Policy-Driven Rate Adjustment Strategy	2007	2008	2009	2010	2011	2012	2013	2014	2016
Proposed Rate Adjustment (annual)	0.00%	4.25%	4.25%	4.25%	4.25%	4.25%	4.25%	Revisit	Revisit

As can be seen, the required overall increases are not quite as high without the annexations. Projected 2013 revenues are \$2.8M less under this scenario, but projected 2013 expenses are \$3.7M lower. No new trucks (excluding replacement) would need to be purchased during the projection period, and no additional collectors would need to be hired. Because the operation is much smaller under this scenario, it is easier to satisfy the minimum balance policy objective while providing for operational expenses. In total, while the operational magnitude is significantly affected by the annexations, their rate impact is minimal.

The revenue requirement analysis has provided a measure of the necessary increase in revenue required to meet the solid waste utility program needs. The following analysis, a cost-of-service rate study, will equitably allocate the program costs to each customer class based on functional and customer allocations, which will result in cost-based rates for each user type.

SECTION 3

COST-OF-SERVICE RATE STUDY

3.A. Introduction

As discussed in Section 1, the purpose of a cost-of-service analysis is to provide a rational basis for distributing the full costs of utility service to each class of customers in proportion to the distinct demands they place on the utility resources.

3.A.1. Functional Cost Allocation

The cost-of-service analysis begins with a functional allocation of utility costs. The purpose of this allocation is to categorize the total annual rate revenue requirement of the solid waste utility into functions of service, which can then be recovered from different customer classes according to the manner in which those classes use or place demands on the utility's resources. Using documented utility standards, billing data, account data, and industry standards in rate-making, the revenue requirement has been broken into the following functional categories of solid waste service: customer costs, collection costs, disposal costs, recycling costs, and yard waste costs. Exhibit 3.1 illustrates the general categorization of 2007 Solid waste utility costs into these four functional categories.

EXHIBIT 3.1 – 2007 COST-OF-SERVICE FUNCTIONAL COST DISTRIBUTION

2007 Cost-of-Service Functional Cost Distribution					
	Total Expense	Customer	Collection/ Disposal	Recycling	Yard Waste
Solid Waste Operations	\$2,642,642	x	x		
Solid Waste Customer Expense	\$338,572	x			
Recycling Operation	\$837,245			x	
Garbage/Refuse	\$7,624	x	x		

Because Solid Waste Operations includes the salary and benefits of administrative positions such as the Public Works Superintendent as well as collection personnel, this cost pool is functionalized partly into the customer category and partly into the collection/disposal category. The recycling operation includes both recycling and yard waste components, and the garbage/refuse cost pool is related to general interfund transfers related to the entire solid waste operation. These expenses are categorized accordingly.

The functional cost distribution was developed as follows:

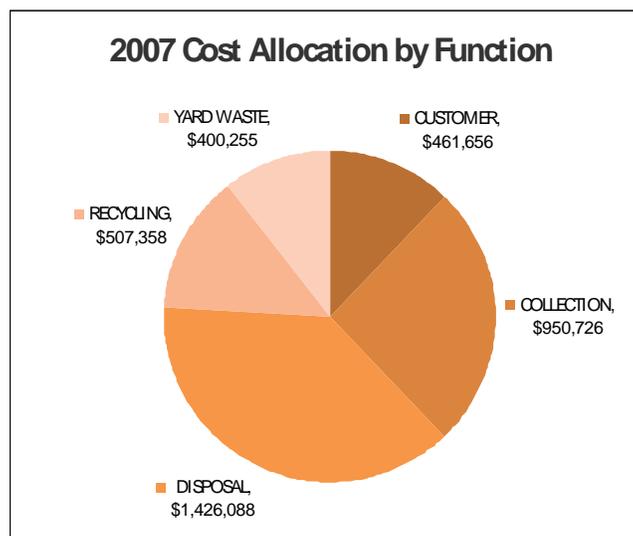
- ◆ The functional allocation was based on a current “test” year, meaning that the relationship between

the four cost centers was based on the budgeted/projected operating and capital costs for 2007.⁴

- ◆ Each line item in the 2007 budget was allocated to one or more of the functional service categories according to known cost relationships and collaboration with city staff.
- ◆ The yard waste and recycling functional cost categories are charged according to the known split between recycling and yard waste costs in 2006 along with account information.
- ◆ The budgeted amounts for the solid waste Operations salaries and benefits include all Collector salaries, the salary of the solid waste lead, and allocated portions of the salaries of the Public Works Director, Public Works Superintendent, Program Specialist, Operations Manager, Maintenance Worker, and Financial Analyst. The salaries of the solid waste Lead and Collectors are allocated to the collection and disposal categories and the remainder of the position allocations in this section is allocated to the customer category.

In the functional cost allocation, it was found that the majority of utility costs are incurred directly as a result of the collection/disposal operation, which includes tipping fees at the North County Recycling and Transfer Station (NCRTS). Exhibit 3.2 shows the distribution of the 2007 expenses into the various functional categories.

EXHIBIT 3.2 – ALLOCATION OF SOLID WASTE REVENUE REQUIREMENT TO FUNCTIONAL COMPONENTS



3.A.2. Customer Classification and Allocation

Once the annual revenue requirement has been categorized into functional cost pools, each cost pool can be distributed to the classes of customers who use the utility resources.

Customer Classification

Equitable cost allocation requires that customers with similar usage characteristics and facility requirements be grouped. The best way to accomplish this is to group like can and container customers into separate groups.

⁴ Waste Management invoices

During the course of the analysis, the option of reevaluating the types of customer classes was explored. After evaluating the December 2006 tonnage contributions of each of the routes and matching those routes with the customer classes contributing the tonnage, it was found that there is no statistical basis for changing the way the customer classes are currently subdivided. Charging different rates according to can and container size and frequency of pickup is a sound practice.

Cost Allocation

Once customer class distinctions are made, each functional cost pool is allocated to each can and container customer type in a manner that reflects each group's use of or demands on the utility. These allocations draw upon account data, historical usage data, and/or system planning requirements. Ultimately, this element of the analysis defines the total annual revenue that should be generated from each can and container customer type in order to achieve a reasonably equitable system of cost recovery from rates.

Exhibit 3.3 illustrates the cost of service for each size and type of can and container in 2008. We have allocated the functional costs of the solid waste utility to the list of can and container customer types as summarized numerically in Exhibit 3.3 and described below.

- ♦ **Customer Costs** – This cost pool has been distributed based on the number of accounts which subscribe to each size/type of container (each account receives an equal share of the customer cost). The account information used is from December 2006 billing data.
- ♦ **Collection/Disposal** – This cost pool has been distributed in two different ways:
 - Disposal: 60% of this total cost pool is attributed to the disposal operation. This portion of costs is distributed according to the volume of the container in conjunction with the frequency of the pickup, with the intent of distributing tonnage-related costs (such as tipping fees) through to the customers in proportion to the tonnage they contribute to the system. It is assumed that tonnage per pickup is directly related to the size of the container⁵.
 - Collection: 40% of this total cost pool is attributed to the collection operation. This portion of costs is distributed according to the amount of time it takes to pick up each can or container, with the intent of distributing collection costs (such as a majority of collector salaries) through to the customers in proportion to the time it takes to collect their solid waste⁶.
- ♦ **Recycling** – This cost pool is distributed to the solid waste customers according to the *solid waste* tonnage they contribute to the system, and includes only those costs associated with the portion of the Waste Management contract incurred by their recycling operation. This incorporates policy direction from the city, and serves the interests of environmental stewardship.
- ♦ **Yard Waste** – This cost pool is distributed only to subscribers to yard waste service, and includes

⁵ It was determined that no significant difference exists between the density (tonnage/volume) of the can and container tonnage contributions. This is the basis behind the assumption that tonnage-based costs should be distributed according to the size of the can or container. Can and container data used for this portion of the analysis is from the December 2006 can/container summary completed by the Marysville Public Works Financial Analyst.

⁶ Cans and containers are assumed to have different collection rates (pickups/hour). Because many more cans can be collected per hour than containers due to geographic spacing and the mechanical efficiency of the technology used to pick up each receptacle type, a container presents a greater collection cost than a can. Route pages developed by the Solid waste Lead were used to develop this rate of collection efficiency for the updated 2007 routes.

only the costs associated with the portion of the Waste Management contract incurred by their yard waste operation.

EXHIBIT 3.3 – CURRENT VS. PROPOSED COST-OF-SERVICE REVENUE

Current vs. 2007 Cost-of-Service Analysis Revenue			
Garbage Cans/Containers	Annualized Revenue (based on Dec. 2006 revenue reports)	Annualized Proposed COS	% Change from Previous
20 Gallon Weekly	\$69,877	\$67,491	-3.4%
36 Gallon Monthly	\$45,073	\$37,017	-17.9%
36 Gallon Weekly	\$1,485,128	\$1,422,348	-4.2%
64 Gallon Weekly	\$306,627	\$240,118	-21.7%
96 Gallon Weekly	\$27,932	\$21,249	-23.9%
1 Yard Weekly	\$139,779	\$157,471	12.7%
1.5 Yard Weekly	\$106,403	\$106,252	-0.1%
2 Yard Weekly	\$168,066	\$160,179	-4.7%
3 Yard Weekly	\$199,980	\$181,167	-9.4%
4 Yard Weekly	\$280,439	\$279,332	-0.4%
6 Yard Weekly	\$356,557	\$362,424	1.6%
8 Yard Weekly	\$306,185	\$310,781	1.5%
Total Garbage/Recycling	\$3,492,047	\$3,345,828	-4.2%
Total Initial Yard Debris Cans	\$409,696	\$385,908	-5.8%
Extra Yard Debris Cans	\$4,062	\$14,347	253.2%
Total Yard Waste	\$413,757	\$400,255	-3.3%
Total All	\$3,905,805	\$3,746,083	-4.1%

As might be expected, the costs of serving large cans (64 and 96 gallons) show the most significant change, reflecting the automatic pickup methods implemented by the City since the last cost-of-service rate study. These larger cans no longer take any more time to collect than smaller ones, whereas previously a solid waste collector had to dump multiple cans by hand. Those cans and containers which show a negative adjustment are currently paying more than their cost-of-service, while those showing a positive adjustment are currently paying less than their cost-of-service. Because this is the first cost-of-service analysis done in some time, it may be best to phase in the shifts that are most significant over a period of a few years.

3.B. Unit Cost Analysis/Rate Design

Prior to this section, our findings rested on financial and technical analyses to derive the total annual revenue need from the utility and the amount that should be collected from each customer class. In this discussion, we will focus on how these analyses are translated into final rates charged to each customer class.

3.B.1. Current vs. Proposed Solid Waste Rates

The City’s existing solid waste rate structure charges rates according to can and container size and pickup frequency. In the proposed solid waste rate changes, this method of charging utility costs to the various customer classes has remained intact.

The proposed rate structure is designed to charge the same unit cost for each unit of solid waste, no matter who is generating it or how many units they are generating. For example, the customer costs are evenly distributed to each solid waste account to reflect the administrative cost associated with handling each account. The changes in the proposed rate structure are merely designed to incorporate the changes in utility costs and class-specific user demands that have occurred in the years since the previous rate study. The

current and proposed solid waste rates paid by each can/container category are shown in Exhibit 3.4.

Policy decisions related to the cost-of-service analysis will determine how some costs are distributed. Current policy decisions that deviate from the study methodology include:

- ◆ **Senior Discount** – Currently, the senior discount applies a variety of discount factors to different-sized cans. The rates in Exhibit 3.4 are designed for a 30% discount to customers that qualify for the senior discount. Implementing this policy creates an approximate \$2,200 annual revenue shortfall that must be recovered from non-discount customers. This translates into a \$0.02 increase in the 36-gallon rate.
- ◆ **Yard Waste Additional Toter Discount** – Currently, if a customer subscribes to more than one yard waste toter, the first toter is charged \$15 bimonthly, and any additional toters are charged \$4 bimonthly. This analysis assumes that this policy is revised to charge all yard waste toters equally. If the current discount policy were to remain intact, its implementation would create an approximate \$10,000 revenue shortfall that would need to be recovered from other customers. If this were recovered from the rate applied to the initial yard waste toters, that rate would need to be increased approximately \$0.37 above what is recommended in Exhibits 3.4 and 3.5 below.
- ◆ **Food Waste Program Participation** – If the City decides to participate in the food waste program provided by Waste Management, the monthly rate charged by WM to the City per yard waste can will be \$0.53 higher than it is currently. This will present approximately \$30,000 in additional expenses annually. If this cost is passed directly through to yard waste customers, the bimonthly rate per toter would increase by \$1.06 above what is recommended in Exhibit 3.4 and 3.5 below.

EXHIBIT 3.4 – UNIT COST ALLOCATION WITH SENIOR DISCOUNT⁷

Current vs. Proposed 2008 COS Rates							
Standard Customer Receptacle Size	Current	Customer	Collection	Disposal	Recycling	2008 COS	Difference
20 Gallon Weekly	\$29.20	8.77	11.35	5.97	2.12	\$28.20	(\$1.00)
36 Gallon Monthly	\$17.60	8.77	2.62	2.48	0.88	\$14.74	(\$2.86)
36 Gallon Weekly	\$36.20	8.77	11.35	10.74	3.82	\$34.68	(\$1.52)
64 Gallon Weekly	\$60.40	8.77	11.35	19.10	6.79	\$46.01	(\$14.39)
96 Gallon Weekly	\$84.60	8.77	11.35	28.65	10.19	\$58.95	(\$25.65)
1 Yard Weekly	\$163.00	8.77	90.81	60.27	21.44	\$181.28	\$18.28
1.5 Yard Weekly	\$221.40	8.77	90.81	90.40	32.16	\$222.14	\$0.74
2 Yard Weekly	\$281.00	8.77	90.81	120.54	42.88	\$262.99	(\$18.01)
3 Yard Weekly	\$384.80	8.77	90.81	180.81	64.33	\$344.70	(\$40.10)
4 Yard Weekly	\$429.20	8.77	90.81	241.08	85.77	\$426.41	(\$2.79)
6 Yard Weekly	\$582.80	8.77	90.81	361.61	128.65	\$589.84	\$7.04
8 Yard Weekly	\$755.80	8.77	90.81	482.15	171.53	\$753.26	(\$2.54)
Senior Discount Receptacle Size	Current	Customer	Collection	Disposal	Recycling	2008 COS	Difference
20 Gallon Weekly	\$22.80	6.14	7.94	4.18	1.49	\$19.74	(\$3.06)
36 Gallon Monthly	N/A	6.14	1.83	1.74	0.62	\$10.32	N/A
36 Gallon Weekly	\$22.80	6.14	7.94	7.52	2.68	\$24.27	\$1.47
64 Gallon Weekly	\$47.00	6.14	7.94	13.37	4.76	\$32.20	(\$14.80)
96 Gallon Weekly	N/A	6.14	7.94	20.05	7.13	\$41.27	N/A
Yard Waste							
96 Gallon Yard Debris Can	\$15.00					\$14.14	(\$0.86)
Additional 96 Gallon Can	\$4.00					\$14.14	\$10.14

As mentioned above, rates charged to large cans (64 and 96 Gallons) show the most significant change relative to their current rates.

⁷ Senior Discount Rates are 30% of standard rates, in compliance with Marysville Municipal Code 3.63.020. All other rates have been adjusted to provide this discount.

The proposed rates in Exhibit 3.4 are designed for 2008, and incorporate updated cost allocations and equity adjustments. Therefore, in years subsequent to 2008, solid waste rates can be adjusted “across-the-board” in a manner consistent with the forecasted increases in revenue requirements described in Section 2. Exhibit 3.5 provides a summary of the proposed rate schedule for the next six years.

EXHIBIT 3.5 – SIX YEAR SCHEDULE OF PROPOSED RATE CHANGES UNDER THE PROPOSED COST-OF-SERVICE RATE STRUCTURE

Projected Marysville Bimonthly Solid Waste Rates							
Standard Customer Receptacle Size	Current	2008 COS	2009	2010	2011	2012	2013
20 Gallon Weekly	\$29.20	28.20	29.76	31.39	33.12	34.94	36.86
36 Gallon Monthly	\$17.60	14.74	15.56	16.41	17.31	18.27	19.27
36 Gallon Weekly	\$36.20	34.68	36.58	38.60	40.72	42.96	45.32
64 Gallon Weekly	\$60.40	46.01	48.54	51.20	54.02	56.99	60.13
96 Gallon Weekly	\$84.60	58.95	62.19	65.61	69.22	73.03	77.05
1 Yard Weekly	\$163.00	181.28	191.25	201.77	212.87	224.58	236.93
1.5 Yard Weekly	\$221.40	222.14	234.36	247.25	260.84	275.19	290.33
2 Yard Weekly	\$281.00	262.99	277.46	292.72	308.82	325.80	343.72
3 Yard Weekly	\$384.80	344.70	363.66	383.66	404.77	427.03	450.51
4 Yard Weekly	\$429.20	426.41	449.87	474.61	500.71	528.25	557.31
6 Yard Weekly	\$582.80	589.84	622.28	656.50	692.61	730.70	770.89
8 Yard Weekly	\$755.80	753.26	794.69	838.39	884.51	933.15	984.48
Senior Discount Receptacle Size	Current	2008 COS	2009	2010	2011	2012	2013
20 Gallon Weekly	\$22.80	19.74	20.83	21.97	23.18	24.46	25.80
36 Gallon Monthly	N/A	10.32	10.89	11.49	12.12	12.79	13.49
36 Gallon Weekly	\$22.80	24.27	25.61	27.02	28.50	30.07	31.73
64 Gallon Weekly	\$47.00	32.20	33.97	35.84	37.81	39.89	42.09
96 Gallon Weekly	N/A	41.27	43.54	45.93	48.46	51.12	53.93
Yard Debris	Current	2008 COS	2009	2010	2011	2012	2013
96 Gallon Yard Debris Can	\$15.00	14.14	14.91	15.73	16.60	17.51	18.48
Additional 96 Gallon Can	\$4.00	14.14	14.91	15.73	16.60	17.51	18.48

A cost-of-service rate study has not been completed for the City for quite some time, and as a result the implementation of any or all of the cost-of-service results such as those shown in Exhibit 3.5 may not be immediately feasible. Exhibit 3.6 shows the proposed rates if the overall annual rate adjustment identified were applied equally to all current City rates. The City has historically used this approach for adjusting rates.

EXHIBIT 3.6 – SIX YEAR SCHEDULE OF PROPOSED RATE CHANGES (NO COST-OF-SERVICE)⁸

Projected Marysville Bimonthly Solid Waste Rates (No Cost-of-Service)							
Standard Customer Receptacle Size	Current	2008	2009	2010	2011	2012	2013
20 Gallon Weekly	\$29.20	30.81	32.50	34.29	36.17	38.16	40.26
36 Gallon Monthly	\$17.60	18.57	19.59	20.67	21.80	23.00	24.27
36 Gallon Weekly	\$36.20	38.19	40.29	42.51	44.85	47.31	49.91
64 Gallon Weekly	\$60.40	63.72	67.23	70.92	74.83	78.94	83.28
96 Gallon Weekly	\$84.60	89.25	94.16	99.34	104.80	110.57	116.65
1 Yard Weekly	\$163.00	171.97	181.42	191.40	201.93	213.03	224.75
1.5 Yard Weekly	\$221.40	233.58	246.42	259.98	274.28	289.36	305.28
2 Yard Weekly	\$281.00	296.46	312.76	329.96	348.11	367.26	387.45
3 Yard Weekly	\$384.80	405.96	428.29	451.85	476.70	502.92	530.58
4 Yard Weekly	\$429.20	452.81	477.71	503.98	531.70	560.95	591.80
6 Yard Weekly	\$582.80	614.85	648.67	684.35	721.99	761.70	803.59
8 Yard Weekly	\$755.80	797.37	841.22	887.49	936.30	987.80	1,042.13
Senior Discount Receptacle Size	Current	2008 COS	2009	2010	2011	2012	2013
20 Gallon Weekly	\$22.80	24.05	25.38	26.77	28.25	29.80	31.44
36 Gallon Monthly	\$12.32	13.00	13.71	14.47	15.26	16.10	16.99
36 Gallon Weekly	\$22.80	24.05	25.38	26.77	28.25	29.80	31.44
64 Gallon Weekly	\$47.00	49.59	52.31	55.19	58.22	61.43	64.81
96 Gallon Weekly	\$59.22	62.48	65.91	69.54	73.36	77.40	81.66
Yard Debris	Current	2008 COS	2009	2010	2011	2012	2013
96 Gallon Yard Debris Can	\$15.00	15.83	16.70	17.61	18.58	19.60	20.68
Additional 96 Gallon Can	\$4.00	4.22	4.45	4.70	4.96	5.23	5.52

3.B.2. Benchmarking

It is always a good idea to periodically assess the financial and operational status of the utility. One easy way to accomplish this is through the use of certain benchmarks, which are performance measures which allow for a comparison of current and historical metrics in order to better understand the ways in which the utility is evolving, and keep track of performance relative to goals that are set within or without the utility. The following are a few potential benchmarks that can be used for just such a periodic assessment of the Marysville solid waste utility:

- ♦ **Waste Management and Other Regional Rates** – Marysville provides service in an area where Waste Management is a direct competitor, it is useful to always have a bearing on the current Waste Management rates for residential customers in the local area. Exhibit 3.7 shows the current rates charged to customers by Waste Management in the southern portion of unincorporated Snohomish County, along with future rates assuming an annual escalation factor of 3.0%. This factor is the estimated projection of 80% of the Seattle CPI, the inflation rate used by Waste Management in their contract with the city. As can be seen through a comparison of the City rate projections with the Waste Management current and projected rates, the City’s rates are competitive with local-area Waste Management rates, both in the short- and long-term. As the City completes rate updates in the future in order to incorporate changes and fine-tune key assumptions, it will be critical to conduct reassessments of the competitiveness of City solid waste rates with nearby competition to ensure that the Utility is providing a value to its customers commensurate with the market economy. Exhibit 3.8 shows the current rates of other area service providers.

⁸ Senior rates for 36-gallon monthly and 96-gallon weekly cans are assumed to be 70% of the current rate for non-discount customers per Marysville Municipal Code 3.63.020.

EXHIBIT 3.7 – ESTIMATED SIX YEAR SCHEDULE OF BIMONTHLY RESIDENTIAL WASTE MANAGEMENT RATES⁹

Projected Uninc. Sno. County WM Bimonthly Can Rates								
Receptacle Size	Marysville 2008 COS	WM Current	Est. 2008	Est. 2009	Est. 2010	Est. 2011	Est 2012	Est 2013
20 Gallon Weekly	\$28.20	\$30.80	31.72	32.68	33.66	34.67	35.71	36.78
35 Gallon Monthly	\$14.74	\$26.60	27.40	28.22	29.07	29.94	30.84	31.76
35 Gallon Weekly	\$34.68	\$39.90	41.10	42.33	43.60	44.91	46.26	47.64
64 Gallon Weekly	\$46.01	\$54.50	56.14	57.82	59.55	61.34	63.18	65.08
96 Gallon Weekly	\$58.95	\$69.10	71.17	73.31	75.51	77.77	80.11	82.51

EXHIBIT 3.8 – CURRENT BIMONTHLY RATES OF REGIONAL SOLID WASTE SERVICE PROVIDERS¹⁰

Regional Service Provider Current Bimonthly Can Rates						
City Provider	Everett Rubatino	Arlington WM	Tacoma City	Anacortes City	Shelton City	Port Angeles City
20 Gallon Weekly	\$31.60	N/A	45.00	14.00	N/A	N/A
35 Gallon Monthly	\$20.40	N/A	N/A	N/A	N/A	N/A
35 Gallon Weekly	\$40.30	29.78	60.10	26.00	N/A	N/A
64 Gallon Weekly	\$52.20	40.64	84.10	46.00	33.66	N/A
96 Gallon Weekly	\$62.70	43.08	111.40	66.00	50.48	54.60

- ♦ **Tonnage Diversion** – The Snohomish County Solid Waste Comprehensive Plan targets 50% as the goal for diversion of tonnage from the waste stream. This allows for an assessment of the effectiveness of the recycling and yard waste programs in preventing materials from entering the waste stream. Use of this metric will require collaboration with Waste Management and/or any other contractor hired by the City, and can also provide a degree of accountability from them for the services they provide. In 2006, 34.1% of the total tonnage discarded by Marysville customers was in the form of yard waste and recycling.¹¹
- ♦ **Collection Efficiency** – This metric is commonly used in solid waste programs, public and private, in order to maintain an adequate level of operational performance. While it is difficult to apply this metric to each individual route because of differences in route difficulty (power lines, cul-de-sacs, and parked cars are examples of obstacles which slow down collection), it is possible to look at the collection efficiency of the commercial and residential routes in groups to determine whether the utility is operating effectively. For routes that collect only cans, the collection efficiency in 2007 was 83.6 cans per hour, and for routes that collect only containers, the collection efficiency in 2007 was 10.5 containers per hour. It was noted in conversations with the Waste Management NW District Manager that he had seen collection efficiency for 96-gallon cans between 78 to 100 cans per hour, depending on the difficulty of the route and whether the truck was an Automatic Side Loader or equipped with a Curotto Can mechanism.
- ♦ **General Overhead Percentage** – This ratio can easily be updated annually to maintain a bearing on the economies of scale that should be resulting from a larger operation. It is derived by taking total general and administrative expenses and dividing by total operating expenses. Normally, G/A costs will not increase as quickly as other operational costs. Therefore, this ratio should go down over

⁹ Rates shown are for Southern region of Unincorporated Snohomish County. Commercial container rates not readily available.

¹⁰ Can sizes are approximate.

¹¹ Waste Management monthly tonnage reports were used, along with daily tonnage reports provided by the City.

time. As a general utility standard, less than 20% is a good indication of cost economy and good efficiency. In 2006, 8.3% of the total solid waste expenses were due to General/Administrative functions, which are the portions of the following programs and positions paid for by the solid waste utility:

- Public Works Director
- Public Works Superintendent
- Operations Manager
- Program Specialist
- Maintenance Worker
- Financial Analyst
- Mayor
- HR Manager
- Community Info Officer
- Chief Administrative Officer
- Code Enforcement Officer
- HR Specialist
- HR Analyst
- Utility Billing
- Finance/Accounting

In light of the operational changes the City is facing, these benchmarks should be monitored over time in order to assess the ongoing health of the utility.

TECHNICAL APPENDIX



Future Solid Waste Program Alternatives

July 21, 2008

Presented by
Peter Moy, Principal



Redmond Town Center, 7525 166th Avenue NE Suite D-215
Redmond, WA 98052 T: (425) 867-1802 F: (425) 867-1937
www.fcsgroup.com

Why consider future Solid Waste Program alternatives now?

- Population growth and solid waste service area growth through annexations will add many new customers in the future
 - ✓ 731 new residential units will be added between 2008-2011
 - ✓ 6,033 new residential units will be added in 2012 and 2013
- With the increase in customers, additional major capital investments will be needed by 2012
- Rates will need to increase an average of 5.5% annually
- Marysville remains one of the few cities to operate its own solid waste collection program

Estimated Future Costs

COSTS	2007	2008	2009	2010	2011	2012	2013
Solid Waste Operations Expenses	\$ 1,392,642	\$ 1,560,751	\$ 1,677,551	\$ 1,989,632	\$ 2,134,440	\$ 2,596,762	\$ 3,750,327
NCRS Tipping Fees	\$ 1,250,000	\$ 1,409,431	\$ 1,450,288	\$ 153,415	\$ 1,587,660	\$ 1,865,458	\$ 2,509,916
Solid Waste Customer Expenses	\$ 346,196	\$ 378,513	\$ 415,341	\$ 467,369	\$ 515,682	\$ 639,093	\$ 898,931
Recycling & yard Waste Expenses	\$ 837,245	\$ 932,387	\$ 988,361	\$ 1,078,760	\$ 1,150,444	\$ 1,396,326	\$ 1,959,185
Total Expenses	\$ 3,826,083	\$ 4,281,082	\$ 4,531,541	\$ 3,689,176	\$ 5,388,226	\$ 6,497,639	\$ 9,118,359

Revenue Requirement Analysis

	2007	2008	2009	2010	2011	2012	2013
Sources:							
Collection Service Revenues (no Increases)	\$ 3,905,805	\$ 4,003,609	\$ 4,119,668	\$ 4,357,901	\$ 4,509,883	\$ 5,298,992	\$ 7,129,632
Other Revenue (interest/garbage tags/grant)	\$ 80,000	\$ 99,868	\$ 97,348	\$ 98,455	\$ 90,464	\$ 63,414	\$ 78,130
Total Revenue	\$ 3,985,805	\$ 4,103,477	\$ 4,217,016	\$ 4,456,356	\$ 4,600,347	\$ 5,362,406	\$ 7,207,762
Costs:							
Solid Waste Operations Expenses	\$ 1,392,642	\$ 1,560,751	\$ 1,677,551	\$ 1,989,632	\$ 2,134,440	\$ 2,596,762	\$ 3,750,327
NCRTS Tipping Fees	\$ 1,250,000	\$ 1,409,431	\$ 1,450,288	\$ 153,415	\$ 1,587,660	\$ 1,865,458	\$ 2,509,916
Solid Waste Customer Expenses	\$ 346,196	\$ 378,513	\$ 415,341	\$ 467,369	\$ 515,682	\$ 639,093	\$ 898,931
Recycling & yard Waste Expenses	\$ 837,245	\$ 932,387	\$ 988,361	\$ 1,078,760	\$ 1,150,444	\$ 1,396,326	\$ 1,959,185
Total Expenses	\$ 3,826,083	\$ 4,281,082	\$ 4,531,541	\$ 3,689,176	\$ 5,388,226	\$ 6,497,639	\$ 9,118,359
Cash Test Revenue Surplus/(Deficiency)	\$ 159,722	\$ (177,605)	\$ (314,525)	\$ 767,180	\$ (787,879)	\$ (1,135,233)	\$ (1,910,597)
Required Rate Adjustment (cumulative)	-4.90%	4.44%	7.63%	14.08%	17.47%	21.42%	26.80%
Proposed Rate Adjustment (annual)	0.00%	4.70%	6.39%	6.08%	3.04%	3.76%	5.85%

Policy-Driven Rate Adjustment Strategy	2007	2008	2009	2010	2011	2012	2013
Proposed Rate Adjustment (annual)	0.00%	5.50%	5.50%	5.50%	5.50%	5.50%	5.50%

Future Solid Waste Program Alternatives

- Continued City Service
- Contracting For All Solid Waste Services
- Privatize City's Solid Waste Program

Management & Program Issues by Alternative

Management/Program Issues	Maintain Status Quo	Contract for All Collections Services	Privatize City Solid Waste Program
Provides services already offered by private businesses	Yes	No	No
Allows City to establish separate solid waste policies and goals	Yes	Yes	No
Requires City Management, planning, direction, and management systems and processes	Yes	Yes	No
Must have City customer service and complaint resolution capabilities	Yes	Yes	No
Requires contract and complaint monitoring	Yes	Yes	No
Allows City to determine rates	Yes	Yes	No, regulated by WUTC
Requires lay-offs or re-assignment of solid waste operations personnel	No	Yes	Yes
May require lay-off or re-assignment of other City personnel	No	Yes	Yes

Key Policy Questions

- Does the City have a public policy interest and reason for the City to manage or directly provide solid waste services?
- Should the City provide services that can be provided by a private business?
- Are there significant cost savings for the City's residents to justify a City Solid Waste Program?
- Does the City have the commitment and capabilities to manage a City Solid Waste Program?
- Impacts on the City's finances and operations if the City stops providing the services?

Questions

CITY OF MARYSVILLE

EXECUTIVE SUMMARY FOR ACTION

CITY COUNCIL MEETING DATE: July 28, 2008

AGENDA ITEM: Civic Center Complex Consulting Agreement between City of Marysville and Public-Private Development Solutions (PPDS)	AGENDA SECTION: New Business	
PREPARED BY: Paul Roberts	AGENDA NUMBER:	
ATTACHMENTS: Draft Consulting Agreement between Public-Private Development Solutions (“PPDS”) and City of Marysville	APPROVED BY:	
	MAYOR	CAO
BUDGET CODE: 00100110.541000.0801	AMOUNT:	

The City of Marysville is planning to build a Civic Center and City Hall Complex to consolidate space needs. In January of 2008, City Administration issued a “request for qualifications” seeking consultants to assist in this effort. After reviewing submittals, Public-Private Development Solutions was recommended as the consultant team to assist in evaluating, selecting, negotiation and contracting with a qualified developer. PPDS is knowledgeable and experienced in public-private approaches to commercial real estate development.

William K. Angle will be the person primarily responsible for providing the Services. PPDS shall be and act as an independent contractor (and not as an employee, agent or representative of Marysville in the performance of the Services.)

RECOMMENDED ACTION: Authorize Mayor to sign the Civic Center Complex Consulting Agreement with Public-Private Development Solutions.
COUNCIL ACTION:

**PROFESSIONAL SERVICES AGREEMENT BETWEEN
CITY OF MARYSVILLE
AND PUBLIC-PRIVATE DEVELOPMENT SOLUTIONS
FOR CONSULTANT SERVICES**

THIS AGREEMENT, made and entered into in Snohomish County, Washington, by and between CITY OF MARYSVILLE, hereinafter called the "City," and William K. Angle, a sole proprietor, dba PUBLIC-PRIVATE DEVELOPMENT SOLUTIONS, a Washington corporation, hereinafter called the "Consultant."

WHEREAS, Marysville desires to engage a consultant to assist Marysville in development of a new Civic Center (Campus) including site evaluations; evaluating, selecting, negotiating and contracting with a qualified developer and recommending financial structures of 63-20 bonds, Certificates of Participation, or other tax exempt debt;

WHEREAS, Consultant is knowledgeable and experienced in public-private approaches to commercial real estate development and wishes to provide such consulting services to Marysville.

WHEREAS, the Consultant has represented, and by entering into this Agreement now represents, that the firm and all employees assigned to work on any City project are in full compliance with the statutes of the State of Washington governing activities to be performed and that all personnel to be assigned to the work required under this agreement are fully qualified and properly licensed to perform the work to which they will be assigned.

NOW, THEREFORE, in consideration of the terms, conditions, covenants and performances contained herein below, the parties hereto agree as follows:

ARTICLE 1. PURPOSE

The purpose of this agreement is to provide the City with consulting services to as

described in Article 2. The general terms and conditions of relationships between the City and the Consultant are specified in this agreement.

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The scope of work is set out in the attached "scope of services," **Exhibit A**. All services and materials necessary to accomplish the tasks outlined in **Exhibit A** shall be provided by the Consultant unless noted otherwise in the scope of services or this agreement. Consultant understands that the City has retained the Makers firm to assist with site evaluation and selection. Consultant shall familiarize itself with the Makers scope of work and will coordinate its efforts so as to be complimentary and efficient, and so as to add value to the Makers effort, but will not duplicate the effort and work product of Makers.

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3.1 **MINOR CHANGES IN SCOPE.** The Consultant shall accept minor changes, amendments, or revision in the detail of the work as may be required by the City when such changes will not have any impact on the service costs or proposed delivery schedule. Extra work, if any, involving substantial changes and/or changes in cost or schedules will be addressed as follows:

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a. Consultant. Consultant designates William K. Angle as the person primarily responsible and Jim Napolitano as secondarily responsible for providing the Services. Consultant shall not remove or replace the person primarily responsible for providing the Services without the prior written consent of Marysville which consent shall not unreasonably be withheld, but which may be conditioned on the qualifications of the proposed replacement.

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a. The Consultant will at all times indemnify and hold harmless and defend the City, its elected officials, officers, employees, agents and representatives, from and against any and all lawsuits, damages, costs, charges, expenses, judgments and liabilities, including attorney's fees (including attorney's fees in establishing indemnification), collectively referred to herein as "losses" resulting from, arising out of, or related to one or more claims arising out of negligent acts, errors, or omissions of the Consultant in performance of professional services under this agreement. The term "claims" as used herein shall mean all claims, lawsuits, causes of action, and other legal actions and proceedings of whatsoever nature, involving bodily or personal injury or death of any person or damage to any property including, but not limited to, persons employed by the City, the Consultant or other person and all property owned or claimed by the City, the Consultant, or affiliate of the Consultant, or any other person.

b. Should a court of competent jurisdiction determine that this agreement is subject to RCW 4.24.115, then, in the event of liability for damaging arising out of bodily injury to persons or damages to property caused by or resulting from the concurrent negligence of the Consultant and the City, its members, officers, employees and agents, the Consultant's liability to the City, by way of indemnification, shall be only to the extent of the Consultant's negligence.

c. The provisions of this section shall survive the expiration or termination of this agreement.

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(3) Workers' Compensation. Workers' compensation limits as required by the Workers' Compensation Act of Washington;

(4) Consultant's Errors and Omissions Liability. \$1,000,000 per occurrence and as an annual aggregate.

b. **Endorsement.** Each insurance policy shall be endorsed to state that coverage shall not be suspended, voided, canceled, reduced in coverage or in limits except after thirty (30) days' prior written notice by certified mail, return receipt requested, has been given to the City.

c. **Acceptability of Insurers.** Insurance to be provided by Consultant shall be with a Bests rating of no less than A:VII, or if not rated by Bests, with minimum surpluses the equivalent of Bests' VII rating.

d. **Verification of Coverage.** In signing this agreement, the Consultant is

acknowledging and representing that required insurance is active and current.

3.8 DISCRIMINATION PROHIBITED AND COMPLIANCE WITH EQUAL OPPORTUNITY LEGISLATION. The Consultant agrees to comply with equal opportunity employment and not to discriminate against client, employee, or applicant for employment or for services because of race, creed, color, religion, national origin, marital status, sex, age or handicap except for a bona fide occupational qualification with regard, but not limited to, the following: employment upgrading; demotion or transfer; recruitment or any recruitment advertising; layoff or terminations; rates of pay or other forms of compensation; selection for training, rendition of services. The Consultant further agrees to maintain (as appropriate) notices, posted in conspicuous places, setting forth the provisions of this nondiscrimination clause. The Consultant understands and agrees that if it violates this nondiscrimination provision, this agreement may be terminated by the City, and further that the Consultant will be barred from performing any services for the City now or in the future, unless a showing is made satisfactory to the City that discriminatory practices have been terminated and that recurrence of such action is unlikely.

3.9 UNFAIR EMPLOYMENT PRACTICES. During the performance of this agreement, the Consultant agrees to comply with RCW 49.60.180, prohibiting unfair employment practices.

3.10 AFFIRMATIVE ACTION. Affirmative action shall be implemented by the Consultant to ensure that applicants for employment and all employees are treated without regard to race, creed, color, sex, age, marital status, national origin or the presence of any sensory, mental or physical handicap, unless based on a bona fide occupational qualification. The Consultant agrees to take affirmative action to ensure that all of its employees and agent adhere to this provision.

3.11 LEGAL RELATIONS. The Consultant shall comply with all federal, state and local laws and ordinances applicable to work to be done under this agreement. This contract shall be interpreted and construed in accordance with the laws of Washington. Venue for any action commenced relating to the interpretation, breach or enforcement of this agreement shall be in Snohomish County Superior Court.

3.12 INDEPENDENT CONTRACTOR. Independent Contractor. Consultant shall be and act as an independent contractor (and not as an employee, agent or representative of Marysville) in the performance of the Services. Consultant shall: (a) not be entitled to any worker's compensation, pension, retirement, insurance or other benefits afforded to employees of Marysville; (b) provide for all federal income tax and other withholding relating to Consultant's compensation; (c) pay all social security, unemployment and other employer taxes relating to Consultant's engagement or compensation; (d) provide all worker's compensation and other insurance relating to Consultant's engagement; and (e) perform all reporting, record keeping, administrative and similar functions relating to Consultant's engagement or compensation. Consultant shall not be entitled to, and shall not attempt to, create or assume any obligation,

express or implied, on behalf of Marysville. This Agreement shall not be construed as creating an association, joint venture, partnership or franchise relationship between the parties.

3.13 CONFLICTS OF INTEREST. While this is a non-exclusive agreement the Consultant agrees to and will notify the City of any potential conflicts of interest in Consultant's client base and will seek and obtain written permission from the City prior to providing services to third parties where a conflict of interest is apparent. If a conflict is irreconcilable, the City reserves the right to terminate this agreement.

3.14 CITY CONFIDENCES. The Consultant agrees to and will keep in strict confidence, and will not disclose, communicate or advertise to third parties without specific prior written consent from the City in each instance, the confidences of the City or any information regarding the City or services provided to the City.

3.15 SUBCONTRACTORS/SUBCONSULTANTS

a. In the event the City authorizes use of subconsultants or subcontractors the Consultant shall be and is responsible for all work performed by subconsultants pursuant to the terms of this agreement.

b. Consultant may not utilize subcontractors/subconsultants without the written approval of the City.

c. In the event the City approves use of subcontractors/subconsultants, all subcontractors/subconsultants shall have the same insurance coverages and limits as set forth in this agreement and Consultant shall provide verification of said insurance coverage.

ARTICLE 4. OBLIGATIONS OF THE CITY

4.1 PAYMENTS. The Consultant shall be paid by the City for completed work for services rendered under this agreement and as detailed in the scope of services as provided hereinafter. Such payment shall be full compensation for work performed or services rendered and for all labor, materials, supplies, equipment and incidentals necessary to complete the work.

a. Invoices shall be submitted by the Consultant to the City for payment pursuant to the terms of the scope of services. The invoice will state the time expended, the hourly rate, a detailed description of the work performed, and the expenses incurred during the preceding month. Invoices must be submitted by the 20th day of the month to be paid by the 15th day of the next calendar month.

b. The City will pay timely submitted and approved invoices received before the 20th of each month within thirty (30) days of receipt.

c. The project and consultant services shall be divided into 3 general phases:

- Phase I - Feasibility/Conceptual Development
- Phase II - RFP/RFQ and Selection of Development Team/Collaborative Predevelopment
- Phase III - Project Construction

d. For Phase I Consultant shall be paid at the rate of \$250.00 per hour. In no event shall the maximum amount payable under Phase I exceed \$100,000 (or 400 hours at \$250.00 per hour). For Phase I services, the City shall pay Consultant a one time \$10,000 retainer within fifteen (15) days of full execution of this agreement.

e. In the event the City determines the project to be feasible and wishes to continue with this agreement to Phases II and III, then Consultant's fee shall be based on an amount that is a fixed percentage of the Development Project cost with a not to exceed amount. The percentage and not to exceed amount shall be mutually agreed between the City and Consultant prior to Consultant commencing services under Phase II or III. If the City and Consultant cannot agree on the percentage fee and the not to exceed amount then this agreement may be terminated by either party pursuant to Section 5.2.

f. For all phases of the Consultant's services administrative costs shall be billed at \$85.00 per hour and normally will not exceed three hours in any given month. Each round trip of Consultant to Marysville will be billed at \$50.00 to a maximum of one trip per day.

4.2 **CITY APPROVAL.** Notwithstanding the Consultant's status as an independent contractor, results of the work performed pursuant to this contract must meet the approval of the City, which shall not be unreasonably withheld if work has been completed in compliance with the scope of work and City requirements.

ARTICLE 5. GENERAL

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

CITY OF MARYSVILLE
 Paul Roberts and Mary Swenson
 1049 State Avenue
 Marysville, WA 98270

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

WILLIAM K. ANGLE
 714 Laurel Street
 Edmonds, WA 98020

Receipt of any notice shall be deemed effective three (3) days after deposit of written

notice in the U.S. mail with proper postage and address.

5.2 **TERMINATION.** The right is reserved by the City to terminate this agreement in whole or in part at any time upon ten (10) days' written notice to the Consultant.

If this agreement is terminated in its entirety by the City for its convenience, for Phase I work a final payment shall be made which equals the uncompensated hours worked to the date of said notice times the hourly rate. For termination during Phases II or III a final payment shall be made to the Consultant which, when added to any payments previously made, shall total the actual costs plus the same percentage of the fixed fee as the work completed at the time of termination applied to the total work required for the project.

5.3 **DISPUTES.** All claims or disputes between the parties arising out of or relating to this Agreement, or to the breach of this Agreement will be subject to and decided by mediation through Washington Arbitration Mediation Services (WAMS), or as otherwise agreed between the parties. The place of mediation shall be Snohomish County, Washington, and the mediator fees and expenses shall be borne equally by the parties. The parties consent to the jurisdiction of the Superior Court of the State of Washington, Snohomish County, for all purposes in connection with this Agreement. All facts and other information relating to any mediation arising under this Agreement shall be kept confidential to the fullest extent permitted by law. The provisions of this section shall survive the expiration or termination of this Agreement. Notwithstanding the foregoing nothing herein shall prohibit or restrict either party from seeking injunctive or other equitable relief in a court having proper jurisdiction.

5.4 **NONWAIVER.** Waiver by the City of any provision of this agreement or any time limitation provided for in this agreement shall not constitute a waiver of any other provision.

DATED this _____ day of _____, 2008.

CITY OF MARYSVILLE

By _____
DENNIS KENDALL, MAYOR

PUBLIC-PRIVATE DEVELOPMENT
SOLUTIONS, CONSULTANT

By _____
WILLIAM K. ANGLE, Sole Proprietor

Approved as to form:

GRANT K. WEED, City Attorney

PUBLIC-PRIVATE DEVELOPMENT SOLUTIONS

Proposed Scope:

Project Concept / Procurement / Predevelopment / Construction City of Marysville / Civic Center Campus

PHASE I:

A. **Oversee Concepts:**

- In collaboration with City officials, describe in narrative form the proposed Project, its recommended location, its rationale, and its importance to the community;
- If location is uncertain, identify known alternatives and articulate advantages and disadvantages in light of the Project Objectives, described below;
- Review, identify, articulate programmatic scope of facilities & Project to be developed and constructed;
- Identify, acknowledge & empower City Project leaders; outline scope, authority, responsibilities, communication protocol;
- Identify & acknowledge other participants, stakeholders and interested parties;
- Consider Project delivery alternatives; identify advantages and disadvantages; recommend the most advantageous Project delivery method;
- On a preliminary basis, model financing alternatives; in collaboration with City officials determine the most advantageous financing method based upon deal structure and Project delivery alternatives;
- Formulate / refine a public-private build-to-suit, lease-to-own delivery approach to Project;
- Establish consensus among Project participants (& stakeholders) re: utilizing this approach;

B. **Establish Project Objectives:**

- In collaboration with City officials, establish, prioritize and document the Project Objectives:
 - a. Examples might include: quality vs. cost, delivery schedule requirements, environmental impacts, City image, density, minimum LEEDs requirements, etc.
 - b. Project objectives become the guiding principles of the project, influencing many Project decisions;
 - c. Project Objectives will have significant impact on Project delivery method, schedules, financing plan, assumption of risks by City, etc.;
- Inform and educate Project participants regarding Project delivery model and implications; repeat; repeat; repeat; etc. (cannot be overstated....)

C. **Review Preliminary Vision of the Project:**

- Review (and/or suggest approaches):
 - a. Locations
 - b. Preliminary Project site master plan(s) per location; how flexible?
 - c. Urban design concept plan in light of location; how flexible?
 - d. Facilities master plan;
 - e. Preliminary building program / employee efficiencies / parking;
 - f. Preliminary blocking and elevations buildings; how flexible?
 - g. Discussion of phasing alternatives;
 - h. Preliminary schedule;
 - i. Finance plan;

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- Participate with City officials in its public participation process with regard to above;
- However, most of the public participation should be overseen by developer / developer team after it is selected;

D. Draft Report / Identify Alternatives / Make Recommendations

- Draft report;
- Prepare and obtain City staff consensus for a reasonable pre-development budget & schedule for that period after the developer / development team has been selected through closing of the GMP development contract and tax exempt financing;
- Present to City Council;
- Obtain authorization to proceed;

PHASE II:

E. Request for Qualifications - Developers / Development Teams:

- Draft RFQ;
- Review with City Attorney and project participants;
- Obtain City Agreement;
- Finalize;
- Oversee Procurement Office distribution;
- Run Informational Meetings;
- Answer Inquiries;
- Review Responses to RFQ;
- Prepare Report for- Selection Committee;
- Rank;
- Notify Finalists;

F. Prepare Request for Proposals - Developers / Development Teams:

- Draft RFP, Development Agreement, Budget Template, Predevelopment Agreement;
- Review with City Attorney and project participants;
- Obtain City Agreement;
- Finalize RFP document(s);
- Oversee Procurement Office distribution;
- Run Informational Meetings;
- Answer Inquiries;
- Review Responses to RFP;
- Interviews
- Prepare Report for -Selection Committee;
- Rank;
- Select developer;

G. Engage a Developer / Development Team / Developer Partner

- Facilitate pre-development engagement;
- Review scope of work / development contract approach / schedule;
- Assess risks and identify how risks should be allocated;
 - a. Lease-up risks

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b. Financing risk

c. Development / construction risks

- Prepare final pre-development agreement for review and execution;

H. **Oversee the Collaborative Predevelopment Process:**

- Define / focus / oversee collaborative process;
- Coordinate and oversee negotiations;
- Define deliverables (design, Project budget, schedules, etc.);
- Review and finalize with Developer the (reimbursable) pre-development budget;
- Agree upon a final Project Schedule;
- Negotiate final terms of development agreement including Developer GMP;
- Attend weekly design / pre-development meetings;
- Interface with bond counsel, underwriters, City Attorney, etc. re financing method;

I. **Engage facilitating ~~63-20 Non-Profit~~ Financing Plan / Request for Qualifications:**

- Draft RFQ;
- Review with City Attorney;
- Obtain City Agreement;
- Finalize;
- Oversee Procurement Office distribution;
- Review Responses to RFQ;
- Prepare Report for Selection Committee
- Rank;
- Notify;

J. **Close on a Public-Private Development / Lease Transaction:**

- Interface with ~~63-20 Non-Profit~~, bond counsel, underwriters, City Attorney, etc. re financing method;
- Identify, select and engage underwriter;
- Coordinate business/legal issues, e.g., real estate, construction and tax exempt debt, etc. in alignment with City Attorney in preparation for closing;
- Coordinate and oversee transaction closing with City Attorney;

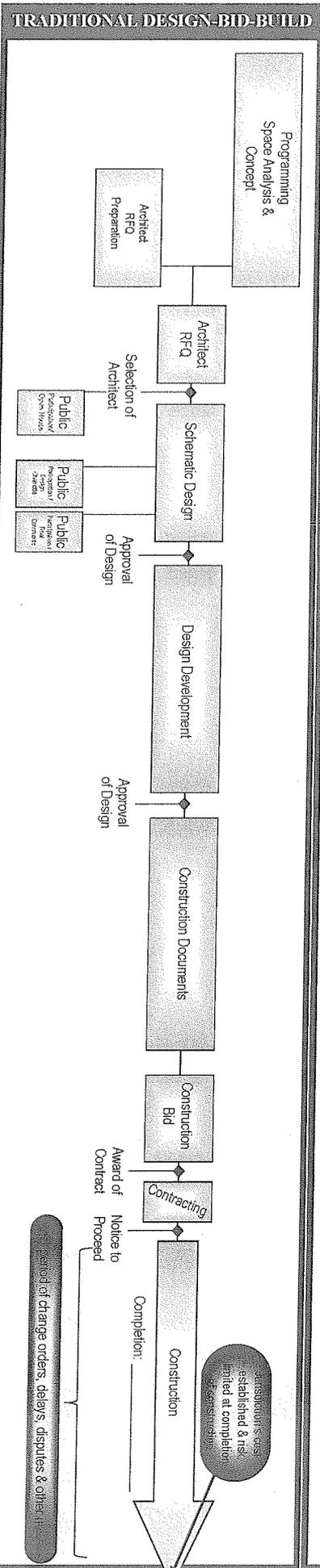
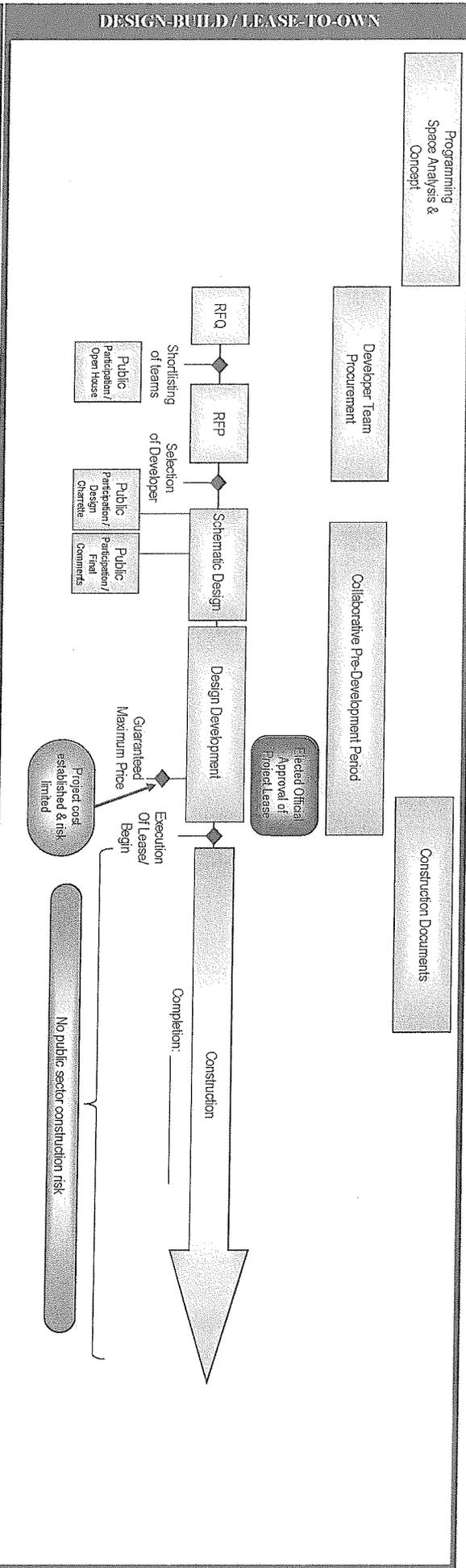
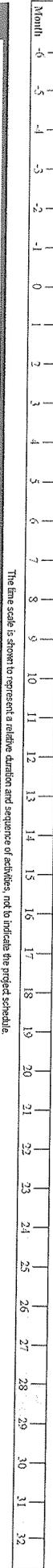
PHASE III:

K. **Oversee Development & Construction as Owner's Agent**

L. **Brief Elected Officials:** Ongoing...in collaboration with City staff

- Keep City Council members apprised of Project approach, current status, etc.

Exhibit B



PROJECT: **Marysville City Hall**

NOTES:

PUBLIC-PRIVATE DEVELOPMENT SOLUTIONS
 phone 206.852.2376
 714 Laurel Street • Edmonds, WA 98020
 www.Public-PrivateDevelopmentSolutions.com

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 Version 8.9.08

**PROFESSIONAL SERVICES AGREEMENT BETWEEN
CITY OF MARYSVILLE
AND PUBLIC-PRIVATE DEVELOPMENT SOLUTIONS
FOR CONSULTANT SERVICES**

THIS AGREEMENT, made and entered into in Snohomish County, Washington, by and between CITY OF MARYSVILLE, hereinafter called the "City," and William K. Angle, a sole proprietor, dba PUBLIC-PRIVATE DEVELOPMENT SOLUTIONS, a Washington corporation, hereinafter called the "Consultant."

WHEREAS, Marysville desires to engage a consultant to assist Marysville in development of a new Civic Center (Campus) including site evaluations; evaluating, selecting, negotiating and contracting with a qualified developer and recommending financial structures of 63-20 bonds, Certificates of Participation, or other tax exempt debt;

WHEREAS, Consultant is knowledgeable and experienced in public-private approaches to commercial real estate development and wishes to provide such consulting services to Marysville.

WHEREAS, the Consultant has represented, and by entering into this Agreement now represents, that the firm and all employees assigned to work on any City project are in full compliance with the statutes of the State of Washington governing activities to be performed and that all personnel to be assigned to the work required under this agreement are fully qualified and properly licensed to perform the work to which they will be assigned.

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d. **Verification of Coverage.** In signing this agreement, the Consultant is

acknowledging and representing that required insurance is active and current.

3.8 DISCRIMINATION PROHIBITED AND COMPLIANCE WITH EQUAL OPPORTUNITY LEGISLATION. The Consultant agrees to comply with equal opportunity employment and not to discriminate against client, employee, or applicant for employment or for services because of race, creed, color, religion, national origin, marital status, sex, age or handicap except for a bona fide occupational qualification with regard, but not limited to, the following: employment upgrading; demotion or transfer; recruitment or any recruitment advertising; layoff or terminations; rates of pay or other forms of compensation; selection for training, rendition of services. The Consultant further agrees to maintain (as appropriate) notices, posted in conspicuous places, setting forth the provisions of this nondiscrimination clause. The Consultant understands and agrees that if it violates this nondiscrimination provision, this agreement may be terminated by the City, and further that the Consultant will be barred from performing any services for the City now or in the future, unless a showing is made satisfactory to the City that discriminatory practices have been terminated and that recurrence of such action is unlikely.

3.9 UNFAIR EMPLOYMENT PRACTICES. During the performance of this agreement, the Consultant agrees to comply with RCW 49.60.180, prohibiting unfair employment practices.

3.10 AFFIRMATIVE ACTION. Affirmative action shall be implemented by the Consultant to ensure that applicants for employment and all employees are treated without regard to race, creed, color, sex, age, marital status, national origin or the presence of any sensory, mental or physical handicap, unless based on a bona fide occupational qualification. The Consultant agrees to take affirmative action to ensure that all of its employees and agent adhere to this provision.

3.11 LEGAL RELATIONS. The Consultant shall comply with all federal, state and local laws and ordinances applicable to work to be done under this agreement. This contract shall be interpreted and construed in accordance with the laws of Washington. Venue for any action commenced relating to the interpretation, breach or enforcement of this agreement shall be in Snohomish County Superior Court.

3.12 INDEPENDENT CONTRACTOR. Independent Contractor. Consultant shall be and act as an independent contractor (and not as an employee, agent or representative of Marysville) in the performance of the Services. Consultant shall: (a) not be entitled to any worker's compensation, pension, retirement, insurance or other benefits afforded to employees of Marysville; (b) provide for all federal income tax and other withholding relating to Consultant's compensation; (c) pay all social security, unemployment and other employer taxes relating to Consultant's engagement or compensation; (d) provide all worker's compensation and other insurance relating to Consultant's engagement; and (e) perform all reporting, record keeping, administrative and similar functions relating to Consultant's engagement or compensation. Consultant shall not be entitled to, and shall not attempt to, create or assume any obligation,

express or implied, on behalf of Marysville. This Agreement shall not be construed as creating an association, joint venture, partnership or franchise relationship between the parties.

3.13 **CONFLICTS OF INTEREST.** While this is a non-exclusive agreement the Consultant agrees to and will notify the City of any potential conflicts of interest in Consultant's client base and will seek and obtain written permission from the City prior to providing services to third parties where a conflict of interest is apparent. If a conflict is irreconcilable, the City reserves the right to terminate this agreement.

3.14 **CITY CONFIDENCES.** The Consultant agrees to and will keep in strict confidence, and will not disclose, communicate or advertise to third parties without specific prior written consent from the City in each instance, the confidences of the City or any information regarding the City or services provided to the City.

3.15 **SUBCONTRACTORS/SUBCONSULTANTS**

a. In the event the City authorizes use of subconsultants or subcontractors the Consultant shall be and is responsible for all work performed by subconsultants pursuant to the terms of this agreement.

b. Consultant may not utilize subcontractors/subconsultants without the written approval of the City.

c. In the event the City approves use of subcontractors/subconsultants, all subcontractors/subconsultants shall have the same insurance coverages and limits as set forth in this agreement and Consultant shall provide verification of said insurance coverage.

ARTICLE 4. OBLIGATIONS OF THE CITY

4.1 **PAYMENTS.** The Consultant shall be paid by the City for completed work for services rendered under this agreement and as detailed in the scope of services as provided hereinafter. Such payment shall be full compensation for work performed or services rendered and for all labor, materials, supplies, equipment and incidentals necessary to complete the work.

a. Invoices shall be submitted by the Consultant to the City for payment pursuant to the terms of the scope of services. The invoice will state the time expended, the hourly rate, a detailed description of the work performed, and the expenses incurred during the preceding month. Invoices must be submitted by the 20th day of the month to be paid by the 15th day of the next calendar month.

b. The City will pay timely submitted and approved invoices received before the 20th of each month within thirty (30) days of receipt.

c. The project and consultant services shall be divided into 3 general phases:

- Phase I - Feasibility/Conceptual Development
- Phase II - RFP/RFQ and Selection of Development Team/Collaborative Predevelopment
- Phase III - Project Construction

d. For Phase I Consultant shall be paid at the rate of \$250.00 per hour. In no event shall the maximum amount payable under Phase I exceed \$100,000 (or 400 hours at \$250.00 per hour). For Phase I services, the City shall pay Consultant a one time \$10,000 retainer within fifteen (15) days of full execution of this agreement.

e. In the event the City determines the project to be feasible and wishes to continue with this agreement to Phases II and III, then Consultant's fee shall be based on an amount that is a fixed percentage of the Development Project cost with a not to exceed amount. The percentage and not to exceed amount shall be mutually agreed between the City and Consultant prior to Consultant commencing services under Phase II or III. If the City and Consultant cannot agree on the percentage fee and the not to exceed amount then this agreement may be terminated by either party pursuant to Section 5.2.

f. For all phases of the Consultant's services administrative costs shall be billed at \$85.00 per hour and normally will not exceed three hours in any given month. Each round trip of Consultant to Marysville will be billed at \$50.00 to a maximum of one trip per day.

4.2 **CITY APPROVAL.** Notwithstanding the Consultant's status as an independent contractor, results of the work performed pursuant to this contract must meet the approval of the City, which shall not be unreasonably withheld if work has been completed in compliance with the scope of work and City requirements.

ARTICLE 5. GENERAL

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

CITY OF MARYSVILLE
Paul Roberts and Mary Swenson
1049 State Avenue
Marysville, WA 98270

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

WILLIAM K. ANGLE
714 Laurel Street
Edmonds, WA 98020

Receipt of any notice shall be deemed effective three (3) days after deposit of written

notice in the U.S. mail with proper postage and address.

5.2 **TERMINATION.** The right is reserved by the City to terminate this agreement in whole or in part at any time upon ten (10) days' written notice to the Consultant.

If this agreement is terminated in its entirety by the City for its convenience, for Phase I work a final payment shall be made which equals the uncompensated hours worked to the date of said notice times the hourly rate. For termination during Phases II or III a final payment shall be made to the Consultant which, when added to any payments previously made, shall total the actual costs plus the same percentage of the fixed fee as the work completed at the time of termination applied to the total work required for the project.

5.3 **DISPUTES.** All claims or disputes between the parties arising out of or relating to this Agreement, or to the breach of this Agreement will be subject to and decided by mediation through Washington Arbitration Mediation Services (WAMS), or as otherwise agreed between the parties. The place of mediation shall be Snohomish County, Washington, and the mediator fees and expenses shall be borne equally by the parties. The parties consent to the jurisdiction of the Superior Court of the State of Washington, Snohomish County, for all purposes in connection with this Agreement. All facts and other information relating to any mediation arising under this Agreement shall be kept confidential to the fullest extent permitted by law. The provisions of this section shall survive the expiration or termination of this Agreement. Notwithstanding the foregoing nothing herein shall prohibit or restrict either party from seeking injunctive or other equitable relief in a court having proper jurisdiction.

5.4 **NONWAIVER.** Waiver by the City of any provision of this agreement or any time limitation provided for in this agreement shall not constitute a waiver of any other provision.

DATED this _____ day of _____, 2008.

CITY OF MARYSVILLE

By _____
DENNIS KENDALL, MAYOR

PUBLIC-PRIVATE DEVELOPMENT
SOLUTIONS, CONSULTANT

By _____
WILLIAM K. ANGLE, Sole Proprietor

Approved as to form:

GRANT K. WEED, City Attorney

PUBLIC-PRIVATE DEVELOPMENT SOLUTIONS

Proposed Scope:

Project Concept / Procurement / Predevelopment / Construction City of Marysville / Civic Center Campus

PHASE I:

A. **Oversee Concepts:**

- In collaboration with City officials, describe in narrative form the proposed Project, its recommended location, its rationale, and its importance to the community;
- If location is uncertain, identify known alternatives and articulate advantages and disadvantages in light of the Project Objectives, described below;
- Review, identify, articulate programmatic scope of facilities & Project to be developed and constructed;
- Identify, acknowledge & empower City Project leaders; outline scope, authority, responsibilities, communication protocol;
- Identify & acknowledge other participants, stakeholders and interested parties;
- Consider Project delivery alternatives; identify advantages and disadvantages; recommend the most advantageous Project delivery method;
- On a preliminary basis, model financing alternatives; in collaboration with City officials determine the most advantageous financing method based upon deal structure and Project delivery alternatives;
- Formulate / refine a public-private build-to-suit, lease-to-own delivery approach to Project;
- Establish consensus among Project participants (& stakeholders) re: utilizing this approach;

B. **Establish Project Objectives:**

- In collaboration with City officials, establish, prioritize and document the Project Objectives:
 - a. Examples might include: quality vs. cost, delivery schedule requirements, environmental impacts, City image, density, minimum LEEDs requirements, etc.
 - b. Project objectives become the guiding principles of the project, influencing many Project decisions;
 - c. Project Objectives will have significant impact on Project delivery method, schedules, financing plan, assumption of risks by City, etc.;
- Inform and educate Project participants regarding Project delivery model and implications; repeat; repeat; repeat; etc. (cannot be overstated....)

C. **Review Preliminary Vision of the Project:**

- Review (and/or suggest approaches):
 - a. Locations
 - b. Preliminary Project site master plan(s) per location; how flexible?
 - c. Urban design concept plan in light of location; how flexible?
 - d. Facilities master plan;
 - e. Preliminary building program / employee efficiencies / parking;
 - f. Preliminary blocking and elevations buildings; how flexible?
 - g. Discussion of phasing alternatives;
 - h. Preliminary schedule;
 - i. Finance plan;

PUBLIC-PRIVATE DEVELOPMENT SOLUTIONS

- Participate with City officials in its public participation process with regard to above;
- However, most of the public participation should be overseen by developer / developer team after it is selected;

D. Draft Report / Identify Alternatives / Make Recommendations

- Draft report;
- Prepare and obtain City staff consensus for a reasonable pre-development budget & schedule for that period after the developer / development team has been selected through closing of the GMP development contract and tax exempt financing;
- Present to City Council;
- Obtain authorization to proceed;

PHASE II:

E. Request for Qualifications - Developers / Development Teams:

- Draft RFQ;
- Review with City Attorney and project participants;
- Obtain City Agreement;
- Finalize;
- Oversee Procurement Office distribution;
- Run Informational Meetings;
- Answer Inquiries;
- Review Responses to RFQ;
- Prepare Report for Selection Committee;
- Rank;
- Notify Finalists;

F. Prepare Request for Proposals - Developers / Development Teams:

- Draft RFP, Development Agreement, Budget Template, Predevelopment Agreement;
- Review with City Attorney and project participants;
- Obtain City Agreement;
- Finalize RFP document(s);
- Oversee Procurement Office distribution;
- Run Informational Meetings;
- Answer Inquiries;
- Review Responses to RFP;
- Interviews
- Prepare Report for Selection Committee;
- Rank;
- Select developer;

G. Engage a Developer / Development Team / Developer Partner

- Facilitate pre-development engagement;
- Review scope of work / development contract approach / schedule;
- Assess risks and identify how risks should be allocated;
 - a. Lease-up risks

EXHIBIT A

PUBLIC-PRIVATE DEVELOPMENT SOLUTIONS

b. Financing risk

c. Development / construction risks

- Prepare final pre-development agreement for review and execution;

H. **Oversee the Collaborative Predevelopment Process:**

- Define / focus / oversee collaborative process;
- Coordinate and oversee negotiations;
- Define deliverables (design, Project budget, schedules, etc.);
- Review and finalize with Developer the (reimbursable) pre-development budget;
- Agree upon a final Project Schedule;
- Negotiate final terms of development agreement including Developer GMP;
- Attend weekly design / pre-development meetings;
- Interface with bond counsel, underwriters, City Attorney, etc. re financing method;

I. **Engage facilitating Financing Plan / Request for Qualifications:**

- Draft RFQ;
- Review with City Attorney;
- Obtain City Agreement;
- Finalize;
- Oversee Procurement Office distribution;
- Review Responses to RFQ;
- Prepare Report for Selection Committee
- Rank;
- Notify;

J. **Close on a Public-Private Development / Lease Transaction:**

- Interface with bond counsel, underwriters, City Attorney, etc. re financing method;
- Identify, select and engage underwriter;
- Coordinate business/legal issues, e.g., real estate, construction and tax exempt debt, etc. in alignment with City Attorney in preparation for closing;
- Coordinate and oversee transaction closing with City Attorney;

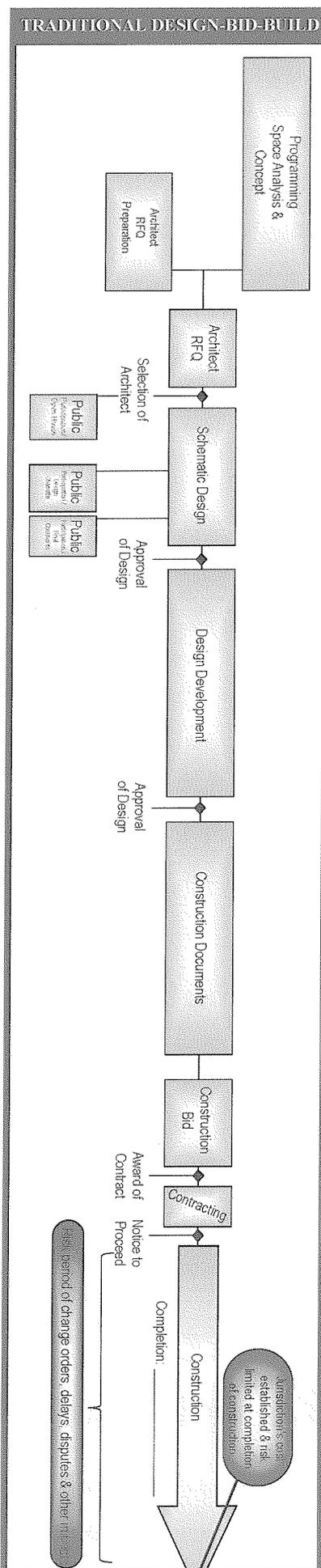
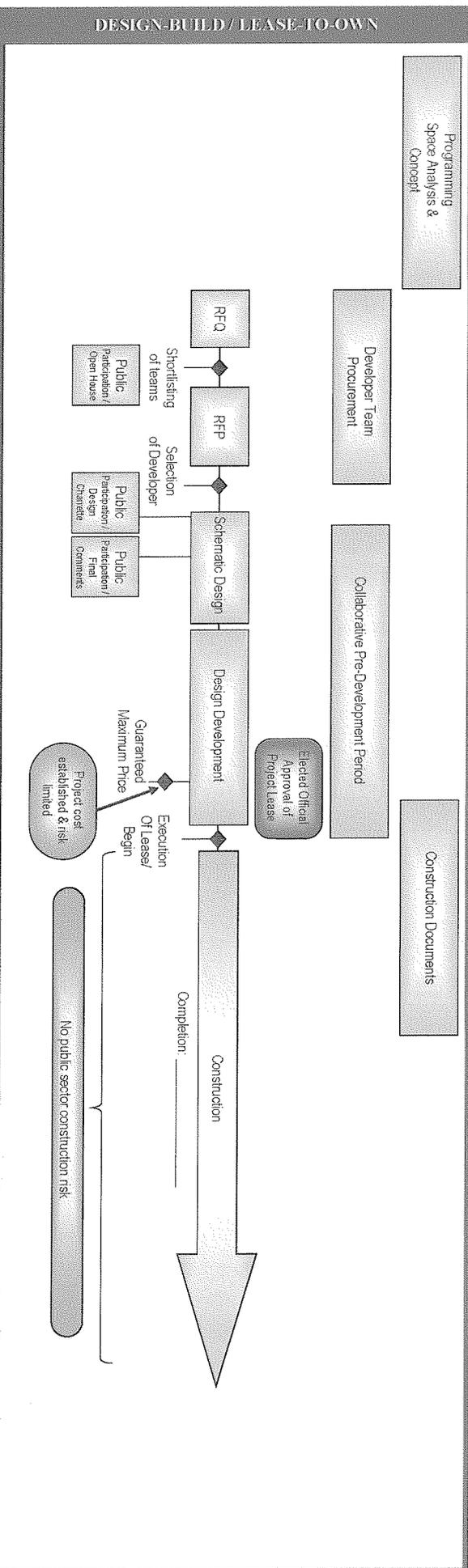
PHASE III:

K. **Oversee Development & Construction as Owner's Agent**

L. **Brief Elected Officials:** Ongoing...in collaboration with City staff

- Keep City Council members apprised of Project approach, current status, etc.

Exhibit B



PROJECT: **Marysville City Hall**

NOTES:

PUBLIC-PRIVATE DEVELOPMENT SOLUTIONS
 phone 206.852.2376
 714 Laurel Street - Edmonds, WA 98020
 www.Public-PrivateDevelopmentSolutions.com
 Copyright © 2018 Public-Private Development Solutions
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 Version 6.9.08

CITY OF MARYSVILLE

EXECUTIVE SUMMARY FOR ACTION

CITY COUNCIL MEETING DATE: July 28, 2008

AGENDA ITEM: Civic Center Complex Consulting Professional Services Agreement between City of Marysville & Makers, Inc.	AGENDA SECTION: New Business	
PREPARED BY: Paul Roberts	AGENDA NUMBER:	
ATTACHMENTS: PSA between City of Marysville & Makers, Inc. and Scope of Work and Budget	APPROVED BY:	
	MAYOR	CAO
BUDGET CODE:	AMOUNT: \$20,230.00	

The City of Marysville has contracted with the MAKERS Architecture and Urban Design group to provide a Downtown Master Plan. The attached agreement will add a site selection study examining site options advantages and disadvantages for a Civic Center, to the Master Plan efforts. The Civic Center site locations are expected to be within the boundaries of the Downtown Master Plan. This work is focused on site alternatives for a Civic Center and is complementary to other consulting efforts for this project.

RECOMMENDED ACTION: Authorize Mayor to sign the PSA agreement between City of Marysville and Makers, Inc. for consulting services in the amount of \$20,230.00.
COUNCIL ACTION:

**PROFESSIONAL SERVICES AGREEMENT BETWEEN
CITY OF MARYSVILLE
AND MAKERS, INC.
FOR CONSULTING SERVICES**

THIS AGREEMENT, made and entered into in Snohomish County, Washington, by and between CITY OF MARYSVILLE, hereinafter called the "City," and Makers, Inc., a Washington corporation, hereinafter called the "Consultant."

WHEREAS, the Consultant has represented, and by entering into this Agreement now represents, that the firm and all employees assigned to work on any City project are in full compliance with the statutes of the State of Washington governing activities to be performed and that all personnel to be assigned to the work required under this agreement are fully qualified and properly licensed to perform the work to which they will be assigned.

NOW, THEREFORE, in consideration of the terms, conditions, covenants and performances contained hereinbelow, the parties hereto agree as follows:

ARTICLE I. PURPOSE

The purpose of this agreement is to provide the City with consulting services to complete a Downtown Plan - Civic Center Selection Study as described in Article II. The general terms and conditions of relationships between the City and the Consultant are specified in this agreement.

ARTICLE II. SCOPE OF WORK

The scope of work is set out in the attached Estimate of Professional Services for the Downtown Plan - Civic Center Selection Study, hereinafter referred to as the "scope of services," **Exhibit A**. All services and materials necessary to accomplish the tasks outlined in **Exhibit A** shall be provided by

the Consultant unless noted otherwise in the scope of services or this agreement.

ARTICLE III. OBLIGATIONS OF THE CONSULTANT

III.1 **MINOR CHANGES IN SCOPE.** The Consultant shall accept minor changes, amendments, or revision in the detail of the work as may be required by the City when such changes will not have any impact on the service costs or proposed delivery schedule. Extra work, if any, involving substantial changes and/or changes in cost or schedules will be addressed as follows:

Extra Work. The City may desire to have the Consultant perform work or render services in connection with each project in addition to or other than work provided for by the expressed intent of the scope of work in the scope of services. Such work will be considered as extra work and will be specified in a written supplement to the scope of services, to be signed by both parties, which will set forth the nature and the scope thereof. All proposals for extra work or services shall be prepared by the Consultant at no cost to the City. Work under a supplemental agreement shall not proceed until executed in writing by the parties.

III.2 **WORK PRODUCT AND DOCUMENTS.** The work product and all documents listed in the scope of services shall be furnished by the Consultant to the City, and upon completion of the work shall become the property of the City, except that the Consultant may retain one copy of the work product and documents for its records. The Consultant will be responsible for the accuracy of the work, even though the work has been accepted by the City.

In the event that the Consultant shall default on this agreement or in the event that this contract shall be terminated prior to its completion as herein provided, all work product of the Consultant, along with a summary of work done to date of default or termination, shall become the property of the City. Upon request, the Consultant shall tender the work product and summary to the City. Tender of said work product shall be a prerequisite to final payment under this contract. The summary of work done shall be prepared at no additional cost to the City.

Consultant will not be held liable for reuse of these documents or modifications thereof for any purpose other than those authorized under this Agreement without the written authorization of Consultant.

III.3 **TIME OF PERFORMANCE.** The Consultant shall be authorized to begin work under the terms of this agreement upon signing of both the scope of services and this agreement and shall complete the work by December 31, 2008, unless a mutual written agreement is signed to change the schedule. An extension of the time for completion may be given by the City due to

conditions not expected or anticipated at the time of execution of this agreement.

III.4 **NONASSIGNABLE.** The services to be provided by the Consultant shall not be assigned or subcontracted without the express written consent of the City.

III.5 **EMPLOYMENT.** Any and all employees of the Consultant, while engaged in the performance of any work or services required by the Consultant under this agreement, shall be considered employees of the Consultant only and not of the City, and any and all claims that may or might arise under the Workman's Compensation Act on behalf of any said employees while so engaged, and any and all claims made by any third party as a consequence of any negligent act or omission on the part of the Consultant or its employees while so engaged in any of the work or services provided herein shall be the sole obligation of the Consultant.

III.6 **INDEMNITY.**

a. The Consultant will at all times indemnify and hold harmless and defend the City, its elected officials, officers, employees, agents and representatives, from and against any and all lawsuits, damages, costs, charges, expenses, judgments and liabilities, including attorney's fees (including attorney's fees in establishing indemnification), collectively referred to herein as "losses" resulting from, arising out of, or related to one or more claims arising out of negligent acts, errors, or omissions of the Consultant in performance of Consultant's professional services under this agreement. The term "claims" as used herein shall mean all claims, lawsuits, causes of action, and other legal actions and proceedings of whatsoever nature, involving bodily or personal injury or death of any person or damage to any property including, but not limited to, persons employed by the City, the Consultant or other person and all property owned or claimed by the City, the Consultant, or affiliate of the Consultant, or any other person.

b. Should a court of competent jurisdiction determine that this agreement is subject to RCW 4.24.115, then, in the event of liability for damaging arising out of bodily injury to persons or damages to property caused by or resulting from the concurrent negligence of the Consultant and the City, its members, officers, employees and agents, the Consultant's liability to the City, by way of indemnification, shall be only to the extent of the Consultant's negligence.

c. The provisions of this section shall survive the expiration or termination of this agreement.

III.7 **INSURANCE.**

a. **Minimum Limits of Insurance.** The Consultant shall, before commencing work under this agreement, file with the City certificates of insurance coverage to be kept in force continuously during this agreement, and during all work performed pursuant to all short form agreements, in a form acceptable to the City. Said certificates shall name the City as an additional named insured with respect to all coverages except professional liability insurance. The minimum insurance requirements shall be as follows:

(1) Comprehensive General Liability. \$1,000,000 combined single limit per occurrence for bodily injury personal injury and property damage; damage, \$2,000,000 general aggregate;

(2) Automobile Liability. \$300,000 combined single limit per accident for bodily injury and property damage;

(3) Workers' Compensation. Workers' compensation limits as required by the Workers' Compensation Act of Washington;

(4) Consultant's Errors and Omissions Liability. \$1,000,000 per occurrence and as an annual aggregate.

b. **Endorsement.** Each insurance policy shall be endorsed to state that coverage shall not be suspended, voided, canceled, reduced in coverage or in limits except after thirty (30) days' prior written notice by certified mail, return receipt requested, has been given to the City.

c. **Acceptability of Insurers.** Insurance to be provided by Consultant shall be with a Bests rating of no less than A:VII, or if not rated by Bests, with minimum surpluses the equivalent of Bests' VII rating.

d. **Verification of Coverage.** In signing this agreement, the Consultant is acknowledging and representing that required insurance is active and current.

III.8 **DISCRIMINATION PROHIBITED AND COMPLIANCE WITH EQUAL OPPORTUNITY LEGISLATION.** The Consultant agrees to comply with equal opportunity employment and not to discriminate against client, employee, or applicant for employment or for services because of race, creed, color, religion, national origin, marital status, sex, age or handicap except for a bona fide occupational qualification with regard, but not limited to, the following: employment upgrading; demotion or transfer; recruitment or any

recruitment advertising; layoff or terminations; rates of pay or other forms of compensation; selection for training, rendition of services. The Consultant further agrees to maintain (as appropriate) notices, posted in conspicuous places, setting forth the provisions of this nondiscrimination clause. The Consultant understands and agrees that if it violates this nondiscrimination provision, this agreement may be terminated by the City, and further that the Consultant will be barred from performing any services for the City now or in the future, unless a showing is made satisfactory to the City that discriminatory practices have been terminated and that recurrence of such action is unlikely.

III.9 **UNFAIR EMPLOYMENT PRACTICES.** During the performance of this agreement, the Consultant agrees to comply with RCW 49.60.180, prohibiting unfair employment practices.

III.10 **AFFIRMATIVE ACTION.** Affirmative action shall be implemented by the Consultant to ensure that applicants for employment and all employees are treated without regard to race, creed, color, sex, age, marital status, national origin or the presence of any sensory, mental or physical handicap, unless based on a bona fide occupational qualification. The Consultant agrees to take affirmative action to ensure that all of its employees and agent adhere to this provision.

III.11 **LEGAL RELATIONS.** The Consultant shall comply with all federal, state and local laws and ordinances applicable to work to be done under this agreement. This contract shall be interpreted and construed in accordance with the laws of Washington. Venue for any action commenced relating to the interpretation, breach or enforcement of this agreement shall be in Snohomish County Superior Court.

III.12 **INDEPENDENT CONTRACTOR.** The Consultant's relation to the City shall at all times be as an independent contractor.

III.13 **CONFLICTS OF INTEREST.** While this is a non-exclusive agreement the Consultant agrees to and will notify the City of any potential conflicts of interest in Consultant's client base and will seek and obtain written permission from the City prior to providing services to third parties where a conflict of interest is apparent. If a conflict is irreconcilable, the City reserves the right to terminate this agreement.

III.14 **CITY CONFIDENCES.** The Consultant agrees to and will keep in strict confidence, and will not disclose, communicate or advertise to third parties without specific prior written consent from the City in each instance, the confidences of the City or any information regarding the City or services provided to the City.

ARTICLE IV. OBLIGATIONS OF THE CITY

IV.1 **PAYMENTS.** The Consultant shall be paid by the City for completed work for services rendered under this agreement and as detailed in the scope of services as provided hereinafter. Such payment shall be full compensation for work performed or services rendered and for all labor, materials, supplies, equipment and incidentals necessary to complete the work. Payment shall be on a time and expense basis, provided, however, in no event shall total payment under this agreement exceed \$ 20,230. In the event the City elects to expand the scope of services from that set forth in **Exhibit A**, the City shall pay Consultant an additional amount based on a time and expense basis, based upon Consultant's current schedule of hourly rates.

a. Invoices shall be submitted by the Consultant to the City for payment pursuant to the terms of the scope of services. The invoice will state the time expended, the hourly rate, a detailed description of the work performed, and the expenses incurred during the preceding month. Invoices must be submitted by the 20th day of the month to be paid by the 15th day of the next calendar month.

b. The City will pay timely submitted and approved invoices received before the 20th of each month within thirty (30) days of receipt.

IV.2 **CITY APPROVAL.** Notwithstanding the Consultant's status as an independent contractor, results of the work performed pursuant to this contract must meet the approval of the City, which shall not be unreasonably withheld if work has been completed in compliance with the scope of work and City requirements.

ARTICLE V. GENERAL

V.1 **NOTICES.** Notices to the City shall be sent to the following address:

CITY OF MARYSVILLE
C/O Gloria Hirashima
1049 State Avenue
MARYSVILLE, WA 98270

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

 Makers, Inc.
 1425 Fourth Ave.
 Suite 901
 Seattle, WA 98101
 Attn: John Owen

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

V.2 **TERMINATION.** The right is reserved by the City to terminate this agreement in whole or in part at any time upon ten (10) days' written notice to the Consultant.

If this agreement is terminated in its entirety by the City for its convenience, a final payment shall be made to the Consultant which, when added to any payments previously made, shall total the actual costs plus the same percentage of the fixed fee as the work completed at the time of termination applied to the total work required for the project.

V.3 **DISPUTES.** The parties agree that, following reasonable attempts at negotiation and compromise, any unresolved dispute arising under this contract may be resolved by a mutually agreed-upon alternative dispute resolution of arbitration or mediation.

V.4 **NONWAIVER.** Waiver by the City of any provision of this agreement or any time limitation provided for in this agreement shall not constitute a waiver of any other provision.

DATED this _____ day of _____, 2008.

By _____
MAYOR, CITY OF MARYSVILLE

By  _____
MAKERS, INC.
6.27.08

Approved as to form:

GRANT K. WEED, City Attorney

MARYSVILLE CITY HALL SITE SELECTION STUDY

Scope of Work and Budget

Scope of Work

1. Meet with the City to discuss project sites and program. Identify key parameters and establish schedule. City will provide generalized space program sufficient for site planning purposes.
2. Prepare sketch site plans for each site. (This may involve looking at alternate site plans.) Review the sketches with City staff.
3. Refine site plan sketches based on staff input. Begin comparative analysis.
Product: Refined and colored alternate site plans in presentation format.
4. Present the site plans to City Council at a work session (early September). Take comments.
5. Based on Council and staff direction, revise the site plans and compare them according to the following criteria:
 - Relative cost (based on planning-level local development costs. The City will provide land price information.
 - Relative amount of favorable impact on downtown business and development.
 - Access and circulation implications.
 - Design considerations.
 - Implementation considerations.
 - Ability to collocate other uses.
Product: Concise report summarizing the findings for the criteria noted above. Preferred conceptual site plan for presentation and public information.
6. Prepare a discussion of the City Hall siting for the Downtown Master Plan EIS.
7. Review the products with staff and revise the documents.
8. Prepare for and make a presentation to City Council.



Budget

	HOURS		AMOUNT
	John O., Eric A., & Bob B. @ \$140	Dara O. & Sean M. @ \$85	
1. Meet with the City	4	2	\$730
2. Prepare sketch plans and review	20	20	4,500
3. Refine the plans	20	20	4,500
4. Present the preliminary plans to City Council	4		560
5. Revise the site plans and prepare a comparative analysis	24	16	5,560
6. Add the City Hall study to the EIS	16	8	2,920
7. Review the study products with staff	4		560
8. Present the analysis to City Council	4	4	900
Project Total	96	70	\$20,230

**CITY OF MARYSVILLE
EXECUTIVE SUMMARY FOR ACTION**

CITY COUNCIL MEETING DATE: July 28, 2008

AGENDA ITEM: City of Marysville Smokey Point Area Project, Professional Services Agreement	AGENDA SECTION:	
PREPARED BY: Kari Chennault, Program Engineer – Surface Water	AGENDA NUMBER:	
ATTACHMENTS: <ul style="list-style-type: none"> • Professional Services Agreement 	APPROVED BY:	
	MAYOR	CAO
BUDGET CODE: 40250594.563000.D0801	AMOUNT: \$281,000	

Attached is a Professional Services Agreement with Otak, Inc. to provide consulting services that will aid in the implementation of the alternatives identified in the Smokey Point Master Plan. Three consulting firms Otak, Inc., ESA Adolfson, and Anchor Environmental, LLC, were interviewed. The consultant selection committee rated Otak, Inc. as the best qualified firm to perform the work. Their firm has a very good reputation in providing this type of service and they provided a superior presentation.

RECOMMENDED ACTION: Staff recommends City Council authorize the Mayor to sign the Professional Services Agreement with Otak, Inc. in an amount not to exceed \$281,000.
COUNCIL ACTION:

INQA END214P1

Endorsement List - Location

09:57

UBI: 600 614 735 001 0003 OTAK, INC.

Sl	Endr	Description	Rst	Account Nbr	Org Dte	s	Rsn	Exp Dte	P	I	F	
						S				R	R	N
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___	30	Bellevue General Busin		80256	02/2007	A						
___	135	Tax Registration			02/2007	A						
___	500	Sammamish General Busi			03/2008	A		12/2008				
___	521	Marysville General Bus		3618SVC107	08/2007	A		12/2008				

___ 140 Profit Corporation 23681117 A 12/2008

Transfer: _____ * End of List * Pg: 1

Enter-PF1---PF2---PF3---PF4---PF5---PF6---PF7---PF8---PF9---PF10--PF11--PF12---

Help CgHst Menu

**PROFESSIONAL SERVICES AGREEMENT BETWEEN
CITY OF MARYSVILLE
AND *Otak, Inc.*
FOR ENGINEERING SERVICES**

THIS AGREEMENT, made and entered into in Snohomish County, Washington, by and between CITY OF MARYSVILLE, hereinafter called the "City," and *Otak, Inc.*, a Washington corporation, hereinafter called the "Consultant."

WHEREAS, the Consultant has represented, and by entering into this Agreement now represents, that the firm and all employees assigned to work on any City project are in full compliance with the statutes of the State of Washington governing activities to be performed and that all personnel to be assigned to the work required under this agreement are fully qualified and properly licensed to perform the work to which they will be assigned.

NOW, THEREFORE, in consideration of the terms, conditions, covenants and performances contained hereinbelow, the parties hereto agree as follows:

ARTICLE I. PURPOSE

The purpose of this agreement is to provide the City with engineering services to *develop Phase 1 of the City of Marysville's Smokey Point Feasibility Study* as described in Article II. The general terms and conditions of relationships between the City and the Consultant are specified in this agreement.

ARTICLE II. SCOPE OF WORK

The scope of work is set out in the attached estimate of Professional Services for the *Smokey Point Feasibility Study* -

Phase 1 Project, hereinafter referred to as the "scope of services," **Attachment A**. All services and materials necessary to accomplish the tasks outlined in **Attachment A** shall be provided by the Consultant unless noted otherwise in the scope of services or this agreement.

ARTICLE III. OBLIGATIONS OF THE CONSULTANT

III.1 **MINOR CHANGES IN SCOPE.** The Consultant shall accept minor changes, amendments, or revision in the detail of the work as may be required by the City when such changes will not have any impact on the service costs or proposed delivery schedule. Extra work, if any, involving substantial changes and/or changes in cost or schedules will be addressed as follows:

Extra Work. The City may desire to have the Consultant perform work or render services in connection with each project in addition to or other than work provided for by the expressed intent of the scope of work in the scope of services. Such work will be considered as extra work and will be specified in a written supplement to the scope of services, to be signed by both parties, which will set forth the nature and the scope thereof. All proposals for extra work or services shall be prepared by the Consultant at no cost to the City. Work under a supplemental agreement shall not proceed until executed in writing by the parties.

III.2 **WORK PRODUCT AND DOCUMENTS.** The work product and all documents listed in the scope of services shall be furnished by the Consultant to the City, and upon completion of the work shall become the property of the City, except that the Consultant may retain one copy of the work product and documents for its records. The Consultant will be responsible for the accuracy of the work, even though the work has been accepted by the City.

In the event that the Consultant shall default on this agreement or in the event that this contract shall be terminated prior to its completion as herein provided, all work product of the Consultant, along with a summary of work done to date of default or termination, shall become the property of the City. Upon request, the Consultant shall tender the work product and summary to the City. Tender of said work product shall be a prerequisite to final payment under this contract. The summary of work done shall be prepared at no additional cost to the City.

Consultant will not be held liable for reuse of these documents or modifications thereof for any purpose other than those authorized under this Agreement without the written authorization of Consultant.

III.3 **TIME OF PERFORMANCE.** The Consultant shall be authorized to begin work under the terms of this agreement upon

signing of both the scope of services and this agreement and shall complete the work by *July 28, 2009*, unless a mutual written agreement is signed to change the schedule. An extension of the time for completion may be given by the City due to conditions not expected or anticipated at the time of execution of this agreement.

III.4 **NONASSIGNABLE.** The services to be provided by the Consultant shall not be assigned or subcontracted without the express written consent of the City.

III.5 **EMPLOYMENT.** Any and all employees of the Consultant, while engaged in the performance of any work or services required by the Consultant under this agreement, shall be considered employees of the Consultant only and not of the City, and any and all claims that may or might arise under the Workman's Compensation Act on behalf of any said employees while so engaged, and any and all claims made by any third party as a consequence of any negligent act or omission on the part of the Consultant or its employees while so engaged, in any of the work or services provided herein shall be the sole obligation of the Consultant.

III.6 **INDEMNITY.**

a. The Engineer will at all times indemnify and hold harmless and defend the City, its elected officials, officers, employees, agents and representatives, from and against any and all lawsuits, damages, costs, charges, expenses, judgments and liabilities, including attorney's fees (including attorney's fees in establishing indemnification), collectively referred to herein as "losses" resulting from, arising out of, or related to one or more claims arising out of negligent acts, errors, or omissions of the Engineer in performance of Engineer's professional services under this agreement. The term "claims" as used herein shall mean all claims, lawsuits, causes of action, and other legal actions and proceedings of whatsoever nature, involving bodily or personal injury or death of any person or damage to any property including, but not limited to, persons employed by the City, the Engineer or other person and all property owned or claimed by the City, the Engineer, or affiliate of the Engineer, or any other person.

b. Should a court of competent jurisdiction determine that this agreement is subject to RCW 4.24.115, then, in the event of liability for damaging arising out of bodily injury to persons or damages to property caused by or resulting from the concurrent negligence of the Engineer and the City, its members, officers, employees and agents, the Engineer's liability to the City, by way of indemnification, shall be

only to the extent of the Engineer's negligence.

c. The provisions of this section shall survive the expiration or termination of this agreement.

III.7 **INSURANCE.**

a. **Minimum Limits of Insurance.** The Consultant shall, before commencing work under this agreement, file with the City certificates of insurance coverage to be kept in force continuously during this agreement, and during all work performed pursuant to all short form agreements, in a form acceptable to the City. Said certificates shall name the City as an additional named insured with respect to all coverages except professional liability insurance. The minimum insurance requirements shall be as follows:

(1) Comprehensive General Liability. \$1,000,000 combined single limit per occurrence for bodily injury personal injury and property damage; damage, \$2,000,000 general aggregate;

(2) Automobile Liability. \$300,000 combined single limit per accident for bodily injury and property damage;

(3) Workers' Compensation. Workers' compensation limits as required by the Workers' Compensation Act of Washington;

(4) Consultant's Errors and Omissions Liability. \$1,000,000 per occurrence and as an annual aggregate.

b. **Endorsement.** Each insurance policy shall be endorsed to state that coverage shall not be suspended, voiced, canceled, reduced in coverage or in limits except after thirty (30) days' prior written notice by certified mail, return receipt requested, has been given to the City.

c. **Acceptability of Insurers.** Insurance to be provided by Consultant shall be with a Bests rating of no less than A:VII, or if not rated by Bests, with minimum surpluses the equivalent of Bests' VII rating.

d. **Verification of Coverage.** In signing this agreement, the Consultant is acknowledging and representing that required insurance is active and current.

III.8 **DISCRIMINATION PROHIBITED AND COMPLIANCE WITH EQUAL OPPORTUNITY LEGISLATION.** The Consultant agrees to comply with equal opportunity employment and not to discriminate against

client, employee, or applicant for employment or for services because of race, creed, color, religion, national origin, marital status, sex, age or handicap except for a bona fide occupational qualification with regard, but not limited to, the following: employment upgrading; demotion or transfer; recruitment or any recruitment advertising; layoff or terminations; rates of pay or other forms of compensation; selection for training, rendition of services. The Consultant further agrees to maintain (as appropriate) notices, posted in conspicuous places, setting forth the provisions of this nondiscrimination clause. The Consultant understands and agrees that if it violates this nondiscrimination provision, this agreement may be terminated by the City, and further that the Consultant will be barred from performing any services for the City now or in the future, unless a showing is made satisfactory to the City that discriminatory practices have been terminated and that recurrence of such action is unlikely.

III.9 **UNFAIR EMPLOYMENT PRACTICES.** During the performance of this agreement, the Consultant agrees to comply with RCW 49.60.180, prohibiting unfair employment practices.

III.10 **AFFIRMATIVE ACTION.** Affirmative action shall be implemented by the Consultant to ensure that applicants for employment and all employees are treated without regard to race, creed, color, sex, age, marital status, national origin or the presence of any sensory, mental or physical handicap, unless based on a bona fide occupational qualification. The Consultant agrees to take affirmative action to ensure that all of its employees and agent adhere to this provision.

III.11 **LEGAL RELATIONS.** The Consultant shall comply with all federal, state and local laws and ordinances applicable to work to be done under this agreement. This contract shall be interpreted and construed in accordance with the laws of Washington. Venue for any action commenced relating to the interpretation, breach or enforcement of this agreement shall be in Snohomish County Superior Court.

III.12 **INDEPENDENT CONTRACTOR.** The Consultant's relation to the City shall at all times be as an independent contractor.

III.13 **CONFLICTS OF INTEREST.** While this is a non-exclusive agreement the Consultant agrees to and will notify the City of any potential conflicts of interest in Consultant's client base and will seek and obtain written permission from the City prior to providing services to third parties where a conflict of interest is apparent. If a conflict is irreconcilable, the City reserves the right to terminate this agreement.

III.14 **CITY CONFIDENCES.** The Consultant agrees to and will keep in strict confidence, and will not disclose, communicate or advertise to third parties without specific prior written consent from the City in each instance, the confidences

of the City or any information regarding the City or services provided to the City.

ARTICLE IV. OBLIGATIONS OF THE CITY

IV.1 **PAYMENTS.** The Consultant shall be paid by the City for completed work for services rendered under this agreement and as detailed in the scope of services as provided hereinafter. Such payment shall be full compensation for work performed or services rendered and for all labor, materials, supplies, equipment and incidentals necessary to complete the work. Payment shall be on a time and expense basis, provided, however, in no event shall total payment under this agreement exceed **\$281,000**. In the event the City elects to expand the scope of services from that set forth in **Attachment A**, the City shall pay Consultant an additional amount based on a time and expense basis, based upon Consultant's current schedule of hourly rates.

a. Invoices shall be submitted by the Consultant to the City for payment pursuant to the terms of the scope of services. The invoice will state the time expended, the hourly rate, a detailed description of the work performed, and the expenses incurred during the preceding month. Invoices must be submitted by the 20th day of the month to be paid by the 15th day of the next calendar month.

b. The City will pay timely submitted and approved invoices received before the 20th of each month within thirty (30) days of receipt.

IV.2 **CITY APPROVAL.** Notwithstanding the Consultant's status as an independent contractor, results of the work performed pursuant to this contract must meet the approval of the City, which shall not be unreasonably withheld if work has been completed in compliance with the scope of work and City requirements.

ARTICLE V. GENERAL

V.1 **NOTICES.** Notices to the City shall be sent to the following address:

CITY OF MARYSVILLE
ATTN: *Kari Chennault*
80 Columbia Avenue
MARYSVILLE, WA 98270

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

Otak, Inc.
10230 NE Points Drive, Suite 400
Kirkland, WA, 98033-7897
Attn: Dyanne Sheldon

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

V.2 **TERMINATION.** The right is reserved by the City to terminate this agreement in whole or in part at any time upon ten (10) days' written notice to the Consultant.

If this agreement is terminated in its entirety by the City for its convenience, a final payment shall be made to the Consultant which, when added to any payments previously made, shall total the actual costs plus the same percentage of the fixed fee as the work completed at the time of termination applied to the total work required for the project.

V.3 **DISPUTES.** The parties agree that, following reasonable attempts at negotiation and compromise, any unresolved dispute arising under this contract may be resolved by a mutually agreed-upon alternative dispute resolution of arbitration or mediation.

V.4 **NONWAIVER.** Waiver by the City of any provision of this agreement or any time limitation provided for in this agreement shall not constitute a waiver of any other provision.

DATED this 16 day of July, 2008.

CITY OF MARYSVILLE

By _____

Otak, Inc, CONSULTANT

By Dyanne Sheldon

Approved as to form:

GRANT K. WEED, City Attorney

City of Marysville Smokey Point Feasibility Study: Phase I

This scope of work presents the first phase of effort to identify the range of opportunities and constraints for reducing the number and location of degraded resource lands within the Smokey Point Planning Area, to allow for a net gain in aquatic resource functions in the Middle Fork Quilceda drainage, while concentrating economic growth within a designated area of the City. Phase 1 of the work includes working closely with City staff, the Office of Regulatory Assistance (ORA), the full suite of resource and regulatory agencies, Tribal representative, and the private property owners to identify a feasible approach to development of the Smokey Point project area.

The Smokey Point Planning area contains a significant proportion of the Middle Fork of Quilceda Creek watershed. Due to extensive historic and ongoing land-use practices within the watershed, the streams, wetlands, and groundwater have been significantly altered. For the purposes of this Feasibility Study, the creeks (i.e., Hayho Creek, Edgecomb Creek, Olaf Strad Creek), and the channelized and ditched drainages that are present between Hayho and Olaf Strad will be included in this analysis. An analysis of existing resource lands plus a more detailed analysis of future stormwater conditions derived from projected land-uses will be used to form the identification of appropriate Alternatives. Alternatives might include reconfiguration or elimination of channelized drainages (e.g. ditches along 51st), relocation of Edgecomb Creek outside the zone of proposed highest land-use, implications to Olaf Strad creek, and implications to the elimination or retention of ditches throughout the Planning Area. This plan will identify likely impacts to existing resources; quantify impacts from projected land-use (on resource lands and stormwater management considerations); and identify the preferred alignment of Edgecomb Creek in future conditions.

Subsequent phases of the project will develop an Alternative Analysis sufficient to meet the provisions of the Section 404(b)1 Guidelines, prepare Memoranda of Understanding and Agreements to link all the key players in the process to commit to cooperation, implementation, and follow-through so that the regulatory agencies will have the confidence to approve a permit application representing a collaborative effort between the City and the private property owners.

Provided below is the detailed Scope for Phase 1 of the project; subsequent Phases will be developed with full scopes as the project progresses.

1.0 Project Management

1.1—Coordination with City of Marysville

Otak will coordinate execution of the project with the City of Marysville project manager and City staff. Otak will establish and maintain effective communications for keeping the City well-informed of progress, unanticipated scope or project issues that may arise, and issues requiring decisions and direction from the City.

Attachment A

1.2—Prepare Project Work Plan and Schedule

Otak will develop a project work plan. This plan will include overall project schedule, and a detailed scope of services which constitutes the initial approach to understanding the complexities and required services to complete the project. The drafted schedule incorporated in the project work plan will be updated as required to accurately reflect completed tasks, milestones, and other changes in task efforts.

1.3—Consultant Team Management

Otak will direct and supervise internal team members and subconsultants to ensure successful completion of the identified tasks and services. Periodic meetings with the City staff and Otak team (including Cherry Creek Environmental staff) will be held to discuss the project schedule, identify priorities, and modify milestones, if necessary. These meetings will be scheduled by the City at their request; or by Otak when the team requires clarification of direction or intent. The consultant team will meet as necessary to complete the work and maintain the project schedule. Otak will coordinate and manage subconsultants and direct as necessary to ensure the timely, seamless integration of their data and work products. We will review and monitor subconsultants' scope activities and budget expenditures.

1.4—Project Monitoring and Reporting

Otak will document meeting minutes including significant findings or directions and determinations from the ORA and private property-owners meetings, throughout the project. In addition, we will prepare monthly project status reports and invoices with sufficient detail to reflect progress over the last billing period and anticipated activities over the next billing period. The status report will also discuss issues that have arisen and plans to resolve them. Otak will coordinate with Cherry Creek Environmental to ensure timely receipt of invoices and make sure they contain sufficient detail to document progress to the City.

Assumptions:

- Phase 1: six month duration

Deliverables:

- Project Work Plan
- Meeting minutes for ORA and private property owner meetings
- Monthly progress reports and invoicing

2.0 Review Existing Data and Conduct Site Assessment

2.1—Obtain/Review Existing Documentation

Otak will compile and review existing documentation on the Smokey Point project area; anticipated to include previously prepared design reports, basin plans (e.g., Quilceda/Allen Watershed Plan, Smokey Point Watershed Plan, etc.), special studies completed by others regarding wetlands, soils, or streams (e.g., wetland/stream reports for all private properties within the identified project area; Lakewood-Smokey Point Wetland and Stream inventory,

Attachment A

Edgecomb Creek Mitigation Strategy, Geotech Report on Strawberry Fields Athletic Complex, etc.). Additional data may be obtained from the web and other public sources (e.g., NRCS soil surveys, National wetland inventory, State stream data, aerial photographs, LIDAR, etc.).

Assumptions:

- The City will provide Otak with copies of previous studies or reports for the project area in Smokey Point area including those generated by/for Snohomish County for which the City has copies.
- The City will provide copies of all the wetland/stream analysis reports prepared for private property owners within the Smokey Point project study area.
- The City will contact other relevant public agencies to obtain publically accessible studies or reports (e.g. jurisdictional wetland/stream determinations from Corps of Engineers for the project area) to make them available to Otak
- The City will provide GIS data, existing topographic survey data, and other pertinent information relative to the project area.
- The existing data will be provided by the City in an electronic format.

Deliverables:

- Background information gathered and compiled will be summarized, as appropriate, in the Preferred Alternative Analysis documentation for the JARPA submittal package. Critical data gaps will be identified in order to determine if any additional special studies are necessary to complete the substantiation of a Preferred Alternative for a JARPA submittal. No separate memorandum of findings will be created of this compilation.

2.2—Conduct the Wetland and Stream Verification/Confirmation within the Study Area

Otak staff will conduct the field verification of the wetland delineations and stream-typing studies performed by others on the private properties within the study area. Otak staff shall provide third party review and confirmation of the delineations to assure that they are properly conducted and that they meet the requirement of the City of Marysville and Corps of Engineers delineation methods. Delineations not completed and provided to the City by June 16, 2008 shall be expected to be conducted using the Western Mountain Valley and Foothills supplement to the 1987 Corps of Engineers 1987 Manual. Stream typing will follow the protocols of WDFW/DNR as well as the City of Marysville code so that each respective agency can confirm the findings. The information gathered from this Task will be included as part of the Technical Analysis required for the 404(b)1 Alternative Analysis.

Assumptions:

- The City will obtain permission for Otak staff to access private sites for the field confirmation work.
- Otak will attempt to coordinate their field verification work with other relevant project activities.
- Initial confirmation field work will likely have to be conducted in the summer drought months; it is assumed that appropriate hydrologic data is provided by each owner's consultant to document appropriately the hydrology patterns on each site, for each wetland

Attachment A

determination. The adequacy and appropriateness of hydrology data will be confirmed for each site with the Corps of Engineers delineation staff to assure that accurate determination of wetland presence/absence has been documented by the applicant's biologist(s).

Deliverables:

- A Memorandum of Findings will be prepared for each site where field confirmation is performed (assumes that appropriate verifiable delineation data is provided by the owner(s)).
- Memorandum of Findings will document the confirmation (or not) of the wetland edge(s)/property; the wetland ratings per Ecology and the City of Marysville, stream ratings per WDFW, DNR, and Marysville, and the implication of the City Critical Areas Regulations (i.e., buffers, etc.) on each wetland and stream.

2.3 Conduct a Landscape-Scale Analysis of the Project Area

To provide the technical substantiation for the eventual Preferred Alternative, a watershed characterization of the Middle Fork Quilceda including some portions of the Middle Fork Quilceda basin outside the actual Project Area limits will be conducted. Based on the Snohomish County Alternative Mitigation Pilot (August, 2008) by Ecology, the watershed characterization will be used to establish the landscape scale processes of existing and proposed conditions. The results will be used to substantiate the choice of the Preferred Alternative such that it will obtain the support of the suite of regulatory and resource agencies that participate in the ORA process.

Technical staff of Otak will conduct a site assessment of the Smokey Point project area for the purpose of preparing a watershed characterization of the conditions within the Project area. The work will confirm the existing conditions (as documented by others), assess the conditions/functions of the proposed east/west stream alignments and anticipated riparian floodplain areas, assess existing conditions and habitat functions for the fish-bearing ditches that are anticipated to be eliminated, collect the necessary data to compile the ESA documents, and document the physical, chemical and biological conditions within the Middle Fork Quilceda landscape to substantiate the choice of the eventual Preferred Alternative. The landscape-scale assessment will be required by Ecology/COE; it will be used as one factor to help identify the 'preferred Alternative' for future conditions in the Middle-Fork Quilceda (Edgecomb, Hayho, and their ditch tributaries). The results of this work will also be used to inform the CIP schematics for future conditions.

Reconnaissance of wetlands will be conducted east of the railroad tracks, along proposed ROW, tributary ditches, and at the north end of the Hayho basin to document the extent and conditions of existing wetland areas. If further analysis warrants consideration in assessing impacts in these areas (e.g. relocating Edgecomb Creek), then formal delineations will be conducted.

Assumptions:

- The City will obtain permission to access all the key private properties within the study area
- The private property owners will provide technical studies, surveys, and/or electronic base maps that already exist on lands within the project area to the City and Otak for use in creating a working base-map for the study area.

Attachment A

- Additional topographic survey work will be required for the storm water drainage study and for the restoration plan(s) to accompany permit applications
- Reconnaissance of wetlands will be conducted along proposed ROW, tributary ditches, north Hayho drainage forest, and anticipated east/west Edgecomb Creek alignment zones.

Deliverables:

- Draft Landscape-scale assessment of the Smokey Point project area that identifies key habitat features, significant landscape elements for incorporating into Surface Water Drainage designs, and provides an ecologically based decision matrix. Examples of Alternatives that will be assessed:
 1. Leaving Edgecomb Creek in the current alignment and providing restoration actions to the riparian corridor;
 2. Moving Edgecomb Creek to the west side of the railroad tracks and restoring a riparian corridor surrounding it;
 3. Moving Edgecomb Creek to the east side of the tracks and modifying Olaf Strad Creek and the existing riparian/wetland corridor to accommodate the new configuration.
 4. Elimination of streams and drainages within the Middle Fork Quilceda planning area in regards to habitat implications.

2.4 Conduct Topographic Survey (Cost Allowance)

Due to the complex conditions in existing surface features, and to be able to accurately predict and design future surface conveyance and groundwater conditions (sufficiently to deduce benefits to stream alignments and address surface water control), a topographic survey may be required for portions of the study area. The extent of such the effort will be established once the site analysis is complete and the drainage analysis is refined. Critical correlations such as the relationship to existing stream channels, proposed stream channel realignments, ground-water on sites where drain-tiling/ditching has recently lowered historic existing conditions or lowered the ground-water significantly relative to adjacent properties.

Assumptions:

- The City will supply the preferred format for survey information to guide to the final product.
- Only portions of the site will be surveyed, in particular those areas that will be directly affected by stormwater and habitat features.

Deliverables:

- Survey base maps for selected areas, format to be identified by the City.

3.0 Attend Meetings

3.1—Attend Agency Meetings Initiated by the Office of Regulatory Assistance (ORA)

Otak team members will attend the inter-jurisdictional meetings organized by the City or the ORA and participate as the City's technical resources, as needed and as directed by the City. Attendance at these meetings by members of the Otak team will be determined by the anticipated content of the agenda for the meeting.

Attachment A

Assumptions:

- For the purposes of this scope we are assuming one meeting per month from July to December, 2008; Two people from the Otak team per meeting; and four hours per meeting.
- Additional meetings or additional staff at meetings will be approved by the City prior to our attendance

Deliverables:

- Draft meeting minutes prepared for the City based on the discussions and decisions from each Meeting.

3.2—Attend Meetings Initiated by the City with Private Property Owners in the Project Area
Otak team members will attend meetings organized by the City with the private property owners in the Project Area and participate as the City's technical resources, as needed. Attendance at these meetings by members of the Otak team will be determined by the anticipated content of the agenda for the meeting.

Assumptions:

- For the purposes of this scope we are assuming one meeting per month from July to December, 2008; Two people from the Otak team per meeting; and four hours per meeting.
- Additional meetings or additional staff at meetings will be approved by the City prior to our attendance

Deliverables:

Draft meeting minutes prepared for the City based on the discussions and decisions from each Meeting.

3.3—Attend Meetings with the City

Otak team members will attend meetings with the City as requested to discuss the project, brainstorm approaches, and finalize Alternatives. Attendance at these meetings by members of the Otak team will be determined by the anticipated content of the agenda for the meeting.

Assumptions:

- For the purposes of this scope we are assuming one meeting per month from July to December, 2008; Two people from the Otak team per meeting; and four hours per meeting.
- Additional meetings or additional staff at meetings will be approved by the City prior to our attendance

Deliverables:

- Draft meeting minutes prepared for the City based on the discussions and decisions from each Meeting.

4.0 Master Drainage Plan

Attachment A

The objective of the Master Drainage Plan (MDP) will be to identify existing surface water resources and develop management strategies for the storm and natural water systems to avoid potential impacts that would otherwise result from proposed development in future developed conditions. Stormwater planning will be performed in accordance with the 2005 Ecology Stormwater Management Manual for Western Washington. Otak will update the 2008 Surface Water Management Plan (in progress) with hydraulic and hydrologic modeling to prepare CIP projects for potential facilities to provide stormwater management in future land-use conditions and to substantiate the identified Preferred Alternative alignment of Edgecomb Creek and its tributaries.

4.1— Planning Level Hydraulic Analysis to Support the MDP

Otak will create an XP-SWMM hydraulic model to analyze the potential stormwater facilities and piped conveyance systems, and a HEC-RAS hydraulic model to analyze open-channel (e.g., ditch or stream) systems. The hydraulic models will follow the protocols established for Snohomish County Drainage Needs Reports (DNR) and utilized in the Hayho Creek basin model, so that models of the two basins can be integrated.

The hydraulic models created in this task will be used to develop F-Tables (staged-storage-discharge relationships for surface water features) as input into a Hydrologic Simulation Program – Fortran (HSPF) continuous flow hydrologic model of the basin, prepared as Task 4.2. In turn, runoff hydrographs generated from the HSPF model will be used as hydrologic input in the hydraulic models (e.g., XP-SWMM and HEC-RAS), to analyze the hydraulic performance of the surface water features (stream, stormwater facilities, and conveyance lines).

Assumptions:

- Hydraulic analysis will be done for Planning level analysis; a more detailed analysis will be required for the design in subsequent Phases.
- Qualitative analysis of downstream system will be done to establish that existing and proposed discharge rates can maintain the existing conditions downstream.
- Downstream analysis will be conducted evaluating flooding, erosion, and sensitive habitats using Ecology Stormwater Guidelines.

Deliverables:

- The product will be the modeling data results which will be used to inform the MDP

4.2—Update HSPF Based Hydrologic Model

Otak will update the HSPF model for Edgecomb Creek developed for the Snohomish County Drainage Needs Report (DNR). Otak will modify the HSPF model to simulate the basin hydrology as input to the hydraulic model to verify the points of compliance. Model updates will include:

- verification of sub-basin boundaries
- update of F-Tables (staged-storage discharge) for natural and man-made conveyances
- verification of surface and ground-water exchange
- update existing and proposed land-uses

Attachment A

- inclusion of proposed stormwater treatment facilities

Assumptions:

- Only minor adjustments will be necessary to calibrate the models (assume 20 hours of effort)
- Assumes four simulations of the basin for the Alternatives and to verify the points of compliance being maintained;
- Final design will require additional and more detailed hydraulic analysis; this Task does not result in detailed modeling or design of the stormwater ponds.
- Our analysis for point of compliance will be within 5% of compliance with the expectation that full compliance can be met.

Deliverables:

- The product will be the modeling data results which will be used to inform the MDP.

4.3— Capital Improvement Projects Summary Sheets

All Capital Improvement Projects (CIPs) developed for the MDP focus on future development not ‘fixing’ existing problems within the project area, since the all surface water system will significantly be altered by the development in the basin. These CIPs will include enhancing natural systems (e.g., wetlands and streams) and providing stormwater treatment (flow control, conveyance, and water quality). The CIPs will be designed to meet 2005 Ecology Stormwater Standards and to meet the other applicable regulation for WDFW, FAA, etc.

Assumptions:

- Permitting strategy looks at the whole basin solution, not individual CIPs
- Phasing solution based on the recommendations of the Smokey Point Master Drainage Plan
 - regional facility and trunk line conveyance
 - realigned Edgecomb Creek and riparian corridor
 - Hayho headwaters evaluation (forested Fish and Wildlife property)
- All CIPs will be designed to support the future development or restoration of natural systems, not to address existing problems in the drainage area.

Deliverables:

- Summary Sheets will be prepared for conveyance options, detention options, and the Preferred Stream Alternative. The Sheets will include Project Title, Design Assumptions, Project Benefits, Associated Projects, Implementation cost (design, construction, property, and permitting) estimates, and will contain a project sketch in GIS showing a schematic of the proposed project. For the stream the GIS schematic will show cross-sections, alignment, low-flow and associated floodplain channels.

4.4—Prepare the Master Drainage Plan Report

The Master Drainage Plan is the summation of the technical analysis conducted in Tasks 4.1-4.3. It will include the CIP Summary sheets for the Preferred Alternative for relocating Edgecomb Creek, a summary of the methods and means for providing conveyance from private properties to regional facilities, and an analysis of the regional facilities. The MDP takes the position that

Attachment A

there are no existing problems in the project area that has to be fixed; rather than the drainages within the project area are to be designed to address future man-made (built-out) and natural conditions.

Assumptions:

- MDP will contain a summary of the permitting strategy
- Prescriptive stormwater treatment for regional facilities and private properties

Deliverables:

- Master Drainage Plan Report

4.6—Coordination with Private Property Owners within the Project Area

The MDP will prescribe surface water management requirements for development within the Smokey Point basin. Otak will coordinate with and review the four stormwater treatment plans and reports for each proposed development in the Smokey Point Basin, prepared by the developer's consultants, and advise the City as to whether or not they should approve the development plans.

Assumptions:

- The City will have established Memorandums of Understanding (MOU) and Agreements (MOA) with the four proposed developers, agreeing to adopt and comply with the conditions establish in the MDP for stormwater treatment.

5.0 Establish Memorandum of Understanding (MOU)

5.1 City and Private Property Owners

Otak team members, led by Cherry Creek staff, will assist the City with the development of a Memorandum of Understanding (MOU) in partnership with private property owners. This MOU will outline the action plan for taking the proposed project through complete permit applications and construction of the project elements. Conversely, the MOU may take the proposed action through permitting and set a juncture for outlining the remaining elements once an alternative is selected. This MOU will, at a minimum, memorialize the underlying project action, roles and responsibilities, and also provide a process for addressing differences of opinions or needs. Both public and private parties would sign the MOU indicating that clear expectations and relationship have been identified. As the project moves forward into design and construction conditions and permit requirements in subsequent Phases, a Memorandum of Agreement will need to be created to finalize any agreements that have developed through the MOU and permit process.

Assumptions:

- The MOU will be created subsequent to ORA kick-off meetings, but prior to substantial field work, environmental analysis, or agency review meetings are initiated.

Deliverables:

- Signed Memorandum of Understanding.

Attachment A

5.2 City, Private Owners, Agencies

Otak team members will assist the City with the development of a Memorandum of Understanding (MOU) in partnership with private property owners and agency decision-makers. This MOU will outline the action plan for taking the proposed project through complete permit applications and approvals, including construction, mitigation and monitoring conditions. Conversely, the MOU may take the proposed action through permitting and set a juncture for outlining the remaining elements once an alternative is selected. This MOU will, at a minimum, memorialize the underlying project action, roles and responsibilities, and also provide a process for addressing differences of opinions or needs. All parties would sign the MOU indicating that clear expectations and relationship have been identified. As the project moves forward into design and construction conditions and permit requirements in subsequent Phases, a Memorandum of Agreement will need to be created to finalize any agreements that have developed through the MOU and permit process.

Assumptions:

- The MOU will be created subsequent to ORA kick-off meetings, but prior to substantial field work, environmental analysis, or agency review meetings are initiated.

Deliverables:

- Signed Memorandum of Understanding.

5.3 Initial Analysis of Future Funding Options

Otak team members, led by Cherry Creek staff, will assist the City with an analysis of funding and payment options for the environmental analysis, design, permitting, and construction of the proposed project. This will look at in lieu fees, mitigation development fees, cost-sharing, in-kind payments (i.e. staff resources), limited improvement districts, etc. This process will inform the City as to their alternative funding strategies as the project moves forward.

Assumptions:

- The funding options will not need to be fully addressed at the time of the MOU between the City and the private developers (it will be an action item on the MOU).
- The funding options will need to be outlined and assessed prior to Corps permit issuance. Monitoring program funding may be a critical element of Corps permit approval.

Deliverables:

- Memorandum detailing funding options and preliminary recommendation of suitable alternative.
- Draft meeting minutes

6.0 Summary Report for Preferred Alternative

6.1 Prepare Summary Report

Otak will prepare a Summary Report for the Preferred Alternatives for the Middle Fork Quilceda

Attachment A

basin planning area. The purpose of the Summary Report is to document the analysis, findings, and conclusions of this Phase of work to:

- relocating Edgecomb Creek and implications on Olaf Strad Creek
- eliminating drainages and ditches within the central portion of the Planning Area;
- utilizing forested wetland in the north basin of Hayho Creek for stormwater management;

The Summary will include the CIP schematic plans, summary Tables that compare the impacts and gains in resource functions within the Project Area at a landscape-scale, and summary Tables that identify the estimated impacts to regulated resources within the Project Area. The Summary Report is intended to form the basis of the future Alternatives Analysis required for by the 404(b)1 Guidelines.

Assumptions:

- The Summary Report will be a brief written compilation of the Findings from the previous Tasks, accompanied by CIP schematics (approximately 30%)

Deliverables:

- Summary Report

Summary of Costs

1.0 Project Management	\$ 16,000
2.0 Review Existing Data and Conduct Site Assessment	\$ 28,500
3.0 Attend Meetings	\$ 27,000
4.0 Master Drainage Plan	\$ 135,000
5.0 Establish Memorandum of Understanding (MOU)	\$ 45,000
6.0 Summary Report for Preferred Alternative	\$ 14,500
Expenses, Sub-consultant Management	\$ 15,000
Total:	\$ 281,000

CITY OF MARYSVILLE

EXECUTIVE SUMMARY FOR ACTION

CITY COUNCIL MEETING DATE:

AGENDA ITEM: Entrance Security Screener for Municipal Court	AGENDA SECTION:	
PREPARED BY: Suzanne Elsner, Court Administrator	AGENDA NUMBER:	
ATTACHMENTS: Contract with Puget Sound Security	APPROVED BY: <i>K. Rickel, Acting Administrator</i>	
	MAYOR	CAO
BUDGET CODE: 25% 00100030 541000 75% 00100050 541000	AMOUNT: \$2,870.00 per month	

The Municipal Court has had bailiffs providing security screener services at the Municipal Court for years. Since the Court has moved to its own facility security has become a bigger issue. Security is still being provided by the bailiffs when the courtrooms are in session. However, the public still accesses the building when the courtrooms are not in session and the public is not screened before entering. The Court has also added calendars to their schedule and at times requires both courtrooms to be in session at the same time. This limits the ability of the bailiffs to provide security in the courtrooms if one bailiff is scheduled in the lobby for entrance security and one bailiff is moving from courtroom to courtroom.

The bailiffs continue to confiscate weapons from the public entering the building for court or probation appointments. But when the bailiffs are not in attendance we can only assume that weapons are entering the building putting the court staff and the public in danger. Entrance security would provide a safer environment for staff to work. Entrance Security Officers would continue to monitor the metal detector as well as provide hand held item and baggage checks.

The Court recommends having entrance security during business hours.

RECOMMENDED ACTION: Authorize the Mayor to sign the contract with Puget Sound Security for Entrance Security Screeners.
COUNCIL ACTION:

**PROFESSIONAL SERVICES AGREEMENT BETWEEN
CITY OF MARYSVILLE
AND
PUGET SOUND SECURITY, INC
FOR SECURITY SERVICES FOR MARYSVILLE MUNICIPAL COURT**

THIS AGREEMENT, made and entered into in Snohomish County, Washington, by and between CITY OF MARYSVILLE, hereinafter called the "City," and PUGET SOUND SECURITY, A Washington Corporation, hereinafter called the "Consultant."

WHEREAS, the Consultant has represented, and by entering into this Agreement now represents, that the firm and all employees assigned to work on any City project are in full compliance with the statutes of the State of Washington governing activities to be performed and that all personnel to be assigned to the work required under this agreement are fully qualified and properly licensed to perform the work to which they will be assigned.

NOW, THEREFORE, in consideration of the terms, conditions, covenants and performances contained hereinbelow, the parties hereto agree as follows:

ARTICLE I. PURPOSE

The purpose of this agreement is to provide the City with security services to Marysville Municipal Court as described in Article II. The general terms and conditions of relationships between the City and the Consultant are specified in this agreement.

ARTICLE II. SCOPE OF WORK

The scope of work is set out in the attached **Exhibit A** for the Security Services provided to Marysville Municipal Court, hereinafter referred to as the "SCOPE OF SERVICES," **Exhibit A**. All services and materials necessary to accomplish the tasks outlined in **Exhibit A** shall be provided by the Consultant unless noted otherwise in the scope of services or this agreement.

ARTICLE III. OBLIGATIONS OF THE CONSULTANT

III.1 MINOR CHANGES IN SCOPE. The Consultant shall accept minor changes, amendments, or revision in the detail of the work as may be required by the City when such changes will not have any impact on the service costs or proposed delivery schedule. Extra work, if any, involving substantial changes and/or changes in cost or schedules will be addressed as follows:

Extra Work. The City may desire to have the Consultant perform work or render services in connection with each project in addition to or other than work provided for by the expressed intent of the scope of work in the scope of services. Such work will be considered as

extra work and will be specified in a written supplement to the scope of services, to be signed by both parties, which will set forth the nature and the scope thereof. All proposals for extra work or services shall be prepared by the Consultant at no cost to the City. Work under a supplemental agreement shall not proceed until executed in writing by the parties.

III.2 WORK PRODUCT AND DOCUMENTS. The work product and all documents listed in the scope of services shall be furnished by the Consultant to the City, and upon completion of the work shall become the property of the City, except that the Consultant may retain one copy of the work product and documents for its records

Consultant will not be held liable for reuse of these documents or modifications thereof for any purpose other than those authorized under this Agreement without the written authorization of Consultant.

III.3 TIME OF PERFORMANCE. The Consultant shall be authorized to begin work under the terms of this agreement upon signing of both the scope of services and this agreement and begin providing Services provided in Exhibit A on September 2, 2008.

III.4 NONASSIGNABLE. The services to be provided by the Consultant shall not be assigned or subcontracted without the express written consent of the City.

III.5 EMPLOYMENT. Any and all employees of the Consultant, while engaged in the performance of any work or services required by the Consultant under this agreement, shall be considered employees of the Consultant only and not of the City, and any and all claims that may or might arise under the Workman's Compensation Act on behalf of any said employees while so engaged, and any and all claims made by any third party as a consequence of any negligent act or omission on the part of the Consultant or its employees while so engaged in any of the work or services provided herein shall be the sole obligation of the Consultant.

III.6 INDEMNITY.

a. The Consultant will at all times indemnify and hold harmless and defend the City, its elected officials, officers, employees, agents and representatives, from and against any and all lawsuits, damages, costs, charges, expenses, judgments and liabilities, including attorney's fees (including attorney's fees in establishing indemnification), collectively referred to herein as "losses" resulting from, arising out of, or related to one or more claims arising out of negligent acts, errors, or omissions of the Consultant in performance of Consultants' professional services under this agreement. The term "claims" as used herein shall mean all claims, lawsuits, causes of action, and other legal actions and proceedings of whatsoever nature, involving bodily or personal injury or death of any person or damage to any property including, but not limited to, persons employed by the City, the Consultant or other person and all property owned or claimed by the City, the Consultant, or affiliate of the Consultant, or any other person.

b. Should a court of competent jurisdiction determine that this agreement is subject to RCW 4.24.115, then, in the event of liability for damaging arising out of bodily injury to persons or damages to property caused by or resulting from the concurrent negligence of the Consultant and the City, its members, officers, employees and agents, the Engineer's liability to the City, by way of indemnification, shall be only to the extent of the Engineer's negligence.

c. The provisions of this section shall survive the expiration or termination of this agreement.

III.7 INSURANCE.

a. **Minimum Limits of Insurance.** The Consultant shall, before commencing work under this agreement, file with the City certificates of insurance coverage to be kept in force continuously during this agreement, and during all work performed pursuant to all short form agreements, in a form acceptable to the City. Said certificates shall name the City as an additional named insured with respect to all coverages except professional liability insurance. The minimum insurance requirements shall be as follows:

(1) Comprehensive General Liability. \$1,000,000 combined single limit per occurrence for bodily injury personal injury and property damage; damage, \$2,000,000 general aggregate;

(2) Automobile Liability. \$300,000 combined single limit per accident for bodily injury and property damage;

(3) Workers' Compensation. Workers' compensation limits as required by the Workers' Compensation Act of Washington;

(4) Consultant's Errors and Omissions Liability. \$1,000,000 per occurrence and as an annual aggregate.

b. **Endorsement.** Each insurance policy shall be endorsed to state that coverage shall not be suspended, voided, canceled, reduced in coverage or in limits except after thirty (30) days' prior written notice by certified mail, return receipt requested, has been given to the City.

c. **Acceptability of Insurers.** Insurance to be provided by Consultant shall be with a Bests rating of no less than A:VII, or if not rated by Bests, with minimum surpluses the equivalent of Bests' VII rating.

d. **Verification of Coverage.** In signing this agreement, the Consultant is acknowledging and representing that required insurance is active and current.

III.8 DISCRIMINATION PROHIBITED AND COMPLIANCE WITH EQUAL OPPORTUNITY LEGISLATION. The Consultant agrees to comply with equal opportunity employment and not to discriminate against client, employee, or applicant for employment or for services because of race, creed, color, religion, national origin, marital status, sex, age or handicap except for a bona fide occupational qualification with regard, but not limited to, the following: employment upgrading; demotion or transfer; recruitment or any recruitment advertising; layoff or terminations; rates of pay or other forms of compensation; selection for

training, rendition of services. The Consultant further agrees to maintain (as appropriate) notices, posted in conspicuous places, setting forth the provisions of this nondiscrimination clause. The Consultant understands and agrees that if it violates this nondiscrimination provision, this agreement may be terminated by the City, and further that the Consultant will be barred from performing any services for the City now or in the future, unless a showing is made satisfactory to the City that discriminatory practices have been terminated and that recurrence of such action is unlikely.

III.9 UNFAIR EMPLOYMENT PRACTICES. During the performance of this agreement, the Consultant agrees to comply with RCW 49.60.180, prohibiting unfair employment practices.

III.10 AFFIRMATIVE ACTION. Affirmative action shall be implemented by the Consultant to ensure that applicants for employment and all employees are treated without regard to race, creed, color, sex, age, marital status, national origin or the presence of any sensory, mental or physical handicap, unless based on a bona fide occupational qualification. The Consultant agrees to take affirmative action to ensure that all of its employees and agent adhere to this provision.

III.11 LEGAL RELATIONS. The Consultant shall comply with all federal, state and local laws and ordinances applicable to work to be done under this agreement. This contract shall be interpreted and construed in accordance with the laws of Washington. Venue for any action commenced relating to the interpretation, breach or enforcement of this agreement shall be in Snohomish County Superior Court.

III.12 INDEPENDENT CONTRACTOR. The Consultant's relation to the City shall at all times be as an independent contractor. Employees of the Consultant are at all times employees of the Consultant and not employees of the City.

III.13 CONFLICTS OF INTEREST. While this is a non-exclusive agreement the Consultant agrees to and will notify the City of any potential conflicts of interest in Consultant's client base and will seek and obtain written permission from the City prior to providing services to third parties where a conflict of interest is apparent. If a conflict is irreconcilable, the City reserves the right to terminate this agreement.

III.14 CITY CONFIDENCES. The Consultant agrees to and will keep in strict confidence, and will not disclose, communicate or advertise to third parties without specific prior written consent from the City in each instance, the confidences of the City or any information regarding the City or services provided to the City.

ARTICLE IV. OBLIGATIONS OF THE CITY

IV.1 PAYMENTS. The Consultant shall be paid by the City for completed work for services rendered under this agreement and as detailed in the scope of services as provided hereinafter. There is no set amount or minimum payment owed under this agreement.

Consultant shall be paid for actual services rendered. Such payment shall be full compensation for work performed or services rendered and for all labor, materials, supplies, equipment and incidentals necessary to complete the work. Payment shall be on a time and expense basis, provided, however, in no event shall total payment under this agreement exceed \$2,870.00 per month. In the event the City elects to expand the scope of services from that set forth in **Exhibit A**, the City shall pay Consultant an additional amount based on a time and expense basis, based upon Consultant's current schedule of hourly rates.

a. Invoices shall be submitted by the Consultant to the City for payment pursuant to the terms of the scope of services. The invoice will state the time expended, the hourly rate, a detailed description of the work performed, and the expenses incurred during the preceding month. Invoices must be submitted by the 20th day of the month to be paid by the 15th day of the next calendar month.

b. The City will pay timely submitted and approved invoices received before the 20th of each month within thirty (30) days of receipt.

IV.2 CITY APPROVAL. Notwithstanding the Consultant's status as an independent contractor, results of the work performed pursuant to this contract must meet the approval of the City, which shall not be unreasonably withheld if work has been completed in compliance with the scope of work and City requirements.

ARTICLE V. GENERAL

V.1 NOTICES. Notices to the City shall be sent to the following address:

Marysville Municipal Court
CITY OF MARYSVILLE
C/O Suzanne Elsner Court Administrator
1015 State Avenue
MARYSVILLE, WA 98270

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

PUGET SOUND SECURITY
C/O Theron Hansen
13417 NE 20th St 2nd Floor
Bellevue, WA 98005

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

V.2 TERMINATION. The right is reserved by either party to terminate this agreement in whole or in part at any time upon thirty (30) days' written notice to the other party.

V.3 **DISPUTES.** The parties agree that, following reasonable attempts at negotiation and compromise, any unresolved dispute arising under this contract may be resolved by a mutually agreed-upon alternative dispute resolution of arbitration or mediation.

V.4 **NONWAIVER.** Waiver by the City of any provision of this agreement or any time limitation provided for in this agreement shall not constitute a waiver of any other provision.

V.5 The undersigned is an Authorized Agent of the parties and has authority to sign on behalf of their respective party and to bind that party to the terms and conditions of the agreement.

DATED this 28th day of July, 2008

CITY OF MARYSVILLE

By _____
Dennis L. Kendall, Mayor

PUGET SOUND SECURITY, CONSULTANT

By Robert K. Bennett
EXECUTIVE VICE PRESIDENT

Approved as to form:

Grant K. Weed
GRANT K. WEED, City Attorney

EXHIBIT A
SCOPE OF WORK

1. ENTRANCE SCREENING OFFICER (ESO)

Consultant shall provide to the City one (1) qualified Entrance Screening Officer (ESO) to Marysville Municipal Court commencing September 2, 2008 Daily, Monday through Friday 8:00 AM to 4:30 PM, except Court Holidays when the Court is closed.

A. ESO QUALIFICATIONS include but are not limited to:

- * The qualified candidate must be legally able to work in the United States and provide proof of employment eligibility and identify as required under Immigration Reform Act of 1986.
- * Be 21 years of age or older
- * Possess a high school diploma, a General Equivalency Diploma, or a combination of education and experience that the Contractor has determined to have equipped the person to perform the duties of the position.
- * Be able to speak fluently, read and write the English language and any other language as may be determined necessary by the City.
- * Have the ability to meet and deal tactfully with Judges, attorneys, court personnel and the general public.
- * Have the ability to understand, explain, interpret and apply rules, regulations, directives, and procedures.
- * Have poise, self-confidence, and the ability to make sound decisions and react quickly under stressful conditions.
- * Ability to prepare clear and concise reports.
- * Ability to learn and adapt to changing conditions.
- * Ability to accept and respond to instruction and direction.
- * Must be reliable and of reputable background and sound character.
- * Must successfully pass the background investigation performed by the Contractor.
- * Must be physically fit to endure long periods of standing, stooping, bending, and sitting.
- * May be required to assist in subduing violent or hostile citizens.

B. PRELIMINARY BACKGROUND INVESTIGATION:

1. The Contractor shall conduct a background investigation on all employees to be utilized in the performance of the contract. All replacement personnel shall be subject to the same criteria.

2. The Contractor shall insure that prospective personnel meet or exceed the minimum background investigation requirements. Minimum background investigation to include:

- a. Felony Convictions
- b. Misdemeanor Convictions involving violence, honesty and drugs
- c. Illegal conduct involving moral turpitude; acts that reflect conduct that would cause a reasonable person to have substantial doubt about the individual's honesty, fairness, respect for the rights of others or for the laws of this State and of the Nation.

- d. Mental Disorders that would cause the person to be a danger to self or others
 - e. Prior work history
- B. The Contractor shall provide all management, supervision, manpower, materials, supplies and equipment specified and shall plan, schedule, coordinate and assure effective performance of security services at the place of performance in accordance with the terms, conditions contained herein.
- C. The City may increase or decrease the level of screening by increasing or decreasing the number of Entrance Screening Officers (ESOs).
- D. The Contractor shall take all necessary steps to assure that ESOs assigned to this Contract are professionally and personally reliable, of reputable background and sound character, and meet the training and experience requirements stipulated herein. The Contractor shall have the responsibility to assure that all ESOs continue to meet all standards of suitability, conduct and work performance.
- E. The provision of ineligible ESOs or ESOs who do not meet the criteria, who violate the performance standards of the Contract or whose work performance is inadequate in any respect, constitutes Contractor nonperformance. The City shall notify the Contractor, in writing, regarding Contractor nonperformance due to non-suitability or any other deficiency of an ESO. If the City requests a new or different ESO the Contractor will immediately cover the position with a qualified replacement ESO

2. FEES/COSTS:

The City shall pay the Consultant the flat rate of \$2,870.00 per month per. This rate of \$2870.00 is applicable for the period of one (1) year September 1, 2008 though August 31, 2009 and shall continue after one year pursuant to this agreement. Any modification in Fees/Costs must be in writing and agreed upon by the parties.

3. DUTIES AND RESPONSIBILITIES.

A. General Screening Procedures:

The City will furnish a magnetometer, hand-held metal detectors and a Nextel. Under no circumstances shall the ESO take any items/equipment from their duty station or from the Courthouse premise unless specifically authorized to do so. ESOs must use City equipment and may not substitute in place of that equipment, personal property or Contractor property without authorization by the City. Any ESO who violates this provision shall be reported to the Contractor and may be subject to immediate removal from duty. This action is in addition to any other remedies available to the City including but not limited to the penalties for theft of property.

The Contractor is responsible for promptly notifying the City when such equipment is malfunctioning. Any equipment that is misused or abused by ESOs shall be repaired and the cost shall be billed to the Contractor for payment.

All persons desiring to pass beyond the screening points must undergo screening. Screening of persons is normally accomplished through the use of metal detectors. Individuals are not permitted to retain any hand-carried items in their possession during screening other than articles of clothing and very small or thin objects. All indications of unaccounted for metal on an individual's person must be satisfactorily resolved. Only upon satisfactory completion of screening and of the inspection of all hand-carried items may the individual be permitted to pass beyond the screening points.

If a person alarms the metal detection device, a determination must be made that the cause of the alarm is not weapon or dangerous object. This can be accomplished by hand-held metal detector or by asking the individual to remove extraneous metal from their person and passing through the walk-through detector. Every person has the option to refuse screening. Persons who refuse to be screened will be denied passage beyond the screening points.

B. Hand Carried Items:

All carry items passing through the screening point shall be screened. The inspection should be thorough but not unreasonable. Should a person refuse to permit inspection of any hand-carried items, such items shall not be allowed to pass the screening point or be allowed to be carried into the Courthouse. When the physical inspection method is used, carry items shall be adequately inspected to reasonably ascertain that such items are not being used to conceal an explosive, incendiary, or deadly or dangerous weapon.

C. Entrance Control:

Duties shall include the operation of screening equipment and the checking of handbags, packages, baby carriages, wheelchairs, etc. to detect weapons. Items confiscated will be turned over to the City and a report filed. Prosecution may result. In performance of these duties, ESOs shall be responsible for alerting a Bailiff and detaining any person attempting to gain unauthorized access. After detaining a person, that person will be turned over to the Bailiff or Law Enforcement Officer.

ESO may be required to unsecure and secure the building at the beginning and the end of each day.

**CITY OF MARYSVILLE
EXECUTIVE SUMMARY FOR ACTION**

CITY COUNCIL MEETING DATE: July 28, 2008

AGENDA ITEM: Purchase and Install Dump Body for New Dump Truck Cab & Chassis. Purchase Order Amendment #1	AGENDA SECTION:	
PREPARED BY: Mike Shepard, Fleet & Facilities Manager	AGENDA NUMBER:	
ATTACHMENTS: Purchase Order No. F 5372, State Contract 12304, and quote from Northend Truck Equipment, Inc.	APPROVED BY: 	
	MAYOR	CAO
BUDGET CODE: 40143900.500000/50100048.564000.0841	AMOUNT \$42,145.74 Amended	

The 2008 budget included a new dump truck for the Utilities Division. The dump body will be purchased and installed by Northend Truck Equipment, Inc. located in Marysville using State Contract #12304 for the amount of \$38,647.70. The cab and chassis for this vehicle will be purchased on a separate Purchase Order using State Contract No. 07503.

Purchase Order Amendment #1

A new contract document called "Purchase Order Addendum" was created by the City Legal Department. This document requires a signature from the Vendor in order to fully execute the purchase order agreement with the City. The signature process took longer than expected and in the mean time there was an increase in steel prices that impacted the purchase price of the dump body. The Vendor has provided a new quote with an increase that is reflected in the State of Washington Contract.

The new amended Purchase Order price is \$42,145.74 as quoted by Northend Truck Equipment, Inc. reflecting a total increase of \$3,498.04.

RECOMMENDED ACTION: Staff recommends that Marysville City Council authorize the Mayor to sign Amendment #1 to Purchase Order No. F 5372 in the amount of \$42,145.74 to purchase a dump body for a new dump truck.
--

COUNCIL ACTION:

PURCHASE ORDER ADDENDUM

This Purchase Order Addendum is agreed to by and between the CITY OF MARYSVILLE ("City") and Northend Truck Equipment, Inc. ("Contractor") and shall apply and be attached to the City's Purchase Order #F5372. The City and the Contractor hereby agree as follows:

- 1. All terms of the State of Washington ("State") Contract #12304 shall apply to this purchase.
- 2. The City shall be the beneficiary of all of the State's rights under said contract, and unless otherwise mutually agreed in writing between the City and the Contractor, the Contractor shall perform for the City all of its obligations to the State under said contract.
- 3. The City shall be named as a beneficiary on the Contractor's Certificate of Insurance that is required under said contract.
- 4. The Contractor shall supply the City a copy of the warranty required under said contract, and the City shall be the beneficiary of said warranty.

In consideration of the terms and conditions contained herein and attached and made a part of this Purchase Order, the parties hereto covenant and agree as set forth herein.

IN WITNESS WHEREOF, the parties have executed this contract by their duly authorized representatives to be effective the day and year first above written.

Attest:

CITY OF MARYSVILLE

City Clerk

Mayor

Approved as to form:

CONTRACTOR
Northend Truck Equipment, Inc.
By

City Attorney

[Handwritten Signature]

Its *[Handwritten Signature]* MRS

NORTHEM TRUCK EQUIPMENT, INC.

14919 - Ave. NE

Marysville, WA 98271

Ph: (360) 653-6066 Fax: (360) 653-0100

1-800-653-6066

Bob Scott
CITY OF MARYSVILLE.
80 Columbia Ave.
Marysville, WA 98270

April 15, 2008

Ref. CONTRACTOR STYLE 5/6 YD DUMP BODY.

Per State DOT Dump Body Contract # 12304.

5/6 Yd. Dump bodies for western Washington ... (10' body) ...	\$ 34,669.00
Radius style asphalt doors in tailgate. (two).	\$ 1,016.00
Asphalt apron at rear.	\$ 574.00
Federal 520112 FMK-A-HD Beacon. Fixed mount center of cab guard.	\$ 235.00
Plow light package.	\$ 670.00
Deadhead hydraulic lines to rear with QD's for sandcr.	\$ 1,097.00
370 Air hitch	\$ 480.00
Electric backup alarm.	\$ 103.00

Total price without sales tax, F.O.B. Marysville. \$ 38,844.00

- * NOTE. Requires - chassis with 84" c/a,
- * Fixed grill, extended front frame rails and front PTO.
- * OEM plow light switch and wiring.
- * Paint body silver.

Thank you for your help with this Bob, If you have any questions or need additional information please call me at 206-953-8124.

Sincerely,
NORTHEM TRUCK EQUIPMENT

James E. O'Brien
GOVERNMENT SALES.

Current Contract Information

Change Notice No. 11

Contract No. 12304

Page 2

Ordering information: See page 2 Note III
Ordering procedures: See page 2 Note II
Special notes: See Below
Payment address: 14919 40th Ave. NE Marysville, WA 98271
Order placement address: 14919 40th Ave. NE Marysville, WA 98271
Minimum orders: None
Delivery time: 180 days After Receipt of Order (ARO)
Payment terms: Net 30 days
Shipping destination: Free On Board (FOB) Destination. All WSDOT orders are FOB Tumwater all other orders FOB Dealer.
Freight: Prepaid and included in unit pricing
Contract pricing: See Attachment "A"
Contractor Dump Bodies 3 / 4 cu. Yd
2-Way Dump Body 5 / 6 4 cu. Yd. (Front and Rear Tipping)
Dump Body 5 / 6 4 cu. Yd. (Side Tipping)
"V" Hopper Sander Body, 9-15 ft. long (Stainless Steel)
Wing Plow/Underbody Plow
Attachment "A-1"
Attachment "A-2"
Attachment "A-3"
Attachment "A-4"
Attachment "A-5"
Attachment "A-6" Force America System
Attachment "A-7" Monroe V-Hoppers

Term worth: **\$8,058,612.00**

Current participation:	\$0.00 MBE	\$0.00 WBE	\$8,058,612.00 OTHER	\$0.00 EXEMPT
	MBE 0%	WBE 0%	OTHER 0%	EXEMPT 0%

NOTES:

I. Best Buy: The following provision applies to mandatory use contracts only. This contract is subject to RCW 43.19.190(2) & RCW 43.19.1905(7): which authorizes state agencies to purchase materials, supplies, services, and equipment of equal quantity and quality to those on state contract from non-contract suppliers. Provided that an agency subsequently notifies the Office of State Procurement (OSP) State Procurement Officer (SPO) that the pricing is less costly for such goods or services than the price from the state contractor.

If the non-contract supplier's pricing is less, the state contractor shall be given the opportunity by the state agency to at least meet the non-contractor's price. If the state contractor cannot meet the price, then the state agency may purchase the item(s) from the non-contract supplier, document the transactions on the appropriate form developed by OSP and forwarded to the SPO administering the state contract. (Reference General Authorities document)

If a lower price can be identified on a repeated basis, the state reserves the right to renegotiate the pricing structure of this agreement. In the event such negotiations fail, the state reserves the right to delete such item(s) from the contract.

II. State Agencies: Submit Order directly to Contractor for processing. Political Subdivisions: Submit orders directly to Contractor referencing State of Washington contract number. If you are unsure of your status in the State Purchasing Cooperative call (360) 902-7415.

III. Only authorized purchasers included in the State of Washington Purchasing Cooperative (WSPC) listings published and updated periodically by OSP may purchase from this contract. It is the contractor's responsibility to verify membership of these organizations prior to processing orders received under this contract. A list of Washington members is available on the Internet <http://www.ga.wa.gov/servlet/PCACoopListSv.> Contractors shall not process state contract orders from unauthorized users.

SPECIAL CONDITIONS:

1. Current Contract Information (CCI)

This Contract Change Notice No. 11 after review of Section 6.3, Contract Price Adjustment Clause approves Northend Truck Equipment's request for price adjustment, dated May 7, 2008. Revised pricing will be effective as of July 1, 2008. Additionally, Northend Truck Equipment in a good faith effort will offer a \$300.00 discount for any orders before 9/1/08. This discount applies only to the base prices for category "I" for the 5/6 and 10/12 yard contractor dump bodies. All other Terms, Conditions, and Pricing remain unchanged.

2. Certificate of Insurance

Contractor to furnish to the State Procurement Officer, a copy of a valid Certificate of Insurance listing the State as beneficiary (See Original Bid Document, Section II, Paragraph 1) within Fifteen (15) days after Contractor receipt of award notice. Certificate to include contract number 12304.

3. Warranty

Bidder will submit a copy of warranty with items delivered under this contract. Unless otherwise specified, full parts and labor warranty period shall be for a minimum period of one (1) year after receipt of materials or equipment by the Purchaser. All materials or equipment provided shall be new, unused, of the latest model or design and of recent manufacture. Refer to Attachment "B" Specifications:

- Category I
- Category II
- Category III
- Category IV
- Category V
- Category Attachment A.1 N/A
- Category Attachment A.2
- Category Attachment A.3
- Category Attachment A.5
- Category Attachment "A-7"
-

In the event of conflict between contract terms and conditions and warranty submitted, to afford the state maximum benefits, the contract terms and conditions shall prevail.

4. Sales and Subcontractor Report

A quarterly Sales and Subcontractor Report (attached) shall be submitted in the format provided by the Office of State Procurement. You can get the report electronically at <http://www.ga.wa.gov/pca/usage.doc>. Total purchases for each State Agency, University, Community and Technical Colleges must be shown separately. Total purchases for all political subdivisions and non-profit organizations may be summarized as one customer. Additionally, all purchases by the State of Oregon or other purchasers must be reported as an aggregate total.

The report shall include sales information (Section A) and amounts paid to each subcontractor during the reporting period (Section B)

Reports should be rounded to nearest dollar. Contractors will be provided with all necessary sample forms, instructions, and lists. Reports are due thirty (30) days after the end of the calendar quarter, i.e., April 30th, July 31st, October 31st and January 31st.

ATTACHMENT "A"

PRICE SHEETS

CATEGORY I PRICE SHEET

1. **Contractor Dump Bodies 3 / 4 cu. Yd.**

(Reference Section 3.3 Specifications Category I items I-XIII)
(Estimated Annual Usage: 6 Each)

FOR PRODUCT BID STATE:

MFG: Northend Truck Equip. BRAND/MODEL: NTE11, 3-4 GOV

<u>F.O.B. DESTINATION ANYWHERE IN:</u>	<u>PRICE PER UNIT</u>	
	<u>WESTERN WA</u>	<u>EASTERN WA</u>
Body for 96 inch CA chassis, state size:		
Length: <u>132"</u> Width: <u>96"</u>	<u>\$34,669.00</u>	<u>\$34,669.00</u>

2. **Contractor Dump Bodies 5 / 6 cu. Yd.**

(Reference Section 3.3 Specifications Category I items I-XIII)
(Estimated Annual Usage: 7 Each)

FOR PRODUCT BID STATE:

MFG: Northend Truck Equip. BRAND/MODEL: NTE11,5-6 GOV

<u>F.O.B. DESTINATION ANYWHERE IN:</u>	<u>PRICE PER UNIT</u>	
	<u>WESTERN WA</u>	<u>EASTERN WA</u>
Body for 96 inch CA chassis, state size:		
Length: <u>132"</u> Width: <u>96"</u>	<u>\$34,669.00</u>	<u>\$34,669.00</u>

3. **Contractor Dump Bodies 10 / 12 cu. Yd.**

(Reference Section 3.3 Specifications Category I items I-XIII)
(Estimated Annual Usage: 7 Each)

PRODUCT BID: MFG: Northend Truck Equip. BRAND/MODEL: NTE 14.5, 10-12 GOV

<u>F.O.B. DESTINATION ANYWHERE IN:</u>	<u>PRICE PER UNIT</u>	
	<u>WESTERN WA</u>	<u>EASTERN WA</u>
Body for 120 inch CA chassis, state size:		
Length: <u>174"</u> Width: <u>96"</u>	<u>\$37,289.00</u>	<u>\$37,289.00</u>



Home

Purchasing
& ContractsDoing business
with the stateConstruction
& Public WorksFacility &
Office ServicesTravel,
Cars & ParkingVisit
the Capitol

Surplus

Purchasing & Contracts >> Contracts

Contract Updates

Contract Number: 12304**Dump Bodies-Variou Sizes**

- 07-01-2008 :** Received letter from contract supplier requesting price adjustment for Contract 12304 Dump Bodies. Supporting documents provided showing increases being passed on to contractor from manufactures. Contract pulled for review and it was determined that contractors request for price adjustment meets with the terms and conditions of contract for price adjustments as established in original bid document. (Prices may be adjusted after 180 days, then firm next 180 days). Reason for price adjustment is because of rising prices in the steel markets which affect this commodity greatly since steel is the primary material. Spreadsheets show the mark-up on items in categories 1-5 with averaged price increases for contract items at 3.1%. PPI supports contractors request for price adjustment showing prices are up as much as 4.4% from motor vehicle body manufactures. WSDOT reviewed pricing and determined pricing is acceptable and recommendation is to add item to contract. Contractor after negotiations agrees to offer a limited discount for a period of time to assist customers with budget shortfalls. Therefore, based on the above review and recommendations of approval for this price adjustment and items addition to contract 12304 it appears to be in the best interest of the state to grant this price adjustment request and add this item to existing. Pricing will be firm for 180 days. Change Notice 11 prepared for this contract action.
- 05-15-2008 :** Request for price adjustment received from Northend truck with supporting documentation. Documents under review.
- 04-14-2008 :** No actions pending at this time.
- 03-17-2008 :** No actions pending at this time.
- 02-14-2008 :** No actions pending at this time.
- 01-10-2008 :** No actions pending at this time.
- 12-20-2007 :** Received letter from contract supplier requesting price adjustment for Contract 12304 Dump Bodies. Supporting documents provided showing increases being passed on to contractor from manufactures. Contract pulled for review and it was determined that contractors request for price adjustment meets with the terms and conditions of contract for price adjustments as established in original bid document. (Prices may be adjusted after 180 days, then firm next 180 days). Reason for price adjustment is because of rising prices in the steel markets which affect this commodity greatly since steel is the primary material. Spreadsheets show the mark-up on items in categories 1-5 with averaged price increases for contract items at 3.6%. PPI supports contractors request for price adjustment showing prices are up as much as 3.6% from motor vehicle body manufactures. Received agency request during this suppliers request for price adjustment to add an options to contract if agreed upon by contractor. Estimated usage for options provided. Customer requests forwarded to contractor for review and pricing. Supplier agrees to add item and pricing provided for review. WSDOT reviewed pricing and determined pricing is acceptable and recommendation is to add item to contract. Cost analysis performed on customer request (item addition to contract) to determine estimated impact on contract. Estimated usage was provided at 2 or 3 each per year each and the cost to add this item to Contract 12304 is lees than 1% of the contract value. Therefore, based on the above review and recommendations of approval for this price adjustment and items addition to contract 12304 it appears to be in the best interest of the state to grant this price adjustment request and add this item to existing. Pricing will be firm for 180 days. Change Notice 10 prepared for this contract action.
- 12-17-2007 :** Customer requesting price adjustment for this contract. Request is under review.
- 11-28-2007 :** Received customer request to add option to contract for future purchases. Estimated usage provided. Contract filed pulled for review. Review of contract 12304 determined the customers request is within scope of contract so a letter was sent to contractor to review customer request and provide pricing. Contractor return add-on letter agreeing to add requested option. Pricing provided for option and this pricing was forwarded to the customer for review. Cost analysis performed on customer request to determine estimated impact on contract. Estimated usage was provided at 6 each and after averaging options the average was lees than 1% of the contract value. Customer response to pricing is acceptable and recommends adding to contract for use. Base on the above it has been determined that it is to the states best interest to add this option to existing contract. Change Notice No. 9 prepared to add option to contract.
- 11-15-2007 :** No actions pending at this time.
- 10-15-2007 :** Item being added to contract at the request of the agency. Returned documents with pricing forwarded to agency for review.
- 08-08-2007 :** No actions pending at this time.
- 07-12-2007 :** No actions pending at this time.
- 06-18-2007 :** Received customer request to add some options to contract for future purchases. Estimated usage provided is for 30 units

ACORD™ CERTIFICATE OF LIABILITY INSURANCE DATE (MM/DD/YY)
06/30/2008

PRODUCER FROHREICH INSURANCE INC. 1717 NE 44TH ST SUITE C RENTON WA 98056	Serial # 102829	THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW.
		INSURERS AFFORDING COVERAGE

INSURED NORTHEND TRUCK EQUIPMENT INC. 14919 40TH AVE NE MARYSVILLE WA 98271	INSURER A: FARMERS INSURANCE EXCHANGE A-XV INSURER B: INSURER C: INSURER D: INSURER E:
---	---

COVERAGES
 THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES, AGGREGATE LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	ADDITIONAL INSRD	TYPE OF INSURANCE	POLICY NUMBER	POLICY EFFECTIVE DATE (MM/DD/YY)	POLICY EXPIRATION DATE (MM/DD/YY)	LIMITS
A	X	GENERAL LIABILITY <input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS MADE <input checked="" type="checkbox"/> OCCUR GENL AGGREGATE LIMIT APPLIES PER <input checked="" type="checkbox"/> POLICY <input type="checkbox"/> PROJECT <input type="checkbox"/> LOC	79 60059 97 03	03/09/08	03/09/09	EACH OCCURRENCE \$ 2,000,000 DAMAGE TO RENTED PREMISES (Ea occurrence) \$ 50,000 MED EXP (Any one person) \$ 5,000 PERSONAL & ADV INJURY \$ 2,000,000 GENERAL AGGREGATE \$ 4,000,000 PRODUCTS - COMP/OP AGG \$ INCLUDED
A	X	AUTOMOBILE LIABILITY <input checked="" type="checkbox"/> ANY AUTO <input type="checkbox"/> ALL OWNED AUTOS <input type="checkbox"/> SCHEDULED AUTOS <input checked="" type="checkbox"/> HIRED AUTOS <input checked="" type="checkbox"/> NON-OWNED AUTOS <input checked="" type="checkbox"/> COMP \$500 DED <input checked="" type="checkbox"/> COLLISION \$500 DED	79 60059 97 03	03/09/08	03/09/09	COMBINED SINGLE LIMIT (Ea accident) \$ 2,000,000 BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$
A	X	GARAGE LIABILITY <input checked="" type="checkbox"/> ANY AUTO	79 60059 97 03	03/09/08	03/09/09	AUTO ONLY - EA ACCIDENT \$ 2,000,000 OTHER THAN EA ACC \$ 2,000,000 AUTO ONLY AGG \$ 4,000,000
B		EXCESS/UMBRELLA LIABILITY <input checked="" type="checkbox"/> OCCUR <input type="checkbox"/> CLAIMS MADE DEDUCTIBLE <input checked="" type="checkbox"/> RETENTION \$ 10,000	79 604306120	06/01/2008	03/09/2009	EACH OCCURRENCE \$ 10,000,000 AGGREGATE \$ 10,000,000 \$ \$
A		WORKER'S COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE/OFFICE MEMBER EXCLUDED? If yes, describe under SPECIAL PROVISIONS below	79 60059 97 03 WA STOP GAP ONLY	03/09/08	03/09/09	<input checked="" type="checkbox"/> WC STATUTORY LIMITS <input type="checkbox"/> OTHER EL EACH ACCIDENT \$ 2,000,000 EL DISEASE - EA EMPLOYEE \$ 2,000,000 EL DISEASE - POLICY LIMIT \$ 2,000,000
A		OTHER GARAGE KEEPERS COVERAGE	79 60059 97 03	03/09/08	03/09/09	\$3,000,000 LIMIT FOR COMPREHENSIVE & COLLISION COVERAGE

DESCRIPTION OF OPERATIONS/LOCATIONS/VEHICLES/EXCLUSIONS ADDED BY ENDORSEMENTS/SPECIAL PROVISIONS
 RE: ANY AND ALL PROJECTS
 THE CITY OF MARYSVILLE IS NAMED AS AN ADDITIONAL INSURED AS THEIR INTERESTS MAY APPEAR.

CERTIFICATE HOLDER CITY OF MARYSVILLE 10049 STATE AVE MARYSVILLE, WA 98270	CANCELLATION SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, THE ISSUING INSURER WILL ENDEAVOR TO MAIL 30 DAYS WRITTEN NOTICE TO THE CERTIFICATE HOLDER NAMED TO THE LEFT, BUT FAILURE TO DO SO SHALL IMPOSE NO OBLIGATION OR LIABILITY OF ANY KIND UPON THE INSURER, ITS AGENTS OR REPRESENTATIVES. AUTHORIZED REPRESENTATIVE FROHREICH INSURANCE INC. <i>Doug Frohreich</i>
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INQA END214P1

Endorsement List - Location

10:25

UBI: 601 438 688 001 0001 NORTHEND TRUCK EQUIPMENT, INC.

Sl	Endr	Description	Rst	Account Nbr	Org Dte	s	Rsn	Exp Dte	P	I	F
						S			R	R	N
						t	Sts		F	F	S
___	29	Unemployment Insurance			01/1993	A					
___	43	Industrial Insurance			01/1993	A					
___	44	Minor Work Permit			04/1993	A		01/2009			
___	135	Tax Registration			01/1993	A					
___	220	Motor Vehicle Dealer		3544	03/1999	A		01/2009			
___	225	Vehicle Manufacturer		8325	09/1996	A		01/2009			
___	238	Miscellaneous Vehicle		6407	03/1999	A		01/2009			
___	521	Marysville General Bus		6066RET293	04/2007	A		01/2009			

___ 140 Profit Corporation 24677882 01/1993 A 01/2009

Transfer: _____ * End of List * Pg: 1

Enter-PF1---PF2---PF3---PF4---PF5---PF6---PF7---PF8---PF9---PF10--PF11--PF12---

Help CgHst Menu

CITY OF MARYSVILLE

EXECUTIVE SUMMARY FOR ACTION

CITY COUNCIL MEETING DATE: JULY 28, 2008

AGENDA ITEM: Mid Year Budget Requests	AGENDA SECTION:
PREPARED BY: Mary Swenson, Chief Administrative Officer	AGENDA NUMBER:
ATTACHMENTS: 1. 2008 Mid Year Review Page from 2008 Budget 2. Memorandum from Chief Smith dated 7/2/08	APPROVED BY:
	MAYOR <i>DZK</i> CAO <i>MS</i>
BUDGET CODE:	AMOUNT:

As detailed in the 2008 budget, a mid year review has been conducted to determine if additional items can appropriately be added to the 2008 budget. A review has been conducted resulting in the following recommendations.

Municipal Court

With the successful addition of lateral police officer candidates the Municipal Court is experiencing an unanticipated increase in workload. It is recommended that a Program Specialist position be added within the Municipal Court.

City Attorney

Currently the Prosecuting Attorney is a subcontract of City Attorney Grant Weed. A review of expenditures indicates that the City would save a substantial amount by having prosecution services handled by city employees. It is recommended that the City hire one prosecutor and an administrative secretary as soon as possible. During the 2009 budget process it will also be recommended that a second prosecutor be added.

Police

See attached memorandum from Chief Smith to CAO Swenson. It is recommended that the following be approved.

- Upgrade an officer to position of sergeant to oversee the “Proact” Team.
- Authorize the hiring of an additional custody officer to fill for military leave deployment.
- Add 13 new double bunks to replace single bunks.

It is anticipated that the Community Policing coordinator will be included in the 2009 budget.

Parks & Recreation

It is recommended that the On-line Registration software be approved.

RECOMMENDED ACTION:

The Executive Department recommends the Council authorize the following additions to the 2008 budget; Program Specialist position be added within the Municipal Court; one prosecutor and an administrative secretary; upgrade an officer to position of sergeant to oversee the "Proact" Team; hiring of an additional custody officer to fill for military leave deployment; add 13 new double bunks to replace single bunks; and On-line Registration software for Parks & Recreation Department.

COUNCIL ACTION:

2008 BUDGET REQUESTS - MID YEAR REVIEW

Department	Description	Revenue	Expense	Net	Comments
Council	Council Chamber Electronic Communication Improvements	-	14,000	(14,000)	Transfer to 503
Council	Council Chamber Electronic Communication Improvements (2)	-	18,900	(18,900)	Transfer to 503
Total Council		-	32,900	(32,900)	
Finance	Purchasing Buyer/Manager	29,957	74,892	(44,935)	Interfund allocation: 101/401/410/420
Total Finance		29,957	74,892	(44,935)	
Community Dev	Scanpro 400 Reader/Printer & Scanner	-	3,500	(3,500)	
Community Dev	Autocad	-	5,000	(5,000)	
Community Dev	Laptop Computers for Building and Construction Inspectors	-	9,800	(9,800)	Reduced by half per GH-possibly could go lower
Total Community Development		-	18,300	(18,300)	
Police	Community Policing Coordinator	-	100,584	(100,584)	
Total Police		-	100,584	(100,584)	
Parks	Park Administration Office Front Counter Replacement	-	3,750	(3,750)	
Parks	Park Furnishings	-	12,500	(12,500)	
Parks	On-Line Registration	-	23,060	(23,060)	
Total Parks		-	39,310	(39,310)	
General Fund Facilities					
Library	Enclose Supervisors Office Area	-	5,000	(5,000)	
Library	Replace Meeting Room Shades	-	920	(920)	
Library	Replace Meeting Room Tables & Chairs	-	14,800	(14,800)	
Total Library		-	20,720	(20,720)	
Public Safety	Replace Lighting Fixtures in Jail	-	26,780	(26,780)	
Total Public Safety		-	26,780	(26,780)	
TOTAL GENERAL FUND		29,957	313,486	(283,529)	
Streets	Traffic Control System Tech (mid year hire)	-	39,761	(39,761)	
Total Streets		-	39,761	(39,761)	
IS	Technology Enterprise Equipment Replacement Fund	19,950	19,950		
IS	DBA/Application Specialist (Mid-year hire)	51,626	51,626		
IS	Microsoft ISA Server and Network DMZ Upgrade	8,000	8,000		
Total IS		79,576	79,576	-	
GRAND TOTAL		109,533	432,823	(323,290)	



MARYSVILLE POLICE DEPARTMENT

Richard L. Smith, Chief of Police



Staff Report

DATE: July 2, 2008
TO: CAO Mary Swenson
FROM: Chief Rick Smith
SUBJECT: 2008 Mid-year Request

The purpose of this correspondence is to provide you with information regarding Police Department needs and to plan for a potential budget request that would go in front of City Council. Some of these needs involve minimal funding initially and would benefit our operations by reducing expenditures. I will outline each issue and provide documentation to support each request.

In assessing our needs, we are planning on a 2009 annexation. We are still in the midst of reorganizing the department to include the Lieutenant rank, as well as redeploying personnel to increase our proactive approach to enforcement. We are also currently conducting a Custody assessment and will request some items that will allow us to recover some costs and reduce the overall costs for contract services to other jails.

This report will provide the framework for the following:

1. The need for a night lieutenant
2. Upgrade an officer position to a sergeant position
3. Add a new officer position to fill a newly created position with the Snohomish County Auto Theft Task Force
4. Community Policing Coordinator
5. Add a new custody officer position to fill for military leave deployment
6. Add one alternative to sentencing custody officer
7. Add 13 new double bunks to replace single bunks

Night Lieutenant

The need to plan and prepare for annexation is a major concern for the Police Department and I would like to follow what was identified in the business plan. One night lieutenant position is an integral part of our reorganization and provides management personnel to handle many of the major incidents that occur in the evening and late hours. That presence will also manage the proact team which we hope to begin in September 2008. This position will also move the organization with furthering internal development. This would be an additional position and would require full funding.

Upgrade Officer to Sergeant

Since the department has done an excellent job with recruiting and filling positions, we will be able to redeploy our resources in order to create a "Proact" team. Four positions will be pulled from current squads and be given directed patrol responsibilities. One of those positions needs to be upgraded to a sergeant position in order to effectively supervise this unit. This is consistent with

1635 Grove Street, Marysville, Washington 98270
360-363-8300



MARYSVILLE POLICE DEPARTMENT

Richard L. Smith, Chief of Police



moving our emphasis from handling calls for service to being proactive in our policing approach. This position is not a new position and funding will only have to be approved to upgrade the position.

Snohomish County Auto Theft Task Force

With new Washington State legislation, Snohomish County is putting together a Regional Auto Theft Task Force. The City of Marysville has been asked to participate. Snohomish County presented a grant proposal that would compensate for 100% of the funding. This past week, Snohomish County was informed that it will receive 50% of what was outlined in the grant. Tomorrow (7/3/08), I will be attending a meeting to address what our approach will be. It is my hope that we can still provide one officer with the majority of the funding covered by the grant.

Community Policing Coordinator

Our philosophy is to provide quality services through Community Oriented Policing and Problem Solving. This position is outlined in the business plan and continues to be a high priority in order to meet with our community on a regular basis. Consideration for Public Information Coordination will also be looked at to assist us in providing current and timely information to the media. This is a new position and needs to be fully funded.

Custody Officer Position

Custody Officer Monte Wallace has orders to be deployed to Iraq in August 2008. This causes a considerable impact on staffing for our Jail and will increase overtime. An additional position will be absorbed due to salary savings from CO Wallace. Since CO Wallace will be gone for approximately one year, impacts will be realized in August 2009. By adding this position now, we will be able to reduce the number of custody officers needed in the future. This is a new position and will need to be authorized and funded now with impacts hitting us in August 2009.

Alternative to Sentencing Custody Officer

We are currently having a custody officer handle Electronic Home Monitoring (EHM) as a co-lateral duty. We are not able to focus on this program since the officer has to work jail duties as well. We have been working with the Courts in order to increase our alternative sentencing programs and believe that we can increase our effectiveness in this area. We are averaging 20 people per month on EHM and should have immediate increase to 40 people per month. This will reduce our jail costs by not having to place inmates at other correctional facilities. There is also a cost per day recovery that we will see with this program, which will come close to paying for this position. Additionally, we will be able to adequately look at "Day Jails", "Work Release" and educational programs. These are all alternatives that will reduce overall jail expenditures and provide cost recovery revenue. This is a new position that needs to be fully funded with the anticipation of cost recovery within the first year.

1635 Grove Street, Marysville, Washington 98270
360-363-8300



MARYSVILLE POLICE DEPARTMENT

Richard L. Smith, Chief of Police



New Double Bunks

There is a need to purchase 13 new double bunk beds for the jail to replace 13 single bunk beds. This will increase our jail capacity and allow us to hold more in custody. The cost to purchase and place the beds is approximately \$11,300. By increasing bed space, we will reduce the costs of sending our "clients" to other facilities by \$53-59 per day per bed. That is a savings of approximately \$689-767 per day and \$20,670 -23,010 per month. For a five month period, the savings would be approximately \$103,350-115,050. This does not include any booking fees that we have to pay at Snohomish County which is charged per inmate. We also have the opportunity to contract out one or two of those bed spaces that would potentially generate revenue for offsetting costs.

The cost savings with regard to this request is significant compared to the one-time cost of \$11,300. I would request that we are authorized to purchase 13 bunk beds and have them placed in our custody facility as soon as possible.

1635 Grove Street, Marysville, Washington 98270
360-363-8300

CITY OF MARYSVILLE

EXECUTIVE SUMMARY FOR ACTION

CITY COUNCIL MEETING DATE: JULY 28, 2008

AGENDA ITEM: Supplement #1 to Professional Services Agreement with Strategies 360 Inc.	AGENDA SECTION:
PREPARED BY: Mary Swenson, Chief Administrative Officer	AGENDA NUMBER:
ATTACHMENTS: 1. Supplement #1	APPROVED BY:
	MAYOR  CAO 
BUDGET CODE:	AMOUNT:

Attached is Supplement #1 to Professional Services Agreement with Strategies 360 Inc. Strategies 360 Inc. was hired in September of 2007 to assist the City with public relations and consultant services regarding the University of Washington Branch Campus. As you are aware a decision was not made during the last legislative session and the issue is still active and currently before the Higher Education Committee.

It is anticipated that this supplement can be funded within the existing General Fund budget.

RECOMMENDED ACTION: The Executive Department recommends the Council authorize the Mayor to sign supplement #1 to the Professional Services Agreement with Strategies 360 Inc.
COUNCIL ACTION:

**SUPPLEMENTAL AGREEMENT NO. 1
TO
PROFESSIONAL SERVICES AGREEMENT
BETWEEN
CITY OF MARYSVILLE
AND STRATEGIES 360 INC. FOR CONSULTANT SERVICES**

This Supplemental Agreement No. 1 is made and entered into on the 28th day of July, 2008 between the City of Marysville, hereinafter called the "City" and Strategies 360, Inc., hereinafter called the "Consultant."

WITNESSETH THAT:

WHEREAS, the parties hereto have previously entered into an Agreement for public relations and consultant services regarding the University of Washington Branch Campus siting in Snohomish County, hereinafter called the "Project," said Agreement being dated September 10, 2007; and

WHEREAS, both parties desire to supplement said Agreement, by expanding the Scope of Services to provide for continued services beyond the amount detailed in the original agreement and to amend the total amount payable for this Agreement,

NOW THEREFORE, in consideration of the terms, conditions, covenants and performance contained herein or attached and incorporated, and made a part hereof, the parties hereto agree as follows:

Each and every provision of the Original Agreement for Professional Services dated September 10, 2007, shall remain in full force and effect, except as modified in the following sections:

1. Article IV of the Original Agreement, "OBLIGATIONS OF THE CITY" is amended to remove the sentence "In no event shall the contract exceed \$100,000 without prior written approval". Consultant fees have continued and Consultant shall continue to be compensated as detailed in Exhibit B.

PROFESSIONAL SERVICES AGREEMENT - 1
Supplement

/wpf/forms/municipal/MV0038.B

2. Article III, Section 3.3 of the Original Agreement, "TIME OF PERFORMANCE", is amended to provide that work has continued and will continue until the City determines that services are no longer necessary. City will provide the consultant with a 30 day notice of discontinuance of services.

IN WITNESS WHEREOF, the parties hereto have executed this SUPPLEMENTAL AGREEMENT NO. 1 as of the day and year first above written.

CITY OF MARYSVILLE

STRATEGUES 360 INC/CONSULTANT

By: _____
Mayor

By: _____
Ronald D. Dotzauer

ATTEST/AUTHENTICATED:

City Clerk

APPROVED AS TO FORM:

Marysville City Attorney

CITY OF MARYSVILLE

EXECUTIVE SUMMARY FOR ACTION

CITY COUNCIL MEETING DATE: July 28, 2008

AGENDA ITEM: Contract Award: Grove St and Alder Ave Intersection Improvements	AGENDA SECTION: Review Bids	
PREPARED BY: Jeff Laycock, Associate Transportation Engineer II	AGENDA NUMBER:	
ATTACHMENTS: <ul style="list-style-type: none"> • Certified Bid Tabulation • Vicinity Map Exhibit 	APPROVED BY: <i>X</i>	
	MAYOR	CAO
BUDGET CODE: 30500030.563000 R0804	AMOUNT: \$X	

The Grove St and Alderth Ave Intersection Improvements project includes the construction of signal improvements at the intersection and replacing the existing sidewalks ramps to be ADA compliant. This project has been identified in the Six Year Transportation Improvement Plan.

The project was advertised for a July 17, 2008 bid opening. **X** bids were received as shown on the attached bid tabulation. The low bidder is **X**. References have been checked and found to be satisfactory.

Contract Bid (Includes Sales Tax):	\$
Management Reserve:	\$
Total:	\$

RECOMMENDED ACTION:

Public Works Staff recommends the City Council authorize the Mayor to award the bid for the Grove St and Alder Ave Intersection Improvements project to **X in the amount of **\$X** including Washington State Sales Tax and approve a management reserve of **\$X** for a total allocation of **\$X**.**

COUNCIL ACTION:

VICINITY MAP EXHIBIT



CITY OF MARYSVILLE

EXECUTIVE SUMMARY FOR ACTION

CITY COUNCIL MEETING DATE: July 28, 2008

AGENDA ITEM: Cable Franchise - Verizon Northwest, Inc.	AGENDA SECTION:	
PREPARED BY: Doug Buell, Community Information Officer	AGENDA NUMBER:	
ATTACHMENTS: 1. Ordinance 2. Cable Franchise – July 7, 2008 3. Staff Report – July 15, 2008	APPROVED BY:	
	MAYOR	CAO
BUDGET CODE:	AMOUNT: n/a	

Summary Statement:

Verizon Northwest Inc. has requested from the City of Marysville a non-exclusive franchise to operate and provide cable television service within the incorporated areas of the City, and to use the City’s rights-of-way. City staff and Cable Consultant River Oaks Communications have negotiated a proposed Franchise Agreement with Verizon representatives.

Verizon is upgrading its existing Telecommunications Facilities in the City through installation of a state-of-the-art Fiber to the Premise Telecommunications Network, or “FTTP.” The Cable Franchise Agreement is a necessary step in enabling the provider to offer its competitive FiOS digital television service.

The proposed franchise with Verizon provides many favorable benefits to cable customers and the community. Some of these benefits include:

- Enhancements with respect to technology;
- Verizon must offer cable television service to a significant number of subscribers within twelve (12) months of the Service Date and to all residential areas of the City in the proposed initial service area with thirty (30) months of the Service Date (*Franchise Exhibit A*);
- Extensive customer service standards;
- Franchise fees to the City of 5% of Verizon's gross revenues;
- Educational and Government Access Channels concurrent with the incumbent cable provider’s offerings;
- Capital contribution and EG fee to address channel equipment needs; and
- Various liability and indemnification safeguards.

The agreement as a whole is in the public interest and is reasonably comparable to incumbent cable agreements.

RECOMMENDED ACTION: Staff recommends that Council, following Public Hearing testimony, grant a cable franchise to Verizon Northwest, Inc.
COUNCIL ACTION:

VERIZON FINAL NEGOTIATED FRANCHISE
CITY OF MARYSVILLE July 21, 2008

CABLE FRANCHISE AGREEMENT
BETWEEN
THE CITY OF MARYSVILLE, WASHINGTON
AND
VERIZON NORTHWEST INC.

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THIS CABLE FRANCHISE AGREEMENT (the “Franchise” or “Agreement”) is entered into by and between the City of Marysville, a duly organized municipal corporation under the applicable laws of the State of Washington (the “City”) and Verizon Northwest Inc., a corporation duly organized under the applicable laws of the State of Washington (the “Franchisee”).

WHEREAS, the City wishes to grant Franchisee a nonexclusive franchise to construct, install, maintain, extend and operate a cable communications system in the Franchise Area as designated in this Franchise;

WHEREAS, the City is a “franchising authority” in accordance with Title VI of the Communications Act (*see* 47 U.S.C. §522(10)) and is authorized to grant one or more nonexclusive cable franchises pursuant to federal and Washington state law;

WHEREAS, Franchisee is in the process of installing a Fiber to the Premise Telecommunications Network (“FTTP Network”) in the Franchise Area for the transmission of Non-Cable Services pursuant to authority granted by the State of Washington and federal law;

WHEREAS, the FTTP Network will occupy the Public Rights-of-Way within the City, and Franchisee desires to use portions of the FTTP Network once installed to provide Cable Services (as hereinafter defined) in the Franchise Area;

WHEREAS, the City has identified the future cable-related needs and interests of the City and its community, has considered the financial, technical and legal qualifications of Franchisee, and has determined that Franchisee’s plans for its Cable System are adequate, in a full public proceeding affording due process to all parties;

WHEREAS, the City has found Franchisee to be financially, technically and legally qualified to operate the Cable System;

WHEREAS, the City has determined that the grant of a nonexclusive franchise to Franchisee is consistent with the public interest; and

WHEREAS, the City and Franchisee have reached agreement on the terms and conditions set forth herein and the parties have agreed to be bound by those terms and conditions.

NOW, THEREFORE, in consideration of the City’s grant of a franchise to Franchisee, Franchisee’s promise to provide Cable Service to residents of the Franchise Area of the City pursuant to and consistent with the Communications Act (as hereinafter defined), pursuant to the terms and conditions set forth herein, the promises and undertakings herein, and other good and valuable consideration, the receipt and the adequacy of which are hereby acknowledged,

THE PARTIES DO HEREBY AGREE AS FOLLOWS:

1. **DEFINITIONS**

Except as otherwise provided herein, the definitions and word usages set forth in the Communications Act (as hereinafter defined) are incorporated herein and shall apply in this Agreement. In addition, the following definitions shall apply:

1.1. *Access Channel*: A video Channel, which Franchisee shall make available to the City without charge for non-commercial Educational or Governmental use for the transmission of video programming as directed by the City, or its designees, as applicable.

1.2. *Additional Service Area*: Shall mean any such portion of the Service Area added pursuant to Section 3.1.3 of this Agreement.

1.3. *Affiliate*: Any Person who, directly or indirectly, owns or controls, is owned or controlled by, or is under common ownership or control with, the Franchisee.

1.4. *Basic Service*: Any service tier, which includes the retransmission of local television broadcast signals as well as the EG Channels required by this Franchise.

1.5. *Cable Operator*: Shall be defined herein as it is defined under Section 602 of the Communications Act, 47 U.S.C. § 522(5), but does not include direct broadcast satellite providers.

1.6. *Cable Service or Cable Services*: Shall be defined herein as it is defined under Section 602 of the Communications Act, 47 U.S.C. § 522(6).

1.7. *Cable System or System*: Shall be defined herein as it is defined under Section 602 of the Communications Act, 47 U.S.C. § 522(7). The Cable System shall be limited to the optical spectrum wavelength(s), bandwidth or future technological capacity that is used for the transmission of Cable Services directly to Subscribers within the Franchise Area and shall not include the tangible network facilities of a common carrier subject in whole or in part to Title II of the Communications Act or of an Information Services provider.

1.8. *Channel*: Shall be defined herein as it is defined under Section 602 of the Communications Act, 47 U.S.C. § 522(4).

1.9. *City*: The City of Marysville or the lawful successor, transferee, or assignee thereof.

1.10. *Communications Act*: The Communications Act of 1934, as amended by, among other things, the Cable Communications Policy Act of 1984, the Cable Consumer Protection and Competition Act of 1992 and the Telecommunications Act of 1996 as it may be further amended from time to time.

1.11. *Control*: The ability to exercise *de facto* or *de jure* control over day-to-day policies and operations or the management of Franchisee's affairs.

1.12. *Educational Access Channel*: An Access Channel available for the use solely of the local public schools in the Franchise Area.

1.13. *EG*: Educational and Governmental.

1.14. *Extended Service Area*: The portion of the Franchise Area as outlined in Exhibit A.

1.15. *FCC*: The United States Federal Communications Commission or successor governmental entity thereto.

1.16. *Force Majeure*: Force Majeure is an event or events reasonably beyond the ability of Franchisee to anticipate and control, such as:

(a) severe or unusual weather conditions, fire, flood, or other acts of God, strikes, labor disturbances, lockouts, war or act of war (whether an actual declaration of war is made or not), insurrection, riots, act of public enemy;

(b) actions or inactions of any government instrumentality or public utility including condemnation, accidents for which the Franchisee is not primarily responsible or work delays caused by waiting for other utility providers to service or monitor utility poles to which Franchisee's FTTP Network is attached, and unavailability of materials and/or qualified labor to perform the work necessary; and

(c) telephone network outages only when such outages are outside the control of Franchisee.

1.17. *Franchise Area*: The incorporated area (entire existing territorial limits) of the City and such additional areas as may be included in the corporate (territorial) limits of the City during the term of this Franchise.

1.18. *Franchisee*: Verizon Northwest Inc., and its lawful and permitted successors, assigns and transferees.

1.19. *Government Access Channel*: An Access Channel available for the use solely of the City.

1.20. *Gross Revenue*: All revenue, including any and all cash, credits, property, or consideration of any kind, as determined in accordance with generally accepted accounting principles, which is earned or derived by Franchisee and/or its Affiliates, received from Franchisee's provision of Cable Service over the Cable System in the Franchise Area. Gross Revenue shall be reported to the City using the "accrual method" of accounting. Gross Revenue shall include, but may not be limited to, the following items so long as all other Cable Operators in the Service Area include the same in Gross Revenues for purposes of calculating franchise fees:

(a) fees charged for Basic Service;

- (b) fees charged to Subscribers for any service tier other than Basic Service;
- (c) fees charged for premium Channel(s), e.g. HBO, Cinemax, or Showtime;
- (d) fees charged to Subscribers for any optional, per-channel, or per-program services;
- (e) charges for installation, additional outlets, relocation, disconnection, reconnection, and change-in-service fees for video or audio programming;
- (f) fees for downgrading any level of Cable Service programming;
- (g) fees for service calls;
- (h) fees for leasing of Channels;
- (i) rental of customer equipment, including converters (e.g. set top boxes, high definition converters, and digital video recorders) and remote control devices;
- (j) advertising revenue as set forth herein;
- (k) revenue from the sale or lease of access Channel(s) or Channel capacity;
- (l) revenue from the sale or rental of Subscriber lists;
- (m) revenues or commissions received from the carriage of home shopping channels;
- (n) fees for any and all music services that are deemed to be a Cable Service over a Cable System;
- (o) revenue from the sale of program guides;
- (p) late payment fees;
- (q) forgone revenue that Franchisee chooses not to receive in exchange for trades, barter, services, or other items of value;
- (r) revenue from NSF check charges;
- (s) revenue received from programmers as payment for programming content cablecast on the Cable System; and
- (t) Franchise fees hereunder.

Advertising commissions paid to independent third parties shall not be deducted from advertising revenue included in Gross Revenue. Advertising revenue is based upon the ratio of the number of Subscribers as of the last day of the period for which Gross Revenue is being calculated to the number of Franchisee's Subscribers within all areas covered by the particular advertising source as of the last day of such period, e.g., Franchisee sells two ads: Ad "A" is

broadcast nationwide; Ad “B” is broadcast only within Washington. Franchisee has 100 Subscribers in the Franchise Area, 500 Subscribers in Washington, and 1,000 Subscribers nationwide. Gross Revenue as to the City from Ad “A” is 10% of Franchisee’s revenue therefrom. Gross Revenue as to the City from Ad “B” is 20% of Franchisee’s revenue therefrom.

Notwithstanding the foregoing, Gross Revenue shall not include:

1.20.1. Revenues received by any Affiliate or other Person from Franchisee in exchange for supplying goods or services used by Franchisee to provide Cable Service over the Cable System in the Franchise Area;

1.20.2. Bad debts written off by Franchisee in the normal course of its business, provided, however, that bad debt recoveries shall be included in Gross Revenue during the period collected;

1.20.3. Refunds, rebates, or discounts made to Subscribers or other third parties;

1.20.4. Any revenues classified, in whole or in part, as Non-Cable Services revenue under federal or state law including, without limitation, revenue received from: Telecommunications Services; Information Services, including without limitation Internet Access services; and any other revenues attributed to Non-Cable Services in accordance with applicable federal and state laws or regulations;

1.20.5. Any revenue of Franchisee or any Person that is received directly from the sale of merchandise through any Cable Service distributed over the Cable System, except for home shopping commissions paid to Franchisee;

1.20.6. The sale of Cable Services on the Cable System for resale in which the purchaser is required to collect cable franchise fees from purchaser’s customer;

1.20.7. The imputed value of the provision of Cable Services to customers on a complimentary basis including, without limitation, the provision of Cable Services to public buildings as required or permitted herein;

1.20.8. Any tax of general applicability imposed upon Franchisee or upon Subscribers by a city, state, federal, or any other governmental entity and required to be collected by Franchisee and remitted to the taxing entity (including, but not limited to, sales/use tax, gross receipts tax, excise tax, utility users tax, public service tax, communication taxes, and non-cable franchise fees and revenue);

1.20.9. Any forgone revenue that Franchisee chooses not to receive in exchange for its provision of free or reduced cost cable services to any Person, including without limitation, the City, employees of Franchisee and any public institutions or other institutions designated in the Agreement; provided, however, that such forgone revenue that Franchisee

chooses not to receive in exchange for trades, barter, services, or other items of value in place of cash consideration shall be included in Gross Revenue;

1.20.10. Sales of capital assets or sales of surplus equipment;

1.20.11. Reimbursement by programmers of marketing costs incurred by Franchisee for the introduction of new programming pursuant to a written marketing agreement;

1.20.12. Directory or Internet advertising revenue including, but not limited to, yellow page, white page, banner advertisement, and electronic publishing; or

1.20.13. Any fees or charges collected from Subscribers or other third parties for the EG Grant.

1.21. *Information Service*: Shall be defined herein as it is defined under Title I Section 3 of the Communications Act, 47 U.S.C. §153(20).

1.22. *Initial Service Area*: The portion of the Franchise Area as outlined in Exhibit A.

1.23. *Internet Access*: Dial-up or broadband access service that enables Subscribers to access the Internet.

1.24. *Non-Cable Services*: Any service that does not constitute the provision of Video Programming directly to multiple Subscribers in the Franchise Area including, but not limited to, Information Services and Telecommunications Services.

1.25. *Person*: An individual, partnership, association, joint stock company, trust, corporation, or governmental entity (excluding the City).

1.26. *Public Rights-of-Way*: The surface and the area across, in, over, along, upon and below the surface of the public streets, roads, bridges, sidewalks, lanes, courts, ways, alleys, and boulevards, including, public utility easements and public lands and waterways used as Public Rights-of-Way, as the same now or may thereafter exist, which are under the jurisdiction or control of the City. Public Rights-of-Way do not include the airwaves above a right-of-way with regard to cellular or other nonwire communications or broadcast services.

1.27. *Service Area*: All portions of the Franchise Area where Cable Service is being offered, including the Initial Service Area, Extended Service Area, and any Additional Service areas.

1.28. *Service Date*: The date that the Franchisee first provides Cable Service on a commercial basis directly to multiple Subscribers in the Franchise Area. The Franchisee shall memorialize the Service Date by notifying the City in writing of the same, which notification shall become a part of this Franchise.

1.29. *Service Interruption:* The loss of picture or sound on one or more cable channels.

1.30. *Subscriber:* A Person, or the City, who lawfully receives Cable Service over the Cable System with Franchisee's express permission.

1.31. *Telecommunications Facilities:* Franchisee's existing Telecommunications Service and Information Service facilities and its FTTP Network facilities.

1.32. *Telecommunications Service:* Shall be defined herein as it is defined under Title I Section 3 of the Communications Act, 47 U.S.C. § 153(46).

1.33. *Title II:* Title II of the Communications Act.

1.34. *Title VI:* Title VI of the Communications Act.

1.35. Transfer of the Franchise:

1.35.1. Any transaction in which:

1.35.1.1. an ownership or other interest in Franchisee is transferred, directly or indirectly, from one Person or group of Persons to another Person or group of Persons, so that Control of Franchisee is transferred; or

1.35.1.2. the rights held by Franchisee under the Franchise are transferred or assigned to another Person or group of Persons.

1.35.2. However, notwithstanding Sub-sections 1.35.1.1 and 1.35.1.2 above, a *Transfer of the Franchise* shall not include transfer of an ownership or other interest in Franchisee to the parent of Franchisee or to another Affiliate of Franchisee; transfer of an interest in the Franchise or the rights held by the Franchisee under the Franchise to the parent of Franchisee or to another Affiliate of Franchisee; any action which is the result of a merger of the parent of the Franchisee; or any action which is the result of a merger of another Affiliate of the Franchisee.

1.36. *Video Programming:* Shall be defined herein as it is defined under Section 602 of the Communications Act, 47 U.S.C. § 522(20).

2. **GRANT OF AUTHORITY; LIMITS AND RESERVATIONS**

2.1. *Grant of Authority:* Subject to the terms and conditions of this Agreement and the Communications Act, the City hereby grants the Franchisee the right to own, construct, operate and maintain a Cable System along the Public Rights-of-Way within the Franchise Area, in order to provide Cable Service. No privilege or power of eminent domain is bestowed by this grant; nor is such a privilege or power bestowed by this Agreement.

2.2. *City Does Not Regulate Telecommunications Under This Franchise:* The City's regulatory authority under Title VI of the Communications Act is not applicable to the construction, installation, maintenance or operation of the Franchisee's FTTP Network to the extent the FTTP Network is constructed, installed, maintained or operated for the purpose of upgrading and/or extending Verizon's existing Telecommunications Facilities for the provision of Non-Cable Services. Nothing in this Agreement shall affect any City authority to adopt and enforce lawful regulations with respect to Franchisee's Telecommunications Facilities in the Public Rights of Way.

2.3. *Term:* This Franchise shall become effective on _____, 2008 (the "Effective Date"). The term of this Franchise shall be twelve (12) years from the Effective Date unless the Franchise is earlier revoked as provided herein.

2.4. *Grant Not Exclusive:* The Franchise and the rights granted herein to use and occupy the Public Rights-of-Way to provide Cable Services shall not be exclusive, and the City reserves the right to grant other franchises for similar uses or for other uses of the Public Rights-of-Way, or any portions thereof, to any Person, or to make any such use themselves, at any time during the term of this Franchise. Any such rights which are granted shall not adversely impact the authority as granted under this Franchise.

2.5. *Franchise Subject to Federal and State Law:* Notwithstanding any provision to the contrary herein, this Franchise is subject to and shall be governed by all applicable provisions of federal and state law as they may be amended, including but not limited to the Communications Act.

2.6. No Waiver:

2.6.1. The failure of the City on one or more occasions to exercise a right or to require compliance or performance under this Franchise, the Communications Act or any other applicable State or Federal law shall not be deemed to constitute a waiver of such right or a waiver of compliance or performance by the City nor to excuse Franchisee from complying or performing, unless such right or such compliance or performance has been specifically waived in writing.

2.6.2. The failure of the Franchisee on one or more occasions to exercise a right under this Franchise or applicable law, or to require performance under this Franchise, shall not be deemed to constitute a waiver of such right or of performance of this Agreement, nor shall it excuse the City from performance, unless such right or performance has been specifically waived in writing.

2.7. Construction of Agreement:

2.7.1. The provisions of this Franchise shall be liberally construed to effectuate their objectives.

2.7.2. Nothing herein shall be construed to limit the scope or applicability of Section 625 of the Communications Act, 47 U.S.C. § 545.

2.8. *Police Powers:* In executing this Franchise, the Franchisee acknowledges that its rights hereunder are subject to the lawful police powers of the City. Franchisee agrees to comply with all lawful and applicable general laws and ordinances enacted by the City pursuant to such power. Nothing in the Franchise shall be construed to prohibit the reasonable, necessary and lawful exercise of the City's police powers. However, if the reasonable, necessary and lawful exercise of the City's police power results in any material alteration of the terms and conditions of this Franchise, then the parties shall modify this Franchise to the mutual satisfaction of both parties to ameliorate the negative effects on the Franchisee of the material alteration. Any modifications shall be in writing and signed by both parties. If the parties cannot reach agreement on the above-referenced modification to the Franchise, the parties agree to submit the matter to mediation. The matter submitted to mediation shall be limited to what effect, if any, the City's exercise of police powers has on the terms of the Franchise. In the event mediation does not result in an agreement, then the Franchisee may terminate this Agreement without further obligation to the City or, at Franchisee's option, the parties agree to submit the matter to binding arbitration in accordance with the commercial arbitration rules of the American Arbitration Association (but not necessarily administered by the American Arbitration Association) or as otherwise mutually agreed by the parties.

3. **PROVISION OF CABLE SERVICE**

3.1. Service Area:

3.1.1. *Initial Service Area:* Franchisee shall offer Cable Service to significant numbers of Subscribers in residential areas of the Initial Service Area and may make Cable Service available to businesses in the Initial Service Area, within twelve (12) months of the Service Date of this Franchise, and shall offer Cable Service to all residential areas in the Initial Service Area within thirty (30) months of the Service Date of the Franchise, except: (A) for periods of Force Majeure; (B) for periods of delay caused by City; (C) for periods of delay resulting from Franchisee's inability to obtain authority to access rights-of-way in the Service Area; (D) in areas where developments or buildings are subject to claimed exclusive arrangements with other providers; (E) in areas, developments or buildings where Franchisee cannot access under reasonable terms and conditions after good faith negotiation, as determined by Franchisee; and (F) in developments or buildings that Franchisee is unable to provide Cable Service for technical reasons or which require non-standard facilities which are not available on a commercially reasonable basis; and (G) in areas where the occupied residential household density does not meet the density requirements set forth in Sub-section 3.1.1.1.

3.1.1.1. *Density Requirement:* Franchisee shall make Cable Services available to habitable residential dwelling units in all areas of the Service Area where the average density is equal to or greater than 25 habitable residential dwelling units per mile as measured in strand footage from the nearest technically feasible point on the active FTTP Network trunk or feeder line. Should, through new construction, an area within the Initial Service Area or Extended Service Area meet the density requirements after the time stated for

providing Cable Service as set forth in Subsections 3.1.1 and 3.1.2 respectively, Franchisee shall provide Cable Service to such area within twelve (12) months of receiving notice from City that the density requirements have been met.

3.1.2. *Extended Service Area:* Within sixty (60) months following the Service Date, Franchisee shall begin providing Cable Service in the Extended Service Area subject to the conditions of Subsection 3.1.1 above and the other terms set forth herein; provided, however, that the Extended Service Area may be modified in whole or in part by Franchisee on 30 days notice to City.

3.1.3. *Additional Service Areas:* Except for the Initial Service Area, and any Extended Service Area, Franchisee shall not be required to extend its Cable System or to provide Cable Services to any other areas within the Franchise Area during the term of this Franchise or any renewals thereof. If Franchisee desires to add Additional Service Areas within the Franchise Area, Franchisee shall notify City in writing of such Additional Service Area at least ten (10) days prior to providing Cable Services in such areas.

3.2. *Availability of Cable Service:* Franchisee shall make Cable Service available to all residential dwelling units and may make Cable Service available to businesses within the Service Area in conformance with Section 3.1 and Franchisee shall not discriminate between or among any individuals in the availability of Cable Service. Franchisee shall not deny access to Cable Services to any group of potential residential Subscribers because of the income of the residents of the local area in which the group resides. In the areas in which Franchisee shall provide Cable Service, Franchisee shall be required to connect, at Franchisee's expense, other than a standard installation charge, all residential dwelling units that are within one hundred twenty five (125) feet of trunk or feeder lines not otherwise already served by Franchisee's FTTP Network. Franchisee shall be allowed to recover, from a Subscriber that requests such connection, actual costs incurred for residential dwelling unit connections that exceed one hundred twenty five (125) feet and actual costs incurred to connect any non-residential Subscriber.

3.3. *Cable Service to Municipal and Public Buildings:* Subject to 3.1, Franchisee shall provide, without charge within the Service Area, one service outlet activated for Basic Service to City Hall at 1049 State Avenue. Franchisee shall be entitled to recover the direct cost of installing, if requested to do so, more than one outlet, or concealed inside wiring, or a service outlet requiring more than one hundred twenty five (125) feet of drop cable; provided, however, that Franchisee shall not charge for the provision of Basic Service to the additional service outlets once installed. Cable Service may not be resold or otherwise used in contravention of Franchisee's rights with third parties respecting programming. Equipment provided by Franchisee, under this Subsection, if any, shall be replaced at retail rates if lost, stolen or damaged due to the negligence, or other wrongful acts, of the City.

3.3.1. In addition to the location designated in Exhibit B, Franchisee shall provide, without charge, within the Service Area, one (1) service outlet activated for Basic Service to three (3) additional public schools and public libraries, and such other buildings used for municipal purposes over the life of the contract at a location as mutually agreed upon by the parties subject to all conditions set forth in this Section 3.3.

3.3.2. Notwithstanding the foregoing, Franchisee shall not be required to provide Cable Service to any building set forth in Exhibit B until a reasonable period of time after Franchisee serves the applicable portion of the Service Area with its Title II FTTP Network, and the applicable wire center serving such building is video enabled.

4. **FTTP NETWORK OPERATION**

The parties recognize that Franchisee's FTTP Network is being constructed and will be operated and maintained as an upgrade to and/or extension of its existing Telecommunications Facilities. The jurisdiction of the City over such Telecommunications Facilities is restricted by federal and state law, and the City does not and will not assert jurisdiction over Franchisee's FTTP Network in contravention of those limitations.

5. **SYSTEM FACILITIES** {

5.1. *System Characteristics*: Franchisee's Cable System shall be designed to be an active two-way plant for subscriber interaction, if any, required for selection or use of Cable Service.

5.2. *Interconnection*: The Franchisee shall design its Cable System so that it may be interconnected with other cable systems in the Franchise Area. Interconnection of systems may be made by direct cable connection, microwave link, satellite, or other appropriate methods.

5.3. *Emergency Alert System*: Franchisee shall comply with the Emergency Alert System ("EAS") requirements of applicable federal or state laws or regulations in order that emergency messages may be distributed over the System.

6. **EG SERVICES**

6.1. EG Set Aside:

6.1.1. In order to ensure local availability of educational and government programming, Franchisee shall provide on the Basic Service Tier a total of two channels dedicated to Educational and Governmental Access (collectively, "EG Channels").

6.1.2. The type of programming to be carried on each of the EG Channels set aside by Franchisee is reflected in Exhibit C. City hereby authorizes Franchisee to transmit such programming within and without City jurisdictional boundaries. Franchisee specifically reserves its right to make or change channel assignments in its sole discretion. If an EG Channel provided under this Article is not being utilized by the City, Franchisee may utilize such EG Channel, in its sole discretion, until such time as City elects to utilize the EG Channel for its intended purpose.

6.1.3. *Reserve Access Channel*: The City may require Franchisee to provide one (1) additional Access Channel when either Access Channel meets the criteria set forth below and such additional Access Channel is carried by all other Cable Operators in the

Service Area. Upon Franchisee's request, a public hearing will be conducted regarding the need for additional capacity. The City may activate the reserved Access Channel subject to the following conditions:

6.1.3.1. The City may activate the Reserve Channel during the Term by providing the Franchisee with written notice of the need for additional Access Channel capacity at least one hundred eighty (180) days prior to the date it intends to activate the Reserve Channel, demonstrated by a programming schedule for EG programming on the existing Government or Educational Access Channel, as applicable, consisting of at least six (6) hours per day, which programming for purposes of this calculation shall not include repeat or character-generated programming. Such written notice shall authorize the Franchisee to transmit the Reserve Channel within and outside of the City.

6.1.3.2. The City shall require all Cable Operators within the Franchise Area to provide a similar additional Access Channel; and

6.1.3.3. In the event the origination point is one of the EG Origination Sites as defined below, Franchisee will provide the reserved Access Channel within one hundred eighty (180) days following the City's written request and verification of compliance with each of the foregoing conditions and those specified in Section 6.2. If the origination point is not one of the EG Origination Sites, the timing of the availability and other conditions will be by mutual agreement of the parties. In no event shall the origination point be a new one located outside of the Service Area.

6.1.4. The City shall require all local producers and users of any of the EG facilities or Channels to agree in writing to authorize Franchisee to transmit programming consistent with this Agreement and to defend and hold harmless Franchisee and the City, from and against any and all liability or other injury, including the reasonable cost of defending claims or litigation, arising from or in connection with claims for failure to comply with applicable federal laws, rules, regulations or other requirements of local, state or federal authorities; for claims of libel, slander, invasion of privacy, or the infringement of common law or statutory copyright; for unauthorized use of any trademark, trade name or service mark; for breach of contractual or other obligations owing to third parties by the producer or user; and for any other injury or damage in law or equity, which result from the use of an EG facility or Channel. City shall establish rules and regulations for use of EG facilities, consistent with, and as required by, 47 U.S.C. §531.

6.2. EG Connections:

6.2.1. The City shall provide and ensure a suitable video signal for the EG Channels to Franchisee at the locations set forth in Exhibit C (the "EG Origination Sites"). The Franchisee's obligations under this Article 6, including its obligation to provide upstream

equipment and facilities necessary to transmit signals, shall be subject to the provision by the City, without charge to the Franchisee, of: (1) access to the EG Origination Site facilities; (2) access to any required EG equipment within the EG Origination Site facilities and suitable required space, environmental conditions, electrical power supply, access, and pathways within the EG Origination Site facilities; (3) video signals in a mutually agreed upon format suitable for EG Access Channel programming; (4) any third-party consent that may be necessary to transmit EG signals (including, without limitation, any consent that may be required with respect to third-party facilities, including the facilities of the incumbent cable provider, used to transmit EG content to the EG Origination Sites from auxiliary locations); and (5) any other cooperation and access to facilities as are reasonably necessary for the Franchisee to fulfill the obligations stated herein. To the extent a suitable video signal is provided to Franchisee and the foregoing conditions are met, Franchisee shall, within one hundred eighty (180) days of the Service Date or provision of a suitable video signal, whichever is later, provide, install, and maintain in good working order the equipment necessary for transmitting the EG signal to Subscribers.

6.3. EG Grant:

6.3.1. Franchisee shall provide a grant to the City to be used in support of the production of local EG programming (the "EG Grant"). Such grant shall be used by the City, for EG access equipment, including, but not limited to, studio and portable production equipment, editing equipment and program playback equipment, or for renovation or construction of EG access facilities. Franchisee agrees that the EG Grant shall in no way modify or otherwise affect the Franchisee's obligation to pay franchise fees.

6.3.2. The EG Grant provided by Franchisee hereunder shall be the sum of \$0.75, per month, per Subscriber in the Service Area to Franchisee's Basic Service Tier, so long as all other cable operators provide the same amount. The per subscriber amount of the EG Grant may be reduced by actions of the City. The City will give Franchisee 60 days notice of such a reduction. The EG Grant payment, along with a brief summary of the information upon which it is based, shall be delivered to the City in quarterly installments no later than thirty (30) days following the end of each calendar quarter during the Franchise Term. Calculation of the EG Grant will commence with the first calendar month during which Franchisee obtains its first Subscriber in the Service Area.

6.3.3. The City shall provide Franchisee with a complete accounting annually of the distribution of funds granted pursuant to this Section 6.3.

6.3.4. *Interest Charge on Late Payments.* If any quarterly EG Grant payment due under this Franchise remains unpaid after the due date ("EG Grant Past Due Amounts"), Franchisee shall pay the City interest on such EG Grant Past Due Amounts in addition to the EG Grant Past Due Amounts. The interest shall accrue on the EG Grant Past Due Amounts from the due date until it is paid in full ("EG Grant Period of Delinquency"). Franchisee shall pay the City interest at a rate per annum equal to the highest Bank Prime Rate plus one percent (1%) during the EG Grant Period of Delinquency. The "Bank Prime Rate" shall mean the prime lending rate as it appears in *The Wall Street Journal* during the EG Grant Period

of Delinquency. The City's acceptance of payment shall not be construed as an agreement that the amount paid was correct.

6.4. To the extent permitted by federal law, the Franchisee shall be allowed to recover the costs of the EG Grant, and any other costs arising from the provision of EG services from Subscribers and to include such costs as a separately billed line item on each Subscriber's bill. Without limiting the forgoing, if allowed under state and federal laws, Franchisee may externalize, line-item, or otherwise pass-through interconnection costs to Subscribers.

7. **FRANCHISE FEES**

7.1. *Payment to City:* Franchisee shall pay to the City a Franchise fee of five percent (5%) of annual Gross Revenue. In accordance with Title VI of the Communications Act, the twelve (12) month period applicable under the Franchise for the computation of the Franchise fee shall be a calendar year. Such payments shall be made no later than thirty (30) days following the end of each calendar quarter. Franchisee shall be allowed to submit or correct any payments that were incorrectly omitted, and shall be refunded any payments that were incorrectly submitted, in connection with the quarterly Franchise fee remittances within 90 days following the close of the calendar year for which such payments were applicable.

7.2. *Supporting Information:* Each Franchise fee payment shall be accompanied by a brief report prepared by a representative of Franchisee showing the basis for the computation, an example of which is provided in Exhibit D. No later than one hundred twenty (120) days after the end of each calendar year, Franchisee shall furnish to the City an annual summary of Franchise fee calculations.

7.3. *Limitation on Franchise Fee Actions:* The parties agree that the period of limitation for recovery of any Franchise fee payable hereunder shall be six (6) years from the date on which payment by Franchisee is due.

7.4. *Bundled Services:* If Cable Services subject to the Franchise fee required under this Article 7 are provided to Subscribers in conjunction with Non-Cable Services, the Franchise fee shall be applied only to the value of the Cable Services, as reflected on the books and records of Franchisee in accordance with applicable federal or state laws, rules, regulations, or public utility regulation commission, regulations, standards or orders.

7.5. *Interest Charge on Late Payments.* If any quarterly Franchise fee payment due under this Franchise remains unpaid after the due date ("Franchise Fee Past Due Amounts"), Franchisee shall pay the City interest on such Franchise Fee Past Due Amounts in addition to the Franchise Fee Past Due Amounts. The interest shall accrue on the Franchise Fee Past Due Amounts from the due date until it is paid in full ("Franchise Fee Period of Delinquency"). Franchisee shall pay the City interest at a rate per annum equal to the highest Bank Prime Rate plus one percent (1%) during the Franchise Fee Period of Delinquency. The "Bank Prime Rate" shall mean the prime lending rate as it appears in *The Wall Street Journal* during the Franchise Fee Period of Delinquency. The City's acceptance of payment shall not be construed as an agreement

that the amount paid was correct, nor shall acceptance be construed as a release of any claim which the City may have for additional sums due under provisions of this Section 7.

7.6. *Alternative Fees*: In the event that Franchise Fees are prohibited by any law or regulation, Franchisee agrees to pay any substitute fee or amount allowed by law up to a maximum amount of five percent (5%) of Gross Revenues, so long as the substitute fee is imposed on all other Cable Operators in the Franchise Area and Franchisee is given thirty (30) days notice of the substitute fee by the City.

7.7. *EG Grant and Franchise Grant Not Franchise Fees*: Franchisee agrees that the EG Grant and Franchise Grant set forth in Sections 6 and 14 respectively, shall in no way modify or otherwise affect Franchisee's obligation to pay Franchise Fees to the City. Franchisee agrees that although the sum of Franchise Fees and the EG Grant and Franchise Grant may total more than five percent of Franchisee's Gross Revenues in any twelve-month period, the additional commitments are not to be offset or otherwise credited in any way against any Franchise Fee payments under this Franchise.

7.8. *No Limitation on Taxing Authority*: Nothing in this Franchise shall be construed to limit any authority of the City to impose any tax, fee, or assessment of general applicability. Nothing in this Franchise is intended to preclude Franchisee from exercising any right it may have to challenge the lawfulness of any tax, fee, or assessment imposed by the City or any state or federal agency or authority, or intended to waive any rights the Franchisee may have under 47 U.S.C. § 542.

8. **CUSTOMER SERVICE**

Customer Service Requirements are set forth in Exhibit E, which shall be binding unless amended by written consent of the parties.

9. **REPORTS AND RECORDS**

9.1. *Open Books and Records*: Upon no less than thirty (30) business days written notice to the Franchisee, the City shall have the right to inspect Franchisee's books and records pertaining to Franchisee's provision of Cable Service in the Franchise Area at any time during normal business hours and on a nondisruptive basis, as are reasonably necessary to ensure compliance with the terms of this Franchise. Such notice shall specifically reference the section or subsection of the Franchise which is under review, so that Franchisee may organize the necessary books and records for appropriate access by the City. Franchisee shall not be required to maintain any books and records for Franchise compliance purposes longer than six (6) years. Notwithstanding anything to the contrary set forth herein, Franchisee shall not be required to disclose information that it reasonably deems to be proprietary or confidential in nature, nor disclose any of its or an Affiliate's books and records not relating to the provision of Cable Service in the Service Area. The City shall treat any information disclosed by Franchisee as confidential and only disclose it to employees, representatives, and agents thereof that have a need to know, or in order to enforce the provisions hereof, or to comply with state law requirements. Franchisee

shall not be required to provide Subscriber information in violation of Section 631 of the Communications Act, 47 U.S.C. §551.

9.2. Audit of Franchise Fee Payments.

9.2.1. City may audit or conduct a franchise fee review of Franchisee's books and records no more than once every three (3) years during the Term. All records reasonably necessary for any such audit shall be made available by Franchisee to City.

9.2.2. Each party shall bear its own costs of an audit; provided, however, that if the results of any audit indicate that Franchisee underpaid the franchise fees by five percent (5%) or more, then Franchisee shall pay the reasonable, documented, out-of-pocket costs of the audit up to ten thousand dollars (\$10,000).

9.2.3. If the results of an audit indicate an underpayment or overpayment of franchise fees, the parties agree that any undisputed underpayment or overpayment shall be paid or offset against future payments if applicable, to the proper party within forty-five (45) days.

9.2.4. Any audit shall be conducted by an independent third party. Any entity employed by the City that performs the audit or franchise fee review shall not be permitted to be compensated on a success based formula e.g. payment based on an underpayment of fees, if any.

9.2.5. Notwithstanding the provisions in Subsection 9.2, City shall not be entitled to audit Franchisee unless all other cable operators in the Service Area are also subject to an audit requirement or Franchise fee review.

9.3. Records Required: Franchisee shall at all times maintain:

9.3.1. Records of all written complaints for a period of three (3) years after receipt by Franchisee. The term "complaint" as used herein refers to complaints about any aspect of the Cable System or Franchisee's cable operations, including, without limitation, complaints about employee courtesy. Complaints recorded will not be limited to complaints requiring an employee service call;

9.3.2. Records of outages for a period of three (3) years after occurrence, indicating date, duration, area, and the number of Subscribers affected, type of outage, and cause;

9.3.3. Records of service calls for repair and maintenance for a period of three (3) years after resolution by Franchisee, indicating the date and time service was required, the date of acknowledgment and date and time service was scheduled (if it was scheduled), and the date and time service was provided, and (if different) the date and time the problem was resolved;

9.3.4. Records of installation/reconnection and requests for service extension for a period of three years after the request was fulfilled by Franchisee, indicating the date of request, date of acknowledgment, and the date and time service was extended; and

9.3.5. A map showing the area of coverage for the provisioning of Cable Services and estimated timetable to commence providing Cable Service.

10. **INSURANCE AND INDEMNIFICATION**

10.1. Insurance:

10.1.1. Franchisee shall maintain in full force and effect, at its own cost and expense, during the Franchise term, the following insurance coverage:

10.1.1.1. Commercial General Liability Insurance in the amount of two million dollars (\$2,000,000) combined single limit for property damage and bodily injury. Such insurance shall cover the construction, operation and maintenance of the Cable System and the conduct of Franchisee's Cable Service business in the City.

10.1.1.2. Automobile Liability Insurance in the amount of two million dollars (\$2,000,000) combined single limit for bodily injury and property damage.

10.1.1.3. Workers' Compensation Insurance meeting all legal requirements of the State of Washington.

10.1.1.4. Employers' Liability Insurance in the following amounts: (A) Bodily Injury by Accident: \$100,000; and (B) Bodily Injury by Disease: \$100,000 employee limit; and C) Bodily Injury by Disease: \$500,000 policy limit.

10.1.1.5. Umbrella/Excess Liability Insurance in the amount of five million dollars (\$5,000,000) combined single limit.

10.1.2. The City shall be included as additional insured under each of the insurance policies required in this Article 10 except Worker's Compensation and Employer's Liability Insurance.

10.1.3. Franchisee shall not cancel any required insurance policy without obtaining alternative insurance in conformance with this Agreement.

10.1.4. Each of the required insurance policies shall be with insurers qualified to do business in the State of Washington, with an A.M. Best Financial Strength rating of A- or better.

10.1.5. Franchisee shall deliver to City Certificates of Insurance showing evidence of the required coverage.

10.1.6. The limits required above may be satisfied with a combination of primary and excess coverage.

10.2. Indemnification:

10.2.1. Franchisee agrees to indemnify, save and hold harmless, and defend the City, its elected officials, officers, agents, boards and employees, from and against any liability, damages or claims, settlements approved by Franchisee pursuant to Subsection 10.2.2 or judgments, arising out of, or resulting from, the Franchisee's activities pursuant to this Franchise, provided that the City shall give Franchisee timely written notice of its obligation to indemnify the City so as to cause no material prejudice to Franchisee's defense of such claims. Notwithstanding the foregoing, Franchisee shall not indemnify the City, for any damages, liability or claims resulting from the willful misconduct, negligence, or breach of obligation of the City, its officers, agents, employees, attorneys, consultants, or independent contractors, for which the City is legally responsible, or for any activity or function conducted by any Person other than Franchisee in connection with EG Access or EAS.

10.2.2. With respect to Franchisee's indemnity obligations set forth in Subsection 10.2.1, Franchisee shall provide the defense of any claims or actions brought against the City by selecting counsel of Franchisee's choice to defend the claim, subject to the consent of the City, which shall not unreasonably be withheld. Nothing herein shall be deemed to prevent the City from cooperating with the Franchisee and participating in the defense of any litigation by its own counsel at its own cost and expense, provided however, that after consultation with the City, Franchisee shall have the right to defend, settle or compromise any claim or action arising hereunder, and Franchisee shall have the authority to decide the appropriateness and the amount of any such settlement. In the event that the terms of any such proposed settlement includes the release of the City, and the third party is willing to accept the settlement, but the City does not consent to the terms of any such settlement or compromise, Franchisee shall not settle the claim or action but its obligation to indemnify the City shall in no event exceed the amount of such settlement.

11. **TRANSFER OF FRANCHISE**

Subject to Section 617 of the Communications Act, 47 U.S.C. § 537, no Transfer of the Franchise shall occur without the prior written consent of the City, provided that such consent shall not be unreasonably withheld, delayed or conditioned. No such consent shall be required, however, for a transfer in trust, by mortgage, by other hypothecation, by assignment of any rights, title, or interest of the Franchisee in the Franchise or Cable System in order to secure indebtedness, or otherwise for transactions otherwise excluded under Section 1.35 above.

12. **RENEWAL OF FRANCHISE**

12.1. The City and Franchisee agree that any proceedings undertaken by the City that relate to the renewal of this Franchise shall be governed by and comply with the provisions of Section 626 of the Communications Act, 47 U.S.C. § 546.

12.2. In addition to the procedures set forth in said Section 626 of the Communications Act, the City shall notify Franchisee of all of its assessments regarding the identity of future cable-related community needs and interests, as well as the past performance of

Franchisee under the then current Franchise term. The City further agrees that such assessments shall be provided to Franchisee promptly so that Franchisee has adequate time to submit a proposal under 47 U.S.C § 546 and pursue renewal of the Franchise prior to expiration of its term.

12.3. Notwithstanding anything to the contrary set forth herein, Franchisee and the City agree that at any time during the term of the then current Franchise, while affording the public appropriate notice and opportunity to comment, the City and Franchisee may agree to undertake and finalize informal negotiations regarding renewal of the then current Franchise and the City may grant a renewal thereof.

12.4. Franchisee and the City consider the terms set forth in this Article 12 to be consistent with the express provisions of 47 U.S.C. § 546.

13. **ENFORCEMENT AND TERMINATION OF FRANCHISE**

13.1. *Creation of Security Fund:* Within sixty (60) days following the Effective Date of this Agreement, Franchisee shall establish and provide to City a security fund (“Security Fund”) as security for the faithful performance by Franchisee of all material provisions of this Agreement. The Security Fund shall be in the amount of Ten Thousand Dollars (\$10,000) and shall be in the form of an irrevocable letter of credit, with any interest distributable to Franchisee.

13.2. *Amount of Security Fund:* Franchisee shall maintain the Security Fund at the Ten Thousand Dollar (\$10,000) level throughout the term of this Agreement; provided that Franchisee shall replenish the Security Fund no more often than once annually.

13.3. *Notice of Violation:* If at any time the City believes that Franchisee has not complied with the terms of the Franchise, the City shall informally discuss the matter with Franchisee. If these discussions do not lead to resolution of the problem in a reasonable time, the City shall then notify Franchisee in writing of the exact nature of the alleged noncompliance in a reasonable time (for purposes of this Article, the “Noncompliance Notice”).

13.4. *Franchisee’s Right to Cure or Respond:* Franchisee shall have thirty (30) days from receipt of the Noncompliance Notice to: (i) respond to the City, if Franchisee contests (in whole or in part) the assertion of noncompliance; (ii) cure such noncompliance; or (iii) in the event that, by its nature, such noncompliance cannot be cured within such thirty (30) day period, initiate reasonable steps to remedy such noncompliance and notify the City of the steps being taken and the date by which the cure is projected to be completed. Upon cure of any noncompliance, City shall provide written confirmation that such cure has been effected.

13.5. *Public Hearing.* The City shall schedule a public hearing if the City seeks to continue its investigation into the alleged noncompliance in the event that: (1) Franchisee fails to respond to the Noncompliance Notice pursuant to the procedures required by this Article, or (2) in the event that Franchisee has not remedied the alleged noncompliance within thirty (30) days. The City shall provide Franchisee at least thirty (30) business days prior written notice of such public hearing, which will specify the time, place and purpose of such public hearing, and provide Franchisee the opportunity to be heard.

13.6. *Enforcement:* Subject to applicable federal and state law, in the event the City, after the public hearing set forth in Section 13.5, determines that Franchisee is in default of any provision of this Franchise, the City may:

13.6.1. Seek specific performance of any provision, which reasonably lends itself to such remedy, as an alternative to damages; or

13.6.2. Commence an action at law for monetary damages or seek other equitable relief; or

13.6.3. In the case of a substantial material default of the Franchise, seek to revoke the Franchise in accordance with Section 13.8.

13.7. *Liquidated Damages:* In the event that the City finds that an alleged violation continues to exist and that Franchisee has not corrected the same in a satisfactory manner or has not diligently pursued correction of such violation, Franchisee agrees that the City may recover liquidated damages from Franchisee in the amounts set forth below following the notice and opportunity to cure provisions set forth in Section 13.4 above. Notwithstanding the foregoing, if Franchisee disputes the assessment of any liquidated damages hereunder, Franchisee may request and the City agrees to schedule a public hearing with regard to such dispute. The City shall provide Franchisee with written notice that it intends to elect the liquidated damage remedies set forth herein. Notwithstanding the foregoing, if the City elects to assess liquidated damages pursuant to this Section, such election shall constitute the City's exclusive remedy for the violation for which the liquidated damages were assessed for a period of sixty (60) days; provided, however, once the City has ceased to assess its liquidated damages remedy as set forth in this Section 13.7, it may pursue other available remedies.

The following liquidated damages shall apply:

For failure to comply with any applicable FCC technical performance standards	\$250 per day for each day the violation continues;
For failure to provide EG Services or Channels to the community as specified in Section 6	\$100 per day for each day the violation continues;
For failure to provide the City with any reports or records required by the Agreement within the time period required	\$50 per day for each day the violation continues;
For violations of the customer service requirements as set forth in Exhibit E	\$100 per day for each day the violation continues; and

For other material breaches or defaults of
the terms and conditions of this Franchise

up to \$100 per day for each day the
violation continues.

The amount of all liquidated damages per annum shall not exceed fifteen thousand dollars (\$15,000) in the aggregate. All similar violations or failures arising from the same factual events affecting multiple subscribers shall be assessed as a single violation, and a violation or a failure may only be assessed under any one of the above-referenced categories. Violations or failures shall not be deemed to have occurred or commenced until they are not cured as provided in Section 13.4.

13.7.1. *Interest Charge on Late Payments.* If any liquidated damages payment due under this Franchise remains unpaid after the due date (“Liquidated Damages Past Due Amounts”), Franchisee shall pay the City interest on such Liquidated Damages Past Due Amounts in addition to the Liquidated Damages Past Due Amounts. The interest shall accrue on the Liquidated Damages Past Due Amounts from the due date until it is paid in full (“Liquidated Damages Period of Delinquency”). Franchisee shall pay the City interest at a rate per annum equal to the highest Bank Prime Rate plus one percent (1%) during the Liquidated Damages Period of Delinquency. The “Bank Prime Rate” shall mean the prime lending rate as it appears in *The Wall Street Journal* during the Liquidated Period of Delinquency. The City’s acceptance of payment shall not be construed as an agreement that the amount paid was correct.

13.8. *Revocation:* Should the City seek to revoke this Franchise after following the procedures set forth above in this Article, including the public hearing described in Section 13.5, the City shall give written notice to Franchisee of such intent. The notice shall set forth the specific nature of the noncompliance. The Franchisee shall have ninety (90) days from receipt of such notice to object in writing and to state its reasons for such objection. In the event the City has not received a satisfactory response from Franchisee, it may then seek termination of the Franchise at a second public hearing. The City shall cause to be served upon the Franchisee, at least thirty (30) business days prior to such public hearing, a written notice specifying the time and place of such hearing and stating its intent to revoke the Franchise.

13.8.1. At the designated hearing, Franchisee shall be provided a fair opportunity for full participation, including the right to be represented by legal counsel, to introduce relevant evidence, to require the production of evidence, to compel the testimony of persons as permitted by law, and to question and/or cross examine witnesses. A complete verbatim record and transcript shall be made of such hearing, with the costs of the preparation of the verbatim record and transcript to be shared equally by the parties.

13.8.2. Following the public hearing, Franchisee shall be provided up to thirty (30) days to submit its proposed findings and conclusions in writing and thereafter the City shall determine (i) whether an event of default has occurred; (ii) whether such event of default is excusable; and (iii) whether such event of default has been cured or will be cured by the Franchisee. The City shall also determine whether to revoke the Franchise based on the information presented, or, where applicable, grant additional time to the Franchisee to affect any

cure. If the City determines that the Franchise shall be revoked, the City shall promptly provide Franchisee with a written decision setting forth its reasoning. Franchisee may appeal such determination of the City to an appropriate court. Franchisee shall be entitled to such relief as the court finds appropriate. Such appeal must be taken within thirty (30) days of Franchisee's receipt of the determination of the franchising authority.

13.8.3. The City may, at its sole discretion, take any lawful action which it deems appropriate to enforce the City's rights under the Franchise in lieu of revocation of the Franchise.

13.9. *Franchisee Termination:* Franchisee shall have the right to terminate this Franchise and all obligations hereunder within ninety (90) days after the end of three (3) years from the Service Date of this Franchise, if at the end of such three (3) year period Franchisee does not then in good faith believe it has achieved a commercially reasonable level of Subscriber penetration on its Cable System. Franchisee may consider subscriber penetration levels outside the Franchise Area, but within the greater Puget Sound metropolitan area, in this determination. Notice to terminate under this Section 13.9 shall be given to the City in writing, with such termination to take effect no sooner than one hundred and twenty (120) days after giving such notice. Franchisee shall also be required to give its then current Subscribers not less than ninety (90) days prior written notice of its intent to cease Cable Service operations.

13.10. *Immunities:* The City does not waive any of its immunities under Section 635A of the Communications Act or state law.

14. **MISCELLANEOUS PROVISIONS**

14.1. *Franchise Grant:* Franchisee shall pay City thirty-two thousand dollars (\$32,000) (the "Franchise Grant"). The Franchise Grant shall be payable sixty (60) days from the Effective Date. To the extent permitted by federal law, Franchisee shall be allowed to recover all or part of this amount from Subscribers and may line-item or otherwise pass-through such amount to Subscribers.

14.2. *Actions of Parties:* In any action by the City or Franchisee that is mandated or permitted under the terms hereof, such party shall act in a reasonable, expeditious, and timely manner. Furthermore, in any instance where approval or consent is required under the terms hereof, such approval or consent shall not be unreasonably withheld, delayed or conditioned.

14.3. *Binding Acceptance:* This Agreement shall bind and benefit the parties hereto and their respective successors and assigns, and the promises and obligations herein shall survive the expiration date hereof.

14.4. *Preemption:* In the event that federal or state law, rules, or regulations preempt a provision or limit the enforceability of a provision of this Agreement, the provision shall be read to be preempted to the extent, and for the time, but only to the extent and for the time, required by law. In the event such federal or state law, rule or regulation is subsequently repealed, rescinded, amended or otherwise changed so that the provision hereof that had been preempted is

no longer preempted, such provision shall thereupon return to full force and effect, and shall thereafter be binding on the parties hereto, without the requirement of further action on the part of the City or the Franchisee.

14.5. *Force Majeure*: Franchisee shall not be held in default under, or in noncompliance with, the provisions of the Franchise, nor suffer any enforcement relating to noncompliance or default, where such noncompliance or alleged defaults occurred or were caused by a Force Majeure.

14.6. *Notices*: Unless otherwise expressly stated herein, notices required under the Franchise shall be mailed first class, postage prepaid, to the addressees below. Each party may change its designee or address by providing written notice to the other party.

14.6.1. Notices to Franchisee shall be mailed to:

Verizon Northwest Inc.
Attn: Tim McCallion, President
112 Lakeview Canyon Road, CA501GA
Thousand Oaks, CA 91362

14.6.2. with a copy to:

Mr. Jack H. White
Senior Vice President & General Counsel - Verizon Telecom
One Verizon Way
Room VC43E010
Basking Ridge, NJ 07920-1097

14.6.3. Notices to the City shall be mailed to:

City of Marysville
Attn:
1049 State Avenue
Marysville, WA 98270

14.7. *Entire Agreement*: This Franchise and the Exhibits hereto constitute the entire agreement between Franchisee and the City, and they supersede all prior or contemporaneous agreements, representations or understandings (whether written or oral) of the parties regarding the subject matter hereof. Any ordinances or parts of ordinances that conflict with the provisions of this Agreement are superseded by this Agreement.

14.8. *Amendments*: Amendments or modifications to this Franchise shall be mutually agreed to in writing by the parties.

14.9. *Captions:* The captions and headings of articles and sections throughout this Agreement are intended solely to facilitate reading and reference to the sections and provisions of this Agreement. Such captions shall not affect the meaning or interpretation of this Agreement.

14.10. *Severability:* If any section, subsection, sentence, paragraph, term, or provision hereof is determined to be illegal, invalid, or unconstitutional, by any court of competent jurisdiction or by any state or federal regulatory authority having jurisdiction thereof, such determination shall have no effect on the validity of any other section, subsection, sentence, paragraph, term or provision hereof, all of which will remain in full force and effect for the term of the Franchise.

14.11. *Recitals:* The recitals set forth in this Agreement are incorporated into the body of this Agreement as if they had been originally set forth herein.

14.12. *FTTP Network Transfer Prohibition:* Under no circumstance including, without limitation, upon expiration, revocation, termination, denial of renewal of the Franchise or any other action to forbid or disallow Franchisee from providing Cable Services, shall Franchisee or its assignees be required to sell any right, title, interest, use or control of any portion of Franchisee's FTTP Network including, without limitation, the cable system and any capacity used for cable service or otherwise, to the City or any third party. Franchisee shall not be required to remove the FTTP Network or to relocate the FTTP Network or any portion thereof as a result of revocation, expiration, termination, denial of renewal or any other action to forbid or disallow Franchisee from providing Cable Services.

14.13. *No Joint Venture:* Nothing herein shall be deemed to create a joint venture or principal-agent relationship between the parties, and neither party is authorized to, nor shall either party act toward third persons or the public in any manner which would indicate any such relationship with the other.

14.14. *Independent Review:* City and Franchisee each acknowledge that they have received independent legal advice in entering into this Agreement. In the event that a dispute arises over the meaning or application of any term(s) of this Agreement, such term(s) shall not be construed by the reference to any doctrine calling for ambiguities to be construed against the drafter of the Agreement.

14.15. *Venue:* The venue for any dispute related to this Franchise shall be in the United States District Court for the Western District of Washington in Seattle, provided it has subject matter jurisdiction; if no jurisdiction exists, then venue shall be in the Superior Court for Snohomish County.

14.16. *Attorneys' Fees:* If any action or suit arises between Franchisee and City for breach of this Franchise, the prevailing party, either the City or Franchisee, as the case may be, shall be entitled to recover all of its reasonable attorneys' fees, costs and expenses in connection therewith along with such other relief as the court deems proper.

14.17. *Singular and Plural:* Except where the context indicates otherwise, words used herein, regardless of the number specifically used, shall be deemed and construed to include any other number, singular or plural as is reasonable in the context.

14.18. *Acceptance:* The signing and return of an original copy of this Agreement to the City by the Franchisee shall constitute an unconditional acceptance of all the terms and conditions of this Franchise.

SIGNATURE PAGE FOLLOWS

AGREED TO THIS ____ DAY OF _____, 2008.

City

By: _____
Mayor

Verizon Northwest Inc.

By: _____
Tim McCallion, President

EXHIBITS

Exhibit A: Service Areas

Exhibit B: Municipal Building to be Provided Free Cable Service

Exhibit C: EG Channel Origination Locations

Exhibit D Sample Remittance Form

Exhibit E : Customer Service Standards

EXHIBIT A

Service Areas

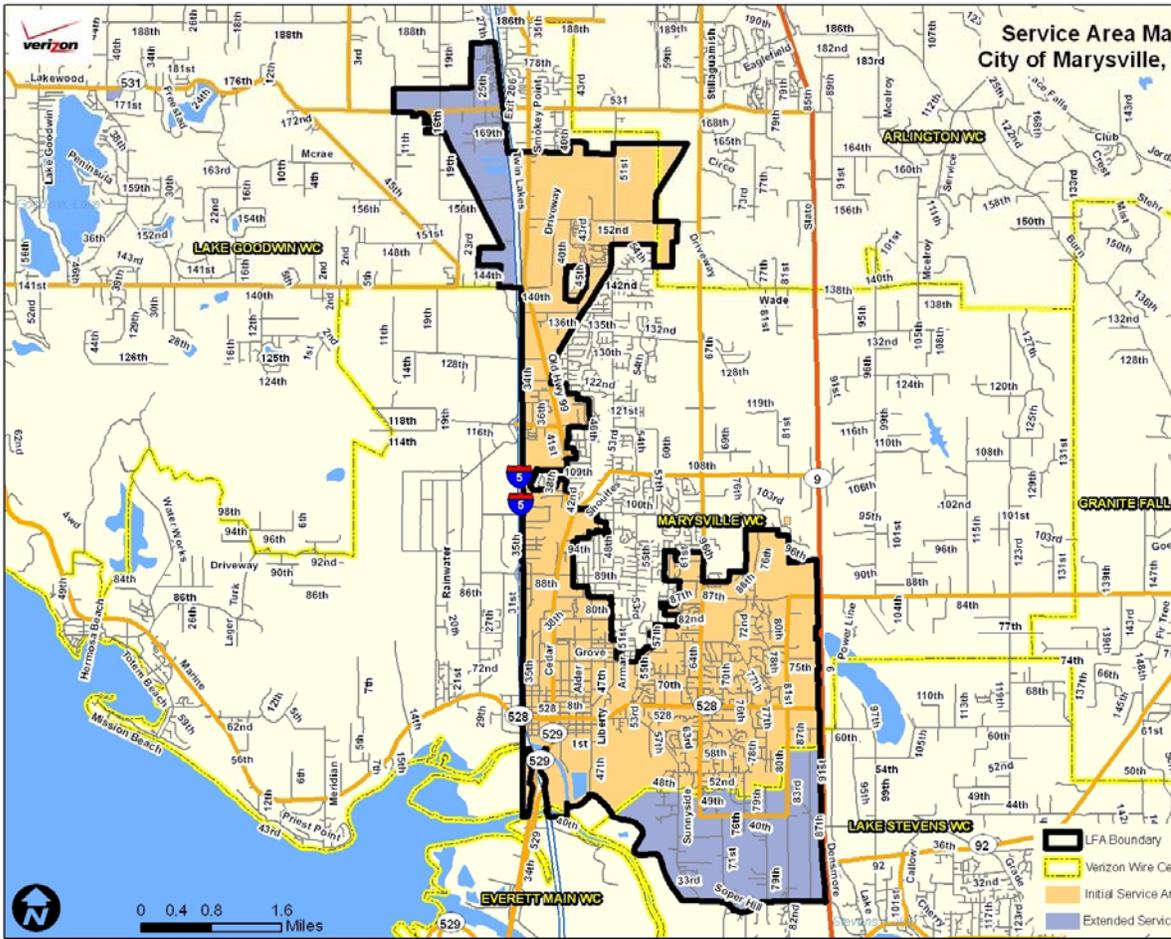


EXHIBIT B

MUNICIPAL BUILDING TO BE PROVIDED FREE CABLE SERVICE

**Monitoring location:
1049 State Avenue
Marysville, WA 98270**

EXHIBIT C
EG CHANNEL POINTS OF ORIGINATION

Marysville Government Access Channel

Origination Address: (Free drop location for EG channel monitoring purposes)
1049 State Avenue
Marysville, Washington 98270

Marysville School District Educational Access Channel

Origination Address:
Marysville-Pilchuck High School
5611 108th St. NE
Marysville, WA. 98271-8898

**EXHIBIT D
SAMPLE REMITTANCE FORM**

Franchise Fee Schedule/Report (Quarter and Year)

City of Marysville

Verizon - fGTE

Washington

Franchise Fee Rate: 5.00%

	Month 1	Month 2	Month 3	Quarter Total
Monthly Recurring Cable Service Charges (e.g. Basic, Enhanced Basic, Premium and Equipment Rental)	\$0.00	\$0.00	\$0.00	\$0.00
Usage Based Charges (e.g. PayPer View, Installation)	\$0.00	\$0.00	\$0.00	\$0.00
Advertising	\$0.00	\$0.00	\$0.00	\$0.00
Home Shopping	\$0.00	\$0.00	\$0.00	\$0.00
Late Payment	\$0.00	\$0.00	\$0.00	\$0.00
Other Misc. (Leased Access & Other Misc.)	\$0.00	\$0.00	\$0.00	\$0.00
Franchise Fee Billed	\$0.00	\$0.00	\$0.00	\$0.00
Less:				
Bad Debt				
Total Receipts Subject to Franchise Fee Calculation	\$0.00	\$0.00	\$0.00	\$0.00
Franchise Fee Due	\$0.00	\$0.00	\$0.00	\$0.00

Verizon Northwest Inc. is hereby requesting that this information be treated as confidential and proprietary commercial trade secret information and financial statements and not disclosed in accordance with Section XXXX and the Cable Television Franchise Agreement granted to Verizon Northwest Inc. This information is not otherwise readily ascertainable or publicly available by proper means by other persons from another source in the same configuration as provided herein, would cause substantial harm to the competitive position of Verizon in the highly competitive video marketplace if disclosed, is intended to be proprietary confidential business information and is treated by Verizon as such.

EXHIBIT E

CUSTOMER SERVICE STANDARDS

These standards shall, starting six (6) months after the Service Date, apply to Franchisee to the extent it is providing Cable Services over the Cable System in the Franchise area. For the first six (6) months after the Service Date, Franchisee shall use best efforts to comply with the Customer Service Standards provided herein; it being agreed, however, that the City will not impose liquidated damages during this first six (6) month period if Franchisee using best efforts fails to meet the Customer Service Standards.

SECTION 1: DEFINITIONS

A. Normal Operating Conditions: Those service conditions which are within the control of Franchisee, as defined under 47 C.F.R. § 76.309(c)(4)(ii). Those conditions which are not within the control of Franchisee include, but are not limited to, natural disasters, civil disturbances, power outages, telephone network outages that are not within the control of the Franchisee, and severe or unusual weather conditions. Those conditions which are ordinarily within the control of Franchisee include, but are not limited to, special promotions, pay-per-view events, rate increases, regular peak or seasonal demand periods, and maintenance or rebuild of the Cable System.

B. Respond: The start of Franchisee's investigation of a Service Interruption by receiving a Subscriber call, and opening a trouble ticket, and begin working, if required.

C. Service Call: The action taken by Franchisee to correct a Service Interruption the effect of which is limited to an individual Subscriber.

D. Service Interruption: The loss of picture or sound on one or more cable channels.

E. Significant Outage: A significant outage of the Cable Service shall mean any Service Interruption lasting at least four (4) continuous hours that affects at least ten percent (10%) of the Subscribers in the Service Area.

F. Standard Installation: Installations where the Subscriber is within one hundred twenty-five (125) feet of trunk or feeder lines.

SECTION 2: TELEPHONE AVAILABILITY

A. Franchisee shall maintain a toll-free number to receive all calls and inquiries from Subscribers in the Franchise Area and/or residents regarding Cable Service. Franchisee

representatives trained and qualified to answer questions related to Cable Service in the Service Area must be available to receive reports of Service Interruptions twenty-four (24) hours a day, seven (7) days a week, all other inquiries at least forty-five (45) hours per week. Franchisee representatives shall identify themselves by name when answering this number.

B. Franchisee's telephone numbers shall be listed, with appropriate description (e.g. administration, customer service, billing, repair, etc.), in the directory published by the local telephone company or companies serving the Service Area, beginning with the next publication cycle after acceptance of this Franchise by Franchisee.

C. Franchisee may use an Automated Response Unit ("ARU") or a Voice Response Unit ("VRU") to distribute calls. If a foreign language routing option is provided, and the Subscriber does not enter an option, the menu will default to the first tier menu of English options.

After the first tier menu (not including a foreign language rollout) has run through three times, if customers do not select any option, the ARU or VRU will forward the call to a queue for a live representative. Franchisee may reasonably substitute this requirement with another method of handling calls from customers who do not have touch-tone telephones.

D. Under Normal Operating Conditions, calls received by the Franchisee shall be answered within thirty (30) seconds. The Franchisee shall meet this standard for ninety percent (90%) of the calls it receives at call centers receiving calls from Subscribers, as measured on a cumulative quarterly calendar basis. Measurement of this standard shall include all calls received by the Franchisee at all call centers receiving calls from Subscribers, whether they are answered by a live representative, by an automated attendant, or abandoned after thirty (30) seconds of call waiting. If the call needs to be transferred, transfer time shall not exceed thirty (30) seconds.

E. Under Normal Operating Conditions, callers to the Franchisee shall receive a busy signal no more than three (3%) percent of the time during any calendar quarter.

F. Upon request from the City, but in no event more than once a quarter, forty-five (45) days following the end of each quarter, the Franchisee shall report to the City the following for the applicable call center for the City receiving calls from Subscribers except for temporary telephone numbers set up for national promotions:

(1) Percentage of calls answered within thirty (30) seconds as set forth in Subsection 2.D; and

(2) Percentage of time customers received a busy signal when calling the Franchisee's service center as set forth in Subsection 2.E.

Subject to consumer privacy requirements, underlying activity will be made available to the City for review upon reasonable request.

G. At the Franchisee's option, the measurements and reporting above may be changed from calendar quarters to billing or accounting quarters one time during the term of this Agreement. Franchisee shall notify the City of such a change not less than thirty (30) days in advance.

SECTION 3: INSTALLATIONS AND SERVICE APPOINTMENTS

A. All installations will be in accordance with FCC rules, including but not limited to, appropriate grounding, connection of equipment to ensure reception of Cable Service, and the provision of required consumer information and literature to adequately inform the Subscriber in the utilization of Franchisee-supplied equipment and Cable Service.

B. The Standard Installation shall be performed within seven (7) business days after an order is placed if the Optical Network Terminal ("ONT") is already installed on the customer's premises. The Standard Installation shall be performed within fourteen (14) business days where there is no ONT at the time of service order. Franchisee shall meet this standard for ninety-five percent (95%) of the Standard Installations it performs, as measured on a calendar quarter basis, excluding those requested by the customer outside of these time periods.

C. The Franchisee shall provide the City with a report upon request from the City, but in no event more than once a quarter, noting the percentage of Standard Installations completed within the time periods provided in Section 3.B. Subject to consumer privacy requirements, underlying activity will be made available to the City for review upon reasonable request.

D. At Franchisee's option, the measurements and reporting above may be changed from calendar quarters to billing or accounting quarters one time during the term of this Agreement. Franchisee shall notify the City of such a change not less than thirty (30) days in advance.

E. Franchisee will offer Subscribers "appointment window" alternatives for arrival to perform installations, Service Calls and other activities of a maximum four (4) hours scheduled time block during appropriate daylight available hours, usually beginning at 8:00 AM unless it is deemed appropriate to begin earlier by location exception. At Franchisee's discretion, Franchisee may offer Subscribers appointment arrival times other than these four (4) hour time blocks, if agreeable to the Subscriber. These hour restrictions do not apply to weekends.

(1) Franchisee may not cancel an appointment window with a customer after the close of business on the business day prior to the scheduled appointment.

(2) If Franchisee's representative is running late for an appointment with a customer and will not be able to keep the appointment as scheduled, the customer will be contacted. The appointment will be rescheduled, as necessary, at a time which is convenient for the customer.

F. Franchisee must provide for the pick up or drop off of equipment free of charge in one of the following manners: (i) by having a Franchisee representative going to the Subscriber's residence, (ii) by using a mailer, or (iii) by establishing a local business office within the Franchise Area. If requested by a mobility-limited customer, the Franchisee shall arrange for pickup and/or replacement of converters or other Franchisee equipment at Subscriber's address or by a satisfactory equivalent.

SECTION 4: SERVICE INTERRUPTIONS AND OUTAGES

A. Franchisee shall promptly notify the City of any Significant Outage of the Cable Service.

B. Franchisee shall exercise commercially reasonable efforts to limit any Significant Outage for the purpose of maintaining, repairing, or constructing the Cable System. Except in an emergency or other situation necessitating a more expedited or alternative notification procedure, Franchisee may schedule a Significant Outage for a period of more than four (4) hours during any twenty-four (24) hour period only after the City and each affected Subscriber in the Service Area have been given fifteen (15) days prior notice of the proposed Significant Outage. Notwithstanding the foregoing, Franchisee may perform modifications, repairs and upgrades to the System between 12:01 a.m. and 6 a.m. which may interrupt service, and this Section's notice obligations respecting such possible interruptions will be satisfied by notice provided to Subscribers upon installation and in the annual Subscriber notice.

C. Franchisee representatives who are capable of responding to Service Interruptions must be available to Respond twenty-four (24) hours a day, seven (7) days a week.

D. Under Normal Operating Conditions, Franchisee must Respond to a call from a Subscriber regarding a Service Interruption or other service problems within the following time frames:

(1) Within twenty-four (24) hours, including weekends, of receiving Subscriber calls about Service Interruptions in the Service Area.

(2) Franchisee must begin actions to correct all other Cable Service problems the next business day after notification by the Subscriber or the City of a Cable Service problem.

E. Under Normal Operating Conditions, Franchisee shall complete Service Calls within seventy-two (72) hours of the time Franchisee commences to Respond to the Service Interruption, not including weekends and situations where the Subscriber is not reasonably available for a Service Call to correct the Service Interruption within the seventy-two (72) hour period.

F. Franchisee shall meet the standard in Subsection E. of this Section for ninety percent (90%) of the Service Calls it completes, as measured on a quarterly basis.

G. Franchisee shall provide the City with a report upon request from the City, but in no event more than once a quarter, forty-five (45) days following the end of each calendar quarter, noting the percentage of Service Calls completed within the seventy-two (72) hour period not including Service Calls where the Subscriber was reasonably unavailable for a Service Call within the seventy-two (72) hour period as set forth in this Section. Subject to consumer privacy requirements, underlying activity will be made available to the City for review upon reasonable request. At the Franchisee's option, the above measurements and reporting may be changed from calendar quarters to billing or accounting quarters one time during the term of this Agreement. Franchisee shall notify the City of such a change at least thirty (30) days in advance of any implementation.

H. Under Normal Operating Conditions, Franchisee shall provide a credit upon Subscriber request when all Channels received by that Subscriber are out of service for a period of four (4) consecutive hours or more. The credit shall equal, at a minimum, a proportionate amount of the affected Subscriber(s) current monthly bill. In order to qualify for the credit, the Subscriber must promptly report the problem and allow Franchisee to verify the problem if requested by Franchisee. If Subscriber availability is required for repair, a credit will not be provided for such time, if any, that the Subscriber is not reasonably available.

I. Under Normal Operating Conditions, if a Significant Outage affects all Video Programming Cable Services for more than twenty-four (24) consecutive hours, Franchisee shall issue an automatic credit to the affected Subscribers in the amount equal to their monthly recurring charges for the proportionate time the Cable Service was out, or a credit to the affected Subscribers in the amount equal to the charge for the basic plus enhanced basic level of service for the proportionate time the Cable Service was out, whichever is technically feasible or, if both are technically feasible, as determined by Franchisee provided such determination is non-discriminatory. Such credit shall be reflected on Subscriber billing statements within the next available billing cycle following the outage.

J. With respect to service issues concerning Cable Services provided to the City facilities, Franchisee shall Respond to all inquiries from the City within four (4) hours and shall commence necessary repairs within twenty-four (24) hours under Normal Operating Conditions and shall diligently pursue to completion. If such repairs cannot be completed within twenty-four (24) hours, Franchisee shall notify the City in writing as to the reason(s) for the delay and provide an estimated time of repair.

SECTION 5: CUSTOMER COMPLAINTS REFERRED BY THE CITY

Under Normal Operating Conditions, Franchisee shall begin investigating Subscriber complaints referred by the City within seventy-two (72) hours. Franchisee shall notify the City of those matters that necessitate an excess of five (5) business days to resolve, but Franchisee must make all necessary efforts to resolve those complaints within ten (10) business days of the initial complaint. The City may require Franchisee to provide reasonable documentation to substantiate the request for additional time to resolve the problem. Franchisee shall inform the City in writing, which may be by an electronic mail message, of how and when referred

complaints have been resolved within a reasonable time after resolution. For purposes of this Section, "resolve" means that Franchisee shall perform those actions, which, in the normal course of business, are necessary to (a) investigate the Customer's complaint; (b) advise the Customer of the results of that investigation; and (c) implement and complete steps to bring resolution to the matter in question.

SECTION 6: BILLING

A. Subscriber bills must be itemized to describe Cable Services purchased by Subscribers and related equipment charges. Bills will comply with applicable federal and state laws, and shall clearly delineate activity during the billing period, including optional charges, rebates, credits, and aggregate late charges. Franchisee shall, without limitation as to additional line items, be allowed to itemize as separate line items, Franchise fees, taxes and/or other governmental-imposed fees. Franchisee shall maintain records of the date and place of mailing of bills.

B. Every Subscriber with a current account balance sending payment directly to Franchisee shall be given at least twenty (20) days from the date statements are mailed to the Subscriber until the payment due date.

C. A specific due date shall be listed on the bill of every Subscriber whose account is current. Delinquent accounts may receive a bill which lists the due date as upon receipt; however, the current portion of that bill shall not be considered past due except in accordance with Subsection 6.B. above.

D. Any Subscriber who, in good faith, disputes all or part of any bill shall have the option of withholding the disputed amount without disconnect or late fee being assessed until the dispute is resolved, provided that:

- (1) The Subscriber pays all undisputed charges;
- (2) The Subscriber provides notification of the dispute to Franchisee within five (5) days prior to the due date; and
- (3) The Subscriber cooperates in determining the accuracy and/or appropriateness of the charges in dispute.
- (4) It shall be within Franchisee's sole discretion to determine when the dispute has been resolved.

E. Under Normal Operating Conditions, Franchisee shall initiate investigation and resolution of all billing complaints received from Subscribers within five (5) business days of receipt of the complaint. Final resolution shall not be unreasonably delayed.

F. Franchisee shall provide a telephone number and address clearly and prominently on the bill for Subscribers to contact Franchisee.

G. Franchisee shall forward a copy of any rate-related or customer service-related billing inserts or other mailings related to Cable Service, but not promotional materials, sent to Subscribers, to the City.

H. Franchisee shall provide all Subscribers with the option of paying for Cable Service by check or an automatic payment option where the amount of the bill is automatically deducted from a checking account designated by the Subscriber. Franchisee may in the future, at its discretion, permit payment by using a major credit card on a preauthorized basis. Based on credit history, at the option of Franchisee, the payment alternative may be limited.

I. Upon request in writing, the City may request that Franchisee omit the City's name, address and telephone number from Franchisee's bills as permitted by 47 C.F.R. Section 76.952.

SECTION 7: DEPOSITS, REFUNDS AND CREDITS

A. Franchisee may require refundable deposits from Subscribers 1) with a poor credit or poor payment history, 2) who refuse to provide credit history information to Franchisee, or 3) who rent Subscriber equipment from Franchisee, so long as such deposits are applied on a non-discriminatory basis. The deposit Franchisee may charge Subscribers with poor credit or poor payment history or who refuse to provide credit information may not exceed an amount equal to an average Subscriber's monthly charge multiplied by six (6). The maximum deposit Franchisee may charge for Subscriber equipment is the cost of the equipment which Franchisee would need to purchase to replace the equipment rented to the Subscriber.

B. Franchisee shall refund or credit the Subscriber for the amount of the deposit collected for equipment, which is unrelated to poor credit or poor payment history, after one year and provided the Subscriber has demonstrated good payment history during this period. Franchisee shall pay interest on deposits if required by law.

C. Under Normal Operating Conditions, refund checks will be issued within the next available billing cycle following the resolution of the event giving rise to the refund, (e.g. equipment return and final bill payment).

D. Credits for Cable Service will be issued no later than the Subscriber's next available billing cycle, following the determination that a credit is warranted, and the credit is approved and processed. Such approval and processing shall not be unreasonably delayed.

E. Bills shall be considered paid when appropriate payment is received by Franchisee or its authorized agent. Appropriate time considerations shall be included in Franchisee's collection procedures to assure that payments due have been received before late notices or termination notices are sent.

SECTION 8: RATES, FEES AND CHARGES

A. Franchisee shall not, except to the extent expressly permitted by law, impose any fee or charge for Service Calls to a Subscriber's premises to perform any repair or maintenance work related to Franchisee equipment necessary to receive Cable Service, except where such problem is caused by a negligent or wrongful act of the Subscriber (including, but not limited to a situation in which the Subscriber reconnects Franchisee equipment incorrectly) or by the failure of the Subscriber to take reasonable precautions to protect Franchisee's equipment (for example, a dog chew).

B. Franchisee shall provide reasonable notice to Subscribers of the possible assessment of a late fee on bills or by separate notice.

C. All of Franchisee's rates and charges shall comply with applicable federal and state law. Franchisee shall maintain a complete current schedule of rates and charges for Cable Services on file with the City throughout the term of this Franchise.

SECTION 9: DISCONNECTION /DENIAL OF SERVICE

A. Franchisee shall not terminate Cable Service for nonpayment of a delinquent account unless Franchisee mails a notice of the delinquency and impending termination prior to the proposed final termination. The notice shall be mailed to the Subscriber to whom the Cable Service is billed. The notice of delinquency and impending termination may be part of a billing statement.

B. Cable Service terminated in error must be restored without charge within twenty-four (24) hours of notice. If a Subscriber was billed for the period during which Cable Service was terminated in error, a credit shall be issued to the Subscriber if the Service Interruption was reported by the Subscriber.

C. Nothing in these standards shall limit the right of Franchisee to deny Cable Service for non-payment of previously provided Cable Services, refusal to pay any required deposit, theft of Cable Service, damage to Franchisee's equipment, abusive and/or threatening behavior toward Franchisee's employees or representatives, or refusal to provide credit history information or refusal to allow Franchisee to validate the identity, credit history and credit worthiness via an external credit agency.

D. Charges for cable service will be discontinued at the time of the requested termination of service by the Subscriber, except equipment charges may be applied until equipment has been returned. No period of notice prior to requested termination of service can be required of Subscribers by Franchisee. No charge shall be imposed upon the Subscriber for or related to total disconnection of Cable Service or for any Cable Service delivered after the effective date of the disconnect request, unless there is a delay in returning Franchisee equipment or early termination charges apply pursuant to the Subscriber's service contract. If the

Subscriber fails to specify an effective date for disconnection, the Subscriber shall not be responsible for Cable Services received after the day following the date the disconnect request is received by Franchisee. For purposes of this subsection, the term “disconnect” shall include Subscribers who elect to cease receiving Cable Service from Franchisee.

SECTION 10: COMMUNICATIONS WITH SUBSCRIBERS

A. Each employee of the Franchisee who routinely comes into contact with members of the public at their places of residence must wear a picture identification card clearly indicating his or her employment with the Franchisee. The photograph on the identification card shall prominently show the employee’s name and/or identification number. Such employee shall prominently display such identification card and shall show it to all such members of the public. Each employee of any contractor or subcontractor of the Franchisee who routinely comes into contact with members of the public at their places of residence must wear a picture identification card clearly indicating his or her name, the name of such contractor or subcontractor and the name of the Franchisee.

B. All contact with a Subscriber or potential Subscriber by a Person representing Franchisee shall be conducted in a courteous manner.

C. Franchisee shall send annual notices to all Subscribers informing them that any complaints or inquiries not satisfactorily handled by Franchisee may be referred to the City. A copy of the annual notice required under this Subsection 10.C will be given to the City at least fifteen (15) days prior to distribution to Subscribers.

D. All notices identified in this Section shall be by either:

(1) A separate document included with a billing statement or included on the portion of the monthly bill that is to be retained by the Subscriber; or

(2) A separate electronic notification.

E. Franchisee shall provide reasonable notice to Subscribers and the City of any pricing changes or additional changes (excluding sales discounts, new products or offers) and, subject to the forgoing, any changes in Cable Services, including channel line-ups. Such notice must be given to Subscribers a minimum of thirty (30) days in advance of such changes if within the control of Franchisee. Franchisee shall provide a copy of the notice to the City including how and where the notice was given to Subscribers.

F. Upon request by any Subscriber, Franchisee shall make available a parental control or lockout device to enable a Subscriber to control access to both the audio and video portions of any or all Channels. Franchisee shall inform its Subscribers of the availability of the lockout device at the time of their initial subscription and periodically thereafter.

G. Franchisee shall provide information to all Subscribers about each of the following items at the time of installation of Cable Services, annually to all Subscribers, at any time upon request, and, subject to Subsection 10.E., at least thirty (30) days prior to making significant changes in the information required by this Section if within the control of Franchisee:

- (1) Products and Cable Service offered;
- (2) Prices and options for Cable Services and condition of subscription to Cable Services. Prices shall include those for Cable Service options, equipment rentals, program guides, installation, downgrades, late fees and other fees charged by Franchisee related to Cable Service;
- (3) Installation and maintenance policies including, when applicable, information regarding the Subscriber's in-home wiring rights during the period Cable Service is being provided;
- (4) Channel positions of Cable Services offered on the Cable System;
- (5) Complaint procedures, including the name, address, and telephone number of the City, but with a notice advising the Subscriber to initially contact Franchisee about all complaints and questions;
- (6) Procedures for requesting Cable Service credit;
- (7) The availability of a parental control device;
- (8) Franchisee practices and procedures for protecting against invasion of privacy; and
- (9) The address and telephone number of Franchisee's office to which complaints may be reported.

A copy of notices required in this Subsection 10.G. will be given to the City at least fifteen (15) days prior to distribution to Subscribers if the reason for notice is due to a change that is within the control of Franchisee and as soon as possible if not within the control of Franchisee.

H. Notices of changes in rates shall indicate the Cable Service new rates and old rates, if applicable.

I. Notices of changes of Cable Services and/or Channel locations shall include a description of the new Cable Service, the specific channel location, and the hours of operation of the Cable Service if the Cable Service is only offered on a part-time basis. In addition, should

the Channel location, hours of operation, or existence of other Cable Services be affected by the introduction of a new Cable Service, such information must be included in the notice.

J. Every notice of termination of Cable Service shall include the following information:

- (1) The name and address of the Subscriber whose account is delinquent;
- (2) The amount of the delinquency for all services billed;
- (3) The date by which payment is required in order to avoid termination of Cable Service; and
- (4) The telephone number for Franchisee where the Subscriber can receive additional information about their account and discuss the pending termination.

K. Franchisee will comply with privacy rights of Subscribers in accordance with applicable federal and state law, including 47 U.S.C. §551.

EXECUTIVE

1049 State Avenue
Marysville, Washington 98270
Phone (360) 363-8000
Fax (360) 651-5033
ci.marysville.wa.us

STAFF REPORT

TO: Mayor and City Councilmembers

FROM: Doug Buell, Community Information Officer *DB*

SUBJECT: Cable Franchise Agreement between Marysville, Washington and Verizon Northwest Inc.

DATE: July 15, 2008

Summary:

Verizon Northwest Inc. ("Verizon") has requested from Marysville (the "City") a franchise to operate and provide cable television service in the incorporated areas of the City. Verizon has negotiated the proposed Franchise Agreement with City staff members.

Verizon currently is in the process of upgrading its existing Telecommunications Facilities in the City by installing a state-of-the-art Fiber to the Premise Telecommunications Network ("FTTP Network"). The FTTP Network will utilize fiber-optic cables and associated optical electronics instead of copper wire to connect customers to the Verizon network. The FTTP Network will use laser-generated pulses of light to transmit voice, data and video signals via the fiber.

Among the services that Verizon's FTTP Network will enable is cable television service. Verizon therefore has asked the City for a cable television franchise to use the FTTP Network to provide cable television service to City residents in competition with the existing cable television operator (Comcast), under the terms and conditions of the proposed Franchise Agreement.

The City's franchising of additional cable providers is governed by Title VI of the federal Communications Act ("Act"). The Act provides that a franchising authority may award one or more franchises within its jurisdiction and may not unreasonably refuse to award an additional competitive franchise.

Negotiations between Verizon and the City have resulted in an Agreement that contains a number of provisions designed to further the best interests of the City and its residents. Approval of the proposed Franchise Agreement will be a significant step towards bringing the benefits of cable competition to the City and its residents, including improved programming choices and more competitive rates. Currently, the City is served by one cable television

operator and the Direct Broadcast Satellite providers. Awarding a franchise to Verizon will afford the residents of the City a choice of more than one provider of wireline cable service.

Background:

Verizon is installing its FTTP Network as a common carrier pursuant to Title II of the Communications Act and Washington law. In addition to telecommunications services, Verizon's FTTP Network, once installed, will enable the provision of cable television service to the residents of Marysville. In anticipation of the introduction of this new service, Verizon has requested a franchise to operate and provide cable services in Marysville. Verizon's FTTP network will also provide City residents with voice and extremely high-speed data services.

Some of the Provisions of the Proposed Franchise Agreement:

City staff has negotiated the proposed Franchise Agreement with Verizon based on staff's identification and prioritization of the cable-related needs and interests of the residents of the City. Some of the provisions of the proposed Franchise Agreement are delineated below:

- Verizon must offer cable television service to a significant number of residential subscribers within twelve (12) months of the Service Date and to all residential areas of the City in the proposed initial service area within thirty (30) months of the Service Date, subject to the terms of the Franchise. Verizon's initial service area will include most of the City's existing territory, with just small portions at the northwest and southwest edges of the City not covered. These areas are "extended service areas" served by other Verizon wire centers that have a longer FTTP network upgrade schedule. But, it is anticipated that these areas will begin to receive cable service within sixty (60) months of the Service Date of the Agreement.
- A 12 year franchise term from the Effective Date of the Franchise Agreement.
- Verizon will pay the City a franchise fee of five percent (5%) of its gross revenues in connection with Cable Services derived from operation of the Cable System.
- Verizon will provide one (1) governmental channel and an educational channel and reserve one (1) access channel for future use, and will provide financial support as set forth in the agreement.
- Verizon has agreed to provide free Basic Service to the present City Hall location. Verizon has also agreed to provide compensation to the City in lieu of free drops to certain other locations.
- Extensive customer service requirements, including requirements regarding telephone availability for customer inquiries, billing, installation and service calls, complaint procedures, and communications with subscribers.

- Liability insurance and indemnification requirements.
- Verizon will provide a \$10,000 letter of credit to secure its faithful performance of all material provisions of the Agreement.
- Enforcement and termination provisions.
- Franchise transfer procedures.

Because the proposed Franchise Agreement is the product of negotiations, and Verizon's FTTP Network is a common carrier network and not a traditional cable system, certain provisions differ from the City's incumbent cable agreement. Such differences are justified under the circumstances. The Agreement as a whole is in the public interest and reasonably comparable to the incumbent cable agreement.

Analysis:

Whether the franchise applicant has the technical, legal and financial ability to perform.

Verizon Northwest Inc. has provided telecommunications services to residential and business customers for many years. Its ultimate parent company, Verizon Communications, is a Dow 30 company, one of the world's leading providers of telecommunications services, and generates annual consolidated revenues of approximately \$90 billion. Verizon intends to bring residents a choice of cable television service providers by offering innovative cable service products that will be competitive with the existing cable television offerings in the City. The major components of Verizon's planned service offering will include: a basic service and other channel tiers, including access channels, pay-per-view events and movies, a wide variety of high definition television channels, digital music channels, digital video recorder set-top boxes, and an innovative interactive programming guide. Verizon has demonstrated the financial, technical and legal qualifications required for the grant of a franchise.

Conclusion:

Cable competition will bring many benefits to City residents, including but not limited to:

- Customer choice for services that competing providers will offer. Verizon's service will offer an extensive lineup of cable programming, EG access programming and pay-per-view services.
- High customer service quality requirements, improved programming and hopefully more competitive rates.

Granting a nonexclusive franchise to provide cable television services to Verizon is in the public interest, and Verizon requests the City Council and the Mayor to approve the Franchise. Negotiations between Verizon and the City have resulted in an Agreement that contains a number of provisions designed to protect the best interests of the City and its residents, and approval of the Franchise Agreement will bring economic and developmental benefits to the City.

CITY OF MARYSVILLE
Marysville, Washington

ORDINANCE NO. _____

AN ORDINANCE OF THE CITY OF MARYSVILLE,
WASHINGTON APPROVING A CABLE TELEVISION
FRANCHISE BETWEEN THE CITY OF MARYSVILLE,
WASHINGTON "CITY" AND VERIZON NORTHWEST INC.
"FRANCHISEE"

THE CITY COUNCIL OF THE CITY OF MARYSVILLE, WASHINGTON DO
ORDAIN AS FOLLOWS:

Section 1. The Cable Television Franchise attached hereto and incorporated by this reference is hereby approved by the Marysville City Council subject to the acceptance by Verizon Northwest Inc. by timely filing with the City Clerk an unconditional, written acceptance of all of the terms and conditions of said Franchise. Failure of Verizon to timely file such an acceptance pursuant to the terms of the attached Cable Television Franchise shall be deemed a rejection of said franchise.

PASSED by the City Council and APPROVED by the Mayor this ____ day of July,
2008.

CITY OF MARYSVILLE

By _____
DENNIS L. KENDALL, Mayor

ATTEST:

By _____
TRACY JEFFRIES, City Clerk

ORDINANCE – 1

Approved as to form:

By _____
GRANT K. WEED, City Attorney

Date of Publication: _____

Effective Date (5 days after publication): _____

ORDINANCE - 2

CITY OF MARYSVILLE

Resolution _____

RESOLUTION RATIFYING THE SUBMISSION OF AN EMS LEVY

A RESOLUTION OF THE CITY OF MARYSVILLE, PROVIDING FOR THE SUBMISSION TO THE QUALIFIED ELECTORS OF THE CITY AT A SPECIAL ELECTION TO BE HELD WITHIN THE CITY ON NOVEMBER 4, 2008, IN CONJUNCTION WITH THE STATE GENERAL ELECTION, A PROPOSITION AUTHORIZING A REGULAR LEVY ON PROPERTY TAXES TO BE MADE IN 2008 FOR COLLECTION IN 2009 AND CONTINUING THEREAFTER. THIS PROPOSITION WOULD AUTHORIZE THE CITY TO SET AN AMOUNT NOT TO EXCEED FIFTY CENTS (\$.50) PER THOUSAND DOLLARS (\$1,000.00) OF ASSESSED VALUATION FOR 2008, AND THEREAFTER PURSUANT TO RCW 84.55.050 AND SUBJECT TO ANY OTHERWISE APPLICABLE STATUTORY DOLLAR RATE LIMITATIONS, THE PROCEEDS FROM SUCH LEVY TO BE USED FOR THE PROVISIONS OF EMERGENCY MEDICAL CARE AND SERVICES.

WHEREAS, on May 12, 2008 the Marysville City Council adopted Resolution No. 2244 for the submission of an EMS Levy to the voters for consideration at a special election to be held on August 19, 2008; and

WHEREAS, it is not anticipated that the results of the August 19, 2008 election will be certified until September 3, 2008; and

WHEREAS, in the event the August 19, 2008 election does not result in successful passage of the measure, the deadline for re-submittal of the measure for the November 4 ballot is August 12, 2008; and

WHEREAS, the intent of this Resolution is to allow for the timely re-submittal of an EMS Levy for voter consideration at the November 4, 2008 General Election only in the event the measure on the August 19, 2008 election does not result in voter approval; and

WHEREAS, it is the judgment of the Marysville City Council that it is essential and necessary for the protection of the health and life of the residents of the City that emergency medical services be provided within the City. Such services will necessitate the expenditure of revenues for the maintenance, operations, equipment and personnel in excess of those which can be provided by the City's regular tax levy; and

WHEREAS, it would be in the public interest for the City of Marysville, by and through the Marysville Fire District, to provide basic and advanced life support services, and emergency medical transportation services; and

WHEREAS, the Constitution and the laws of the State of Washington require that the question of whether such taxes may be levied must be submitted to the qualified electors of the City for their ratification or rejection; and

WHEREAS, pursuant to RCW 84.52.069, a regular levy may be assessed for the purpose of funding emergency medical care and services.

NOW THEREFORE BE IT RESOLVED BY THE MARYSVILLE CITY COUNCIL, AS FOLLOWS:

- Section 1. In order to provide emergency medical care and services (“EMS”), it is necessary that the City perform the following functions:
- 1.1 Obtain, operate and maintain emergency medical vehicles and facilities staffed by properly trained paramedics, emergency medical technicians and other medically trained personnel.
 - 1.2 Obtain consumable medical supplies and medical appliances to equip such vehicles and facilities.
- Section 2. In order to provide the revenue adequate to pay the cost of providing adequate life protection services and facilities as described in Section 1 and to maintain reserve funds sufficient to assure the continuation of such services, the City shall levy in 2008 for collection in 2009, and continuing thereafter, a regular EMS tax levy on taxable property within the City, in addition to the regular tax levy for maintenance and operation cost, in an amount not to exceed \$.50 per \$1,000.00 of assessed valuation of such property. Said authority to levy such additional property tax is provided to the City pursuant to RCW 84.52.069.
- Section 3. In accordance with RCW 84.52.069 the funds raised by such levy shall be used only for the provision of emergency medical services, including related personnel costs, training for such personnel, and related equipment, supplies, vehicle and structures needed for the provision of emergency medical services.
- Section 4. There shall be submitted to the qualified electors of the City for their ratification or rejection, at a special election on November 4, 2008, the question of whether or not such levy for emergency medical services, in addition to the regular levy for maintenance and operation, shall be made each year commencing in 2008. The Marysville City Council hereby requests the auditor of Snohomish County, as ex-official Supervisor of Elections, to call such special election and to submit the following proposition at such election, in the form of a ballot title substantially as follows:

CITY OF MARYSVILLE, WASHINGTON

PROPOSITION NO. 1

Emergency Medical Services Property Tax Levy

The Marysville City Council adopted Resolution No. _____ concerning a regular property tax levy for Emergency Medical Services. This proposition would authorize the City to set and maintain a regular property tax levy of \$0.50 or less per \$1,000.00 of assessed valuation for 2009 and thereafter pursuant to RCW 84.55.050 and subject to any other applicable statutory dollar rate limitations. Should this proposition be:

Approved

Rejected

- Section 5. The above-referenced proposition may be amended or revised consistent with statutory requirements or to conform with requested revisions by Snohomish County that are approved by the City Attorney without further action of the City Council.
- Section 6. For accounting purposes the City shall maintain records of receipt and expenditure of the tax levy funds, and that such records shall be available to the public at no charge.
- Section 7. A referendum petition to remove the emergency medical services levy may be filed at any time with the City Clerk, as the filing officer of the City. Within ten days of the filing of the petition, the City Clerk shall confer with the petitioner concerning the form and style of the petition, issue the petition an identification number and prepare an accurate, concise and positive ballot title. The petitioner shall have thirty days after receiving the ballot title to obtain the signatures of not less than fifteen percent of the registered voters of the City as of the last general election. The petition forms shall contain the ballot title and the full text of the measure to be referred. Upon return of the petition, the City Clerk, as filing officer, shall verify the sufficiency of the signatures on the petition with the County elections department. If the petition contains sufficient valid signatures, the City Clerk shall certify the referendum measure to the next election to be held in the City, provided however, if an election is not scheduled within one hundred and eighty days from the date of the filing of the petition, the City Clerk shall certify the referendum measure to a special election to be called for that purpose in accordance with RCW 29A.04.321.
- Section 8. The City Clerk is directed (a) to certify to the Auditor a copy of this Resolution No. _____ showing its adoption by the City Council at least 84 days prior to the date of such special election; and, (b) to perform such other duties as are necessary and required by law in submitting to the voters of the City at the aforesaid election the proposition of whether such excess tax levy shall be made.
- Section 9. This Resolution shall be null and void and repealed without further action of the Marysville City Council only in the event the same measure to be considered at the August 19, 2008 Primary Election is approved by the voters.
- Section 10. Severability. In the event any one or more of the provisions of this resolution shall for any reason be held invalid, such invalidity shall not affect or invalidate any other provisions of this resolution, but this resolution shall be constructed and enforced as if such invalid provision had not been contained therein: provided, that any provision which shall for any reason be held by reason of its extent to be invalid shall be deemed to be in effect to the extent permitted by law.

Adoption: ADOPTED by the Marysville City Council, Marysville, Washington, at a regular open public meeting of the City Council on the 28th day of July 2008.

CITY OF MARYSVILLE, WASHINGTON

Dennis Kendall, Mayor

ATTEST:

Tracy Jeffries, City Clerk

APPROVED AS TO FORM:

Grant Weed, City Attorney

CITY OF MARYSVILLE

EXECUTIVE SUMMARY FOR ACTION

CITY COUNCIL MEETING DATE: July 28, 2008

AGENDA ITEM: Business Licensing – Ordinance revisions and Annual report on Master License Service and City business licenses	AGENDA SECTION: New Business	
PREPARED BY: Gloria Hirashima, Community Development Director	AGENDA NUMBER:	
ATTACHMENTS 1. Draft Ordinance. 2. 2007 report on Master License Service	APPROVED BY:	
	MAYOR	CAO
BUDGET CODE:	AMOUNT:	

The City Council approved an agreement with the Washington State Department of Licensing in 2006 to enable consolidation of the City’s business license system with the state’s master license service. This program allows consolidated business license review for city and state licenses. It allows applicants to apply for their business license online and allows the state to issue a combined renewal license for state and City. Among the many benefits is a streamlined service which provides time and cost savings to businesses and city. It also results in increased compliance with city businesses. 2007 business licenses increased 66% over 2006. We believe this was a direct result of increased voluntary compliance in obtaining a city license as a result of the service. The system has been in service since February 2007. In February 2008, after the first full year of service, all business license renewals had cycled through the system, resulting in full conversion to the MLS system.

The State has worked with the City to provide information on City businesses in a database format. The attached information provides a summary of licensed businesses operating within the City.

The attached ordinance revises the business license review and approval from the City Clerk to the Community Development Department or designated business licensing official. The reviews are now conducted by CD staff.

<p>RECOMMENDED ACTION: Authorize the Mayor to sign the ordinance revising Chapter 5.02 Marysville Municipal Code.</p>
<p>COUNCIL ACTION:</p>

CITY OF MARYSVILLE

Marysville, Washington

ORDINANCE NO. _____

AN ORDINANCE OF THE CITY OF MARYSVILLE AMENDING PORTIONS OF MARYSVILLE MUNICIPAL CODE CHAPTER 5.02 RELATING TO BUSINESS LICENSES AND PROVIDING FOR SEVERABILITY.

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

Section 1. Marysville Municipal Code Chapter 5.02 is amended to read as follows

Chapter 5.02 BUSINESS LICENSES

Sections:

- [5.02.010](#) Definitions.
- [5.02.020](#) Business license required.
- [5.02.030](#) Exempt businesses.
- [5.02.040](#) Application procedure.
- [5.02.045](#) Procedures for issuance or denial of license.
- [5.02.050](#) Term of license.
- [5.02.060](#) Procedure for renewing licenses.
- [5.02.070](#) Fees – Penalty.
- [5.02.080](#) Ineligible activities.
- [5.02.090](#) Standards of conduct.
- [5.02.100](#) New location.
- [5.02.110](#) Suspension or revocation of licenses.
- [5.02.130](#) Sale or transfer of business – New license required.
- [5.02.140](#) Penalties for violation.

5.02.010 Definitions.

Except as otherwise expressly declared or clearly apparent from the content in which used, the following definitions shall be applied in construing the provisions of this chapter:

(1) "Person" means one or more natural persons of either sex, corporations, partnerships, associations or other entities capable of having an action at law brought against such entity, but shall not include employees of persons licensed pursuant to this chapter.

(2) "Business" means all services, activities, occupations, pursuits or professions located and/or performed within the city with the object of pecuniary gain, benefit or advantage to the person, or to another person or class, directly or indirectly, whether part-time or full-time. This definition includes, without limitation, home occupations, peddlers, hawkers, and the rental of four or more residential dwelling units. It also includes the activities of businesses which are located outside the city where sales or services are solicited by the physical presence of business representatives inside the city, and it includes general and specialty contractors with offices outside the city who do work on property located inside the city. Businesses which are exempt from this chapter are listed in MMC [5.02.030](#). (Ord. 1717, 1989; Ord. 1498 § 2, 1986).

5.02.020 Business license required.

It is unlawful for any person to conduct, operate, engage in or practice any business in the city without having first obtained a business license from the city. If more than one separate business is conducted on a single premises, a separate license shall be required for each such business. If a business actively operates from more than one location in the city, a separate license shall be required for each location. (Ord. 1718, 1989; Ord. 1498 § 2, 1986).

5.02.030 Exempt businesses.

The following businesses shall be exempt from the licensing provisions of this chapter:

- (1) Nonprofit activities carried on by religious, charitable, benevolent, fraternal or social organizations;
- (2) Public utility companies;
- (3) Any instrumentality of the United States, state of Washington, or political subdivision thereof with respect to the exercise of governmental functions;
- (4) National banks, state banks, trust companies, mutual savings banks, credit unions and building and loan associations, with respect to their banking business, trust business, or savings and loan business;
- (5) Farmers or gardeners selling their own unprocessed farm products raised or grown exclusively upon lands owned or occupied by them;
- (6) Garage sales conducted on residential premises in compliance with the city zoning code;

(7) Businesses where the sale, or contract for services, occurred on business premises outside of the city, and the only event occurring within the city was the mere delivery of the goods or services to the customer or client;

(8) Any business which is owned and operated by a person under the age of 18, and which does not generate a net income of more than \$1,500 per year;

(9) Any business which operates only during the annual Strawberry Festival, and which is authorized by the entity which holds the Strawberry Festival Master Permit;

(10) Any business which sublets or purchases space from a farmer's market where the sponsor leases property owned by the city of Marysville; provided, the sponsor/lessee shall not be exempt from the business license requirements of this chapter. (Ord. 2618 § 1, 2006; Ord. 2437, 2002; Ord. 1701 § 1, 1989; Ord. 1498 § 2, 1986).

5.02.040 Application procedure.

(1) No business license shall be issued or renewed except upon written application made to the ~~city clerk~~ City of Marysville Community Development Department or designated licensing official. Each application shall be signed by the person who intends to conduct, operate or engage in the business for which the license is to be issued, and shall state the nature of the business, its proposed address and telephone number, the names and addresses of all owners of the business (or their registered agent), and such other information as may be required by the ~~city clerk~~ City of Marysville Community Development Department or designated licensing official. A nonrefundable application fee, in an amount equal to the annual license fee, shall accompany the application. In the event that the license is granted, the application fee shall be credited toward payment of the annual license fee.

(2) If the applicant is a partnership, the application must be made and signed by one of the partners; if a corporation, by one of the officers thereof; if a foreign corporation, partnership or nonresident individual, by the resident agent or local manager of the corporation, partnership or individual.

(3) If the business premises are to be located on property owned by another person, the application shall include written evidence of the property owner's consent.

(4) If the applicant or the business applying for a license is regulated, licensed or certified by any other governmental agency or professional association, the application must include written evidence of good standing with said regulatory authority. In such cases the continuing validity of the city business license shall be conditioned upon compliance with the requirements of the regulatory authority.

(5) Neither the filing of an application for a license or the renewal thereof, nor any payment of any application or renewal fee, shall authorize a person to engage in or

conduct a business until such license has been granted or renewed. (Ord. 1751 §§ 1, 2, 1990; Ord. 1701 § 1, 1989; Ord. 1498 § 2, 1986).

5.02.045 Procedures for issuance or denial of license.

After receiving a complete application for a business license the city shall follow the following procedures:

(1) The ~~city clerk~~City of Marysville Community Development Department or designated licensing official shall forward copies of the application to appropriate city officials for their comments regarding compliance with regulations under their jurisdiction. The ~~city clerk~~City of Marysville Community Development Department or designated licensing official shall consider all materials and comments submitted and shall issue or deny the license within 20 working days after the date on which a completed application was filed unless the applicant agrees to an extension of said time period in writing.

(2) A business license may only be denied by the ~~city clerk~~City of Marysville Community Development Department or designated licensing official on one or more of the following grounds:

(a) If the business or the premises on which it is located do not comply with all applicable regulatory codes of the city, the Snohomish health district and the state of Washington;

(b) If the application is incomplete or if it contains any material misrepresentation;

(c) If the application does not propose adequate measures for the protection of public health, safety and welfare in terms of pedestrian and vehicular traffic control, security, avoidance of public nuisances and avoidance of consumer fraud.

(3) If the ~~city clerk~~City of Marysville Community Development Department or designated licensing official denies a license, written notice of said denial, stating the reasons therefore, shall be sent to the applicant within one working day thereafter. The applicant shall have a period of 10 working days after the date of license denial to appeal the same to the city council. Upon receiving written notice of appeal the ~~city council~~City's Hearing Examiner shall hold a public hearing within 21 days thereafter to consider, de novo, whether to issue or deny the license. The applicant shall be given not less than seven days' advance written notice of the hearing. The decision of the ~~city council~~Hearing Examiner shall be announced at the conclusion of the hearing and shall be final, subject only to a petition for writ of certiorari being filed with the Snohomish County Superior Court within 14 days following the date of the ~~city council's~~Hearing Examiner's decision. (Ord. 1751 § 3, 1990; Ord. 1701 § 2, 1989).

5.02.050 Term of license.

All business licenses issued pursuant to the provisions of this chapter shall be valid for a period of one year after the receiving date is stamped on the application at City Hall; all

renewals thereafter shall be for a period of one year commencing on the anniversary of said receiving date. (Ord. 1701 § 3, 1989; Ord. 1498 § 2, 1986).

5.02.060 Procedure for renewing licenses.

All business licenses issued pursuant to the provisions of this chapter may be renewed by following the procedures specified above for original applications; provided, that application forms for renewals may be abbreviated by only requesting updated or changed information. (Ord. 1701 § 4, 1989; Ord. 1498 § 2, 1986).

5.02.070 Fees– Penalty.

(1) The annual fee for each business license required by this chapter, and each renewal thereof, shall be as follows:

(a) All new businesses: \$50.00;

(b) Renewals: \$40.00;

~~(c) Home occupation renewals: \$35.00;~~

~~(d)~~ Short-term businesses: \$7.00 per day.

(2) There shall be assessed a late payment penalty of \$20.00 for each 30 days of delinquency after a license fee or renewal fee is due. This penalty shall be added to the license fee.

(3) Any business relocating to another address in the city shall pay an administrative transfer fee of \$5.00 to have its business license reissued to reflect the new address. (Ord. 2580, 2005; Ord. 2566, 2005; Ord. 2340 § 1, 2000; Ord. 2288 § 1, 1999; Ord. 1701 § 5, 1989; Ord. 1498 § 2, 1986).

5.02.080 Ineligible activities.

Notwithstanding any other provisions of this chapter, a license hereunder may not be issued to or held by any person who uses or occupies or proposes to use or occupy any real property or otherwise conducts or proposes to conduct any business in violation of the provisions of any ordinance of the city or the statutes of the state of Washington or any other applicable law or regulation. The granting of a business license shall not authorize any person to engage in any activity prohibited by a federal, state or local law or regulation. (Ord. 1498 § 2, 1986).

5.02.090 Standards of conduct.

Every licensee under this chapter shall:

- (1) Permit reasonable inspections of the business premises by governmental authorities for the purpose of enforcing the provisions of this chapter;
- (2) Comply with all federal, state and city statutes, laws, regulations and ordinances relating to the business premises and the conduct of the business thereon;
- (3) Refrain from unfair or deceptive acts or practices, or consumer fraud, in the conduct of the business, and avoid maintaining a public nuisance on the business premises;
- (4) Refrain from operating the business after expiration of a license or during the period that the license may be suspended or revoked. (Ord. 1498 § 2, 1986).

5.02.100 New location.

A licensee shall have the right to change the location of the licensed business. Prior to such a change, the licensee shall notify the ~~city clerk~~City of Marysville Community Development Department or designated licensing official, in writing, and shall pay the administrative transfer fee specified above. (Ord. 1498 § 2, 1986).

5.02.110 Suspension or revocation of licenses.

(1) The ~~city council~~Hearing Examiner may, at any time, suspend a business license whenever the licensee, or any manager, officer, director, agent or employee of the licensee, has caused, permitted or knowingly done any of the following:

- (a) Failed to keep the building structure or equipment of the licensed premises in compliance with the applicable health, building, fire or safety laws, regulations or ordinances in a way which relates to or affects public health or safety on the business premises;
- (b) Failed to comply with the standards of conduct specified in MMC [5.02.090](#).

Such suspension shall remain in effect until the conditions causing the suspension are cured and reasonable measures are taken to ensure that the same will not recur, as determined by the ~~city council~~Hearing Examiner.

(2) The ~~city council~~Hearing Examiner may, at any time, revoke a business license on any one or more of the following grounds:

- (a) Whenever the city learns that the licensee or any manager, officer, director, agent or employee of the licensee made a material false statement or representation, or failed to disclose any material information to the city, in connection with any application for a business license or any renewal thereof;

(b) Whenever the licensee or any manager, officer, director, agent or employee of the licensee fails within a reasonable time to cure a condition that caused a license suspension;

(c) Whenever the licensee or any manager, officer, director, agent or employee of the licensee knowingly permits conduct on the licensed premises that violates any federal, state or city law or ordinance;

(d) Whenever the licensee or any manager, officer, director, agent or employee of the licensee knowingly engages in unfair or deceptive acts or practices in the conduct of the business;

(e) Whenever operation of the business constitutes a public nuisance which endangers persons or property.

(3) Whenever the ~~city clerk~~City of Marysville Community Development Department or designated licensing official determines that there is probable cause for suspending or revoking a business license, the ~~city clerk~~ shall notify the licensee by registered or certified mail, return receipt requested, of such determination. Notice mailed to the address on the license shall be deemed received three days after mailing. The notice shall specify the proposed grounds for suspension or revocation. The notice shall also specify that a hearing shall be conducted by the ~~City Hearing Examiner city council~~ at a time and date denominated in the notice, not more than 21 days thereafter, to determine whether or not the license should be suspended or revoked. The notice shall be mailed to the licensee at least five days prior to the date set for the hearing. The licensee may appear at the hearing and be heard in opposition to such suspension or revocation. The decision of the ~~City Hearing Examiner city council~~ shall be announced at the conclusion of the hearing and shall be final, subject only to a petition for writ of certiorari being filed with the Snohomish County Superior Court within 14 days following the date of the ~~City Hearing Examiner's council~~'s decision. (Ord. 1701 § 6, 1989; Ord. 1498 § 2, 1986).

5.02.130 Sale or transfer of business– New license required.

Upon the sale or transfer of any business which is licensed pursuant to this chapter, the license issued to the prior owner shall automatically expire on the date of such sale or transfer and the new owner shall apply for and obtain a new business license prior to engaging in, conducting or operating the business. (Ord. 1498 § 2, 1986).

5.02.140 Penalties for violation.

(1) Violations of, or failure to comply with, any provision of this chapter, shall constitute a civil infraction and any person found to have violated any provision of this chapter is punishable by a monetary penalty of not more than \$100.00 for each such violation. Each day that a violation continues shall constitute a new and separate infraction.

(2) The imposition of a penalty for violation of this chapter shall be in addition to any other penalties provided for in any other ordinances of the city or any other ordinances or laws applicable to the violation, and any premises upon which a business is operated in violation of this chapter is hereby declared to be a public nuisance.

(3) Any license fee or penalty which is delinquent or unpaid shall constitute a debt to the city and may be collected by a court proceeding in the same manner as any other debt in like amount, which remedy shall be in addition to all other existing remedies.

(4) The city shall not enter into any contract or conduct any trade or commerce with any business which fails to comply with this chapter. (Ord. 1498 § 2, 1986).

Section 2. Severability.

If any word, phrase, sentence, provision, or portion of this ordinance is declared to be invalid or unenforceable, it shall not affect validity or enforceability of the remaining words, phrases, sentences, provisions or portions of this ordinance.

PASSED by the City Council and APPROVED by the mayor this _____ day of _____, 2008.

CITY OF MARYSVILLE

Dennis L. Kendall, Mayor

ATTEST:

Tracy Jeffries, City Clerk

APPROVED AS TO FORM

Grant K. Weed, City Attorney.

Date of Publication: _____

CITY OF MARYSVILLE

Marysville, Washington

ORDINANCE NO. _____

AN ORDINANCE OF THE CITY OF MARYSVILLE AMENDING PORTIONS OF MARYSVILLE MUNICIPAL CODE CHAPTER 5.02 RELATING TO BUSINESS LICENSES AND PROVIDING FOR SEVERABILITY.

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

Section 1. Marysville Municipal Code Chapter 5.02 is amended to read as follows

Chapter 5.02 BUSINESS LICENSES

Sections:

- [5.02.010](#) Definitions.
- [5.02.020](#) Business license required.
- [5.02.030](#) Exempt businesses.
- [5.02.040](#) Application procedure.
- [5.02.045](#) Procedures for issuance or denial of license.
- [5.02.050](#) Term of license.
- [5.02.060](#) Procedure for renewing licenses.
- [5.02.070](#) Fees – Penalty.
- [5.02.080](#) Ineligible activities.
- [5.02.090](#) Standards of conduct.
- [5.02.100](#) New location.
- [5.02.110](#) Suspension or revocation of licenses.
- [5.02.130](#) Sale or transfer of business – New license required.
- [5.02.140](#) Penalties for violation.

5.02.010 Definitions.

Except as otherwise expressly declared or clearly apparent from the content in which used, the following definitions shall be applied in construing the provisions of this chapter:

(1) "Person" means one or more natural persons of either sex, corporations, partnerships, associations or other entities capable of having an action at law brought against such entity, but shall not include employees of persons licensed pursuant to this chapter.

(2) "Business" means all services, activities, occupations, pursuits or professions located and/or performed within the city with the object of pecuniary gain, benefit or advantage to the person, or to another person or class, directly or indirectly, whether part-time or full-time. This definition includes, without limitation, home occupations, peddlers, hawkers, and the rental of four or more residential dwelling units. It also includes the activities of businesses which are located outside the city where sales or services are solicited by the physical presence of business representatives inside the city, and it includes general and specialty contractors with offices outside the city who do work on property located inside the city. Businesses which are exempt from this chapter are listed in MMC [5.02.030](#). (Ord. 1717, 1989; Ord. 1498 § 2, 1986).

5.02.020 Business license required.

It is unlawful for any person to conduct, operate, engage in or practice any business in the city without having first obtained a business license from the city. If more than one separate business is conducted on a single premises, a separate license shall be required for each such business. If a business actively operates from more than one location in the city, a separate license shall be required for each location. (Ord. 1718, 1989; Ord. 1498 § 2, 1986).

5.02.030 Exempt businesses.

The following businesses shall be exempt from the licensing provisions of this chapter:

- (1) Nonprofit activities carried on by religious, charitable, benevolent, fraternal or social organizations;
- (2) Public utility companies;
- (3) Any instrumentality of the United States, state of Washington, or political subdivision thereof with respect to the exercise of governmental functions;
- (4) National banks, state banks, trust companies, mutual savings banks, credit unions and building and loan associations, with respect to their banking business, trust business, or savings and loan business;
- (5) Farmers or gardeners selling their own unprocessed farm products raised or grown exclusively upon lands owned or occupied by them;
- (6) Garage sales conducted on residential premises in compliance with the city zoning code;

(7) Businesses where the sale, or contract for services, occurred on business premises outside of the city, and the only event occurring within the city was the mere delivery of the goods or services to the customer or client;

(8) Any business which is owned and operated by a person under the age of 18, and which does not generate a net income of more than \$1,500 per year;

(9) Any business which operates only during the annual Strawberry Festival, and which is authorized by the entity which holds the Strawberry Festival Master Permit;

(10) Any business which sublets or purchases space from a farmer's market where the sponsor leases property owned by the city of Marysville; provided, the sponsor/lessee shall not be exempt from the business license requirements of this chapter. (Ord. 2618 § 1, 2006; Ord. 2437, 2002; Ord. 1701 § 1, 1989; Ord. 1498 § 2, 1986).

5.02.040 Application procedure.

(1) No business license shall be issued or renewed except upon written application made to the City of Marysville Community Development Department or designated licensing official. Each application shall be signed by the person who intends to conduct, operate or engage in the business for which the license is to be issued, and shall state the nature of the business, its proposed address and telephone number, the names and addresses of all owners of the business (or their registered agent), and such other information as may be required by the City of Marysville Community Development Department or designated licensing official. A nonrefundable application fee, in an amount equal to the annual license fee, shall accompany the application. In the event that the license is granted, the application fee shall be credited toward payment of the annual license fee.

(2) If the applicant is a partnership, the application must be made and signed by one of the partners; if a corporation, by one of the officers thereof; if a foreign corporation, partnership or nonresident individual, by the resident agent or local manager of the corporation, partnership or individual.

(3) If the business premises are to be located on property owned by another person, the application shall include written evidence of the property owner's consent.

(4) If the applicant or the business applying for a license is regulated, licensed or certified by any other governmental agency or professional association, the application must include written evidence of good standing with said regulatory authority. In such cases the continuing validity of the city business license shall be conditioned upon compliance with the requirements of the regulatory authority.

(5) Neither the filing of an application for a license or the renewal thereof, nor any payment of any application or renewal fee, shall authorize a person to engage in or conduct a business until such license has been granted or renewed. (Ord. 1751 §§ 1, 2, 1990; Ord. 1701 § 1, 1989; Ord. 1498 § 2, 1986).

5.02.045 Procedures for issuance or denial of license.

After receiving a complete application for a business license the city shall follow the following procedures:

(1) The City of Marysville Community Development Department or designated licensing official shall forward copies of the application to appropriate city officials for their comments regarding compliance with regulations under their jurisdiction. The City of Marysville Community Development Department or designated licensing official shall consider all materials and comments submitted and shall issue or deny the license within 20 working days after the date on which a completed application was filed unless the applicant agrees to an extension of said time period in writing.

(2) A business license may only be denied by the City of Marysville Community Development Department or designated licensing official on one or more of the following grounds:

(a) If the business or the premises on which it is located do not comply with all applicable regulatory codes of the city, the Snohomish health district and the state of Washington;

(b) If the application is incomplete or if it contains any material misrepresentation;

(c) If the application does not propose adequate measures for the protection of public health, safety and welfare in terms of pedestrian and vehicular traffic control, security, avoidance of public nuisances and avoidance of consumer fraud.

(3) If the City of Marysville Community Development Department or designated licensing official denies a license, written notice of said denial, stating the reasons therefore, shall be sent to the applicant within one working day thereafter. The applicant shall have a period of 10 working days after the date of license denial to appeal the same to the City's Hearing Examiner. Upon receiving written notice of appeal the Hearing Examiner shall hold a public hearing within 21 days thereafter to consider, de novo, whether to issue or deny the license. The applicant shall be given not less than seven days' advance written notice of the hearing. The decision of the Hearing Examiner shall be announced at the conclusion of the hearing and shall be final, subject only to a petition for writ of certiorari being filed with the Snohomish County Superior Court within 14 days following the date of the Hearing Examiner's decision. (Ord. 1751 § 3, 1990; Ord. 1701 § 2, 1989).

5.02.050 Term of license.

All business licenses issued pursuant to the provisions of this chapter shall be valid for a period of one year after the receiving date is stamped on the application at City Hall; all renewals thereafter shall be for a period of one year commencing on the anniversary of said receiving date. (Ord. 1701 § 3, 1989; Ord. 1498 § 2, 1986).

5.02.060 Procedure for renewing licenses.

All business licenses issued pursuant to the provisions of this chapter may be renewed by following the procedures specified above for original applications; provided, that application forms for renewals may be abbreviated by only requesting updated or changed information. (Ord. 1701 § 4, 1989; Ord. 1498 § 2, 1986).

5.02.070 Fees– Penalty.

(1) The annual fee for each business license required by this chapter, and each renewal thereof, shall be as follows:

- (a) All new businesses: \$50.00;
- (b) Renewals: \$40.00;
- (c) Short-term businesses: \$7.00 per day.

(2) There shall be assessed a late payment penalty of \$20.00 for each 30 days of delinquency after a license fee or renewal fee is due. This penalty shall be added to the license fee.

(3) Any business relocating to another address in the city shall pay an administrative transfer fee of \$5.00 to have its business license reissued to reflect the new address. (Ord. 2580, 2005; Ord. 2566, 2005; Ord. 2340 § 1, 2000; Ord. 2288 § 1, 1999; Ord. 1701 § 5, 1989; Ord. 1498 § 2, 1986).

5.02.080 Ineligible activities.

Notwithstanding any other provisions of this chapter, a license hereunder may not be issued to or held by any person who uses or occupies or proposes to use or occupy any real property or otherwise conducts or proposes to conduct any business in violation of the provisions of any ordinance of the city or the statutes of the state of Washington or any other applicable law or regulation. The granting of a business license shall not authorize any person to engage in any activity prohibited by a federal, state or local law or regulation. (Ord. 1498 § 2, 1986).

5.02.090 Standards of conduct.

Every licensee under this chapter shall:

- (1) Permit reasonable inspections of the business premises by governmental authorities for the purpose of enforcing the provisions of this chapter;
- (2) Comply with all federal, state and city statutes, laws, regulations and ordinances relating to the business premises and the conduct of the business thereon;

(3) Refrain from unfair or deceptive acts or practices, or consumer fraud, in the conduct of the business, and avoid maintaining a public nuisance on the business premises;

(4) Refrain from operating the business after expiration of a license or during the period that the license may be suspended or revoked. (Ord. 1498 § 2, 1986).

5.02.100 New location.

A licensee shall have the right to change the location of the licensed business. Prior to such a change, the licensee shall notify the City of Marysville Community Development Department or designated licensing official, in writing, and shall pay the administrative transfer fee specified above. (Ord. 1498 § 2, 1986).

5.02.110 Suspension or revocation of licenses.

(1) The Hearing Examiner may, at any time, suspend a business license whenever the licensee, or any manager, officer, director, agent or employee of the licensee, has caused, permitted or knowingly done any of the following:

(a) Failed to keep the building structure or equipment of the licensed premises in compliance with the applicable health, building, fire or safety laws, regulations or ordinances in a way which relates to or affects public health or safety on the business premises;

(b) Failed to comply with the standards of conduct specified in MMC [5.02.090](#).

Such suspension shall remain in effect until the conditions causing the suspension are cured and reasonable measures are taken to ensure that the same will not recur, as determined by the Hearing Examiner.

(2) The Hearing Examiner may, at any time, revoke a business license on any one or more of the following grounds:

(a) Whenever the city learns that the licensee or any manager, officer, director, agent or employee of the licensee made a material false statement or representation, or failed to disclose any material information to the city, in connection with any application for a business license or any renewal thereof;

(b) Whenever the licensee or any manager, officer, director, agent or employee of the licensee fails within a reasonable time to cure a condition that caused a license suspension;

(c) Whenever the licensee or any manager, officer, director, agent or employee of the licensee knowingly permits conduct on the licensed premises that violates any federal, state or city law or ordinance;

(d) Whenever the licensee or any manager, officer, director, agent or employee of the licensee knowingly engages in unfair or deceptive acts or practices in the conduct of the business;

(e) Whenever operation of the business constitutes a public nuisance which endangers persons or property.

(3) Whenever the City of Marysville Community Development Department or designated licensing official determines that there is probable cause for suspending or revoking a business license, they shall notify the licensee by registered or certified mail, return receipt requested, of such determination. Notice mailed to the address on the license shall be deemed received three days after mailing. The notice shall specify the proposed grounds for suspension or revocation. The notice shall also specify that a hearing shall be conducted by the Hearing Examiner at a time and date denominated in the notice, not more than 21 days thereafter, to determine whether or not the license should be suspended or revoked. The notice shall be mailed to the licensee at least five days prior to the date set for the hearing. The licensee may appear at the hearing and be heard in opposition to such suspension or revocation. The decision of the Hearing Examiner shall be announced at the conclusion of the hearing and shall be final, subject only to a petition for writ of certiorari being filed with the Snohomish County Superior Court within 14 days following the date of the Hearing Examiner's decision. (Ord. 1701 § 6, 1989; Ord. 1498 § 2, 1986).

5.02.130 Sale or transfer of business– New license required.

Upon the sale or transfer of any business which is licensed pursuant to this chapter, the license issued to the prior owner shall automatically expire on the date of such sale or transfer and the new owner shall apply for and obtain a new business license prior to engaging in, conducting or operating the business. (Ord. 1498 § 2, 1986).

5.02.140 Penalties for violation.

(1) Violations of, or failure to comply with, any provision of this chapter, shall constitute a civil infraction and any person found to have violated any provision of this chapter is punishable by a monetary penalty of not more than \$100.00 for each such violation. Each day that a violation continues shall constitute a new and separate infraction.

(2) The imposition of a penalty for violation of this chapter shall be in addition to any other penalties provided for in any other ordinances of the city or any other ordinances or laws applicable to the violation, and any premises upon which a business is operated in violation of this chapter is hereby declared to be a public nuisance.

(3) Any license fee or penalty which is delinquent or unpaid shall constitute a debt to the city and may be collected by a court proceeding in the same manner as any other debt in like amount, which remedy shall be in addition to all other existing remedies.

(4) The city shall not enter into any contract or conduct any trade or commerce with any business which fails to comply with this chapter. (Ord. 1498 § 2, 1986).

Section 2. Severability.

If any word, phrase, sentence, provision, or portion of this ordinance is declared to be invalid or unenforceable, it shall not affect validity or enforceability of the remaining words, phrases, sentences, provisions or portions of this ordinance.

PASSED by the City Council and APPROVED by the mayor this _____ day of _____, 2008.

CITY OF MARYSVILLE

Dennis L. Kendall, Mayor

ATTEST:

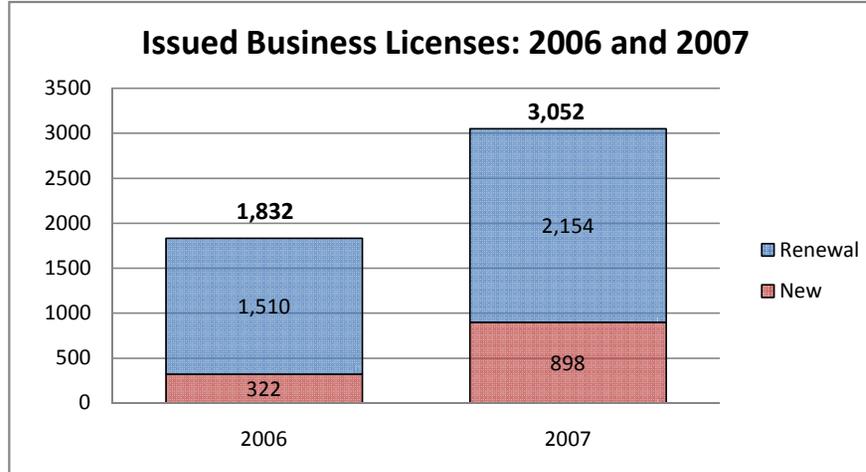
Tracy Jeffries, City Clerk

APPROVED AS TO FORM

Grant K. Weed, City Attorney.

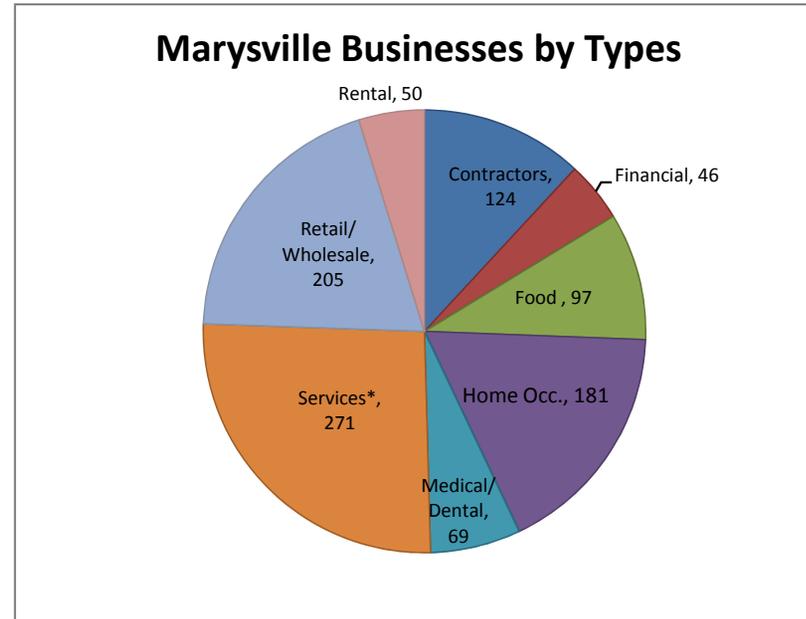
Date of Publication: _____

	2006	2007
New	322	898
Renewal	1510	2154



Type	Count
Counseling	7
Contractors	124
Daycare*	21
Dental	22
Education	10
Financial	46
Fast Food	46
Home Occ.	181
Hospitality	3
Non-profit	8
Laboratory	1
Legal	6
Manufacturing	36
Medical	47
Per. Service	97
Restaurant	51
Retail	174
Rental	50
Sport	5
Other Services	173
Wholesale	31
Marine	1
Other	15
Transport	7
Internet	11

Type	Count
Contractors	124
Financial	46
Food	97
Home Occ.	181
Medical/Dental	69
Services*	271
Retail/Wholesale	205
Rental	50



* Daycare only includes commercial and adult Home Occ 163 + 18 in-home daycares

CITY OF MARYSVILLE
Marysville, Washington

RESOLUTION NO. _____

A RESOLUTION OF THE CITY OF MARYSVILLE DECLARING SEVEN SECTIONS OF LIBRARY SHELVING TO BE SURPLUS AND AUTHORIZING THE DONATION OF THE SAME TO SNO-ISLE REGIONAL LIBRARY DISTRICT.

WHEREAS, in 1995 the City of Marysville acquired and set up shelving in the new library; and

WHEREAS, over the years the Library has rearranged the layout of the shelving displacing seven rows of shelving and determining that there is no need for the shelving; and

WHEREAS, the City of Marysville has no need or storage space for the shelving; and

WHEREAS, there is little market value for the shelving estimated between \$500.00 to \$800.00; and

WHEREAS, Sno-Isle Regional Library District has a need for shelving of this type for use in their other Library facilities and at their expense will dismantle and transport the shelving to their facilities.

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF MARYSVILLE, WASHINGTON AS FOLLOWS:

The City of Marysville hereby donates, gives, transfers and conveys said shelving to Sno-Isle Regional Library District for use in their other Library facilities on the condition that Sno-Isle Regional Library District accept the shelving "where is and as is."

PASSED by the City Council and APPROVED by the Mayor this _____ day of _____ 2008.

CITY OF MARYSVILLE

MAYOR

Attest:

City Clerk

Approved as to Form:

City Attorney

SECOND AMENDMENT TO THE INTERLOCAL AGREEMENT BETWEEN THE CITIES OF ANACORTES, AUBURN, BELLEVUE, BOTHELL, BREMERTON, BURIEN, BURLINGTON, CAMAS, DES MOINES, EVERETT, FEDERAL WAY, FIRCREST, KENT, LONGVIEW, MARYSVILLE, MOUNT VERNON, NORMANDY PARK, ORTING, PORT ANGELES, PULLMAN, PUYALLUP, RENTON, RICHLAND, SAMMAMISH, SEATAC, SUMNER, UNIVERSITY PLACE AND VANCOUVER AND KITSAP COUNTY REGARDING LEGAL SERVICES

THE INTERLOCAL AGREEMENT (as amended by the First Amendment), hereafter the "Agreement" entered into between the Cities of Anacortes, Auburn, Bellevue, Bothell, Bremerton, Burien, Burlington, Camas, Des Moines, Everett, Federal Way, Fircrest, Kent, Longview, Marysville, Mount Vernon, Normandy Park, Orting, Port Angeles, Pullman, Puyallup, Renton, Richland, Sammamish, SeaTac, Sumner, University Place, Vancouver, and Kitsap County, and any other Phase II Permittees that might become a party to this Interlocal known as the "Coalition of Governmental Entities" is hereby amended as follows:

Paragraph 4.1 of the Interlocal is hereby amended to read as follows:

4.1 Except as provided in Paragraph 4.2 below, the Legal Services' fees and costs shall be shared equally by all Coalition regardless of a member of the Coalition's population or nature or any other factor distinguishing it from another member of the Coalition. This obligation shall continue through conclusion of the Legal Services as provided in Paragraph 2 above, unless a member of the Coalition terminates its participation in this Agreement as provided in Paragraph 5. Members of the Coalition hereby authorize said fees and costs up to a total of \$1,225,000. Additional fees and/or costs may be approved by written amendment to this Agreement by Coalition.

Paragraph 4.2 of the Interlocal is hereby amended to read as follows:

4.2 The provider of Legal Services shall provide a monthly bill of its fees and costs to Bellevue. Bellevue shall timely pay the bill on behalf of Coalition. Within 15 days of approval of this Agreement, each member of the Coalition shall remit its agreed share of the fees and costs to the City of Bellevue. Bellevue shall place these funds into an interest-bearing account, with any interest derived from these funds to be applied to the costs of the provider of Legal Services. At the time of the initial drafting of the Interlocal Agreement, 33 governmental entities had committed to joining this appeal; and paying estimated fees and costs up to \$275,000, with the proportionate share of each member of the Coalition being \$8,333.33. Due to increased costs associated with the Permit cross-appeal filed by Puget Soundkeepers Alliance and others, the Coalition has subsequently authorized additional fees and costs of up to \$650,000, and by this second amendment an increase of \$300,000, for a total of fees and costs of up to \$1,225,000. These additional fees and costs are to be paid in full through contributions from each member of the Coalition in an amount determined according to agreement between the members and with consideration given to the

financial ability of members to pay. In the event Bellevue must take legal action to collect any amount due from a member of the Coalition, Bellevue shall be entitled to recover all costs for said action including reasonable attorney's fees.

Paragraph 4.3 is hereby amended to read as follows:

All other provisions of the Coalition Interlocal Agreement remain in full force and effect.

IN WITNESS, the parties below execute this First Amendment to the Coalition Interlocal Agreement which shall become effective July ____, 2008.

<p>ANACORTES:</p> <p>CITY OF ANACORTES</p> <p>By: _____</p> <p>Print Name: _____</p> <p>Its: _____</p> <p>Date: _____</p>	<p>AUBURN:</p> <p>CITY OF AUBURN</p> <p>By: _____</p> <p>Print Name: _____</p> <p>Its: _____</p> <p>Date: _____</p>
<p>NOTICES TO BE SENT TO:</p> <p>_____</p> <p>-</p> <p>_____</p> <p>-</p> <p>_____</p> <p>-</p> <p>_____</p> <p>-</p> <p>_____</p> <p>() _____ - _____ (Telephone)</p> <p>() _____ - _____ (Facsimile)</p>	<p>NOTICES TO BE SENT TO:</p> <p>_____</p> <p>-</p> <p>_____</p> <p>-</p> <p>_____</p> <p>-</p> <p>_____</p> <p>-</p> <p>_____</p> <p>() _____ - _____ (Telephone)</p> <p>() _____ - _____ (Facsimile)</p>
<p>APPROVED AS TO FORM:</p> <p>_____</p> <p>_____</p>	<p>APPROVED AS TO FORM:</p> <p>_____</p> <p>_____</p>

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BELLEVUE CITY OF BELLEVUE By: _____ Print Name: _____ Its: _____ Date: _____	BOTHELL: CITY OF BOTHELL By: _____ Print Name: _____ Its: _____ Date: _____
NOTICES TO BE SENT TO: _____ _____ _____ () _____ - _____ (Telephone) () _____ - _____ (Facsimile)	NOTICES TO BE SENT TO: _____ _____ _____ () _____ - _____ (Telephone) () _____ - _____ (Facsimile)
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BREMERTON CITY OF BREMERTON By: _____ Print Name: _____ Its: _____ Date: _____	BURIEN: CITY OF BURIEN By: _____ Print Name: _____ Its: _____ Date: _____
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BURLINGTON: CITY OF BURLINGTON By: _____ Print Name: _____ Its: _____ Date: _____	CAMAS: CITY OF CAMAS By: _____ Print Name: _____ Its: _____ Date: _____
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DES MOINES CITY OF DES MOINES By: _____ Print Name: _____ Its: _____ Date: _____	EVERETT: CITY OF EVERETT By: _____ Print Name: _____ Its: _____ Date: _____
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<p>FEDERAL WAY:</p> <p>CITY OF FEDERAL WAY</p> <p>By: _____</p> <p>Print Name: _____</p> <p>Its: _____</p> <p>Date: _____</p>	<p>FIRCREST:</p> <p>CITY OF FIRCREST</p> <p>By: _____</p> <p>Print Name: _____</p> <p>Its: _____</p> <p>Date: _____</p>
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<p>KENT:</p> <p>CITY OF KENT</p> <p>By: _____</p> <p>Print Name: _____</p> <p>Its: _____</p> <p>Date: _____</p>	<p>LONGVIEW:</p> <p>CITY OF LONGVIEW</p> <p>By: _____</p> <p>Print Name: _____</p> <p>Its: _____</p> <p>Date: _____</p>
<p>NOTICES TO BE SENT TO:</p> <p>_____</p>	<p>NOTICES TO BE SENT TO:</p> <p>_____</p>

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<p>MARYSVILLE:</p> <p>CITY OF MARYSVILLE</p> <p>By: _____</p> <p>Print Name: _____</p> <p>Its: _____</p> <p>Date: _____</p>	<p>MOUNT VERNON:</p> <p>CITY OF MOUNT VERNON</p> <p>By: _____</p> <p>Print Name: _____</p> <p>Its: _____</p> <p>Date: _____</p>
<p>NOTICES TO BE SENT TO:</p> <p>_____</p> <p>_____</p> <p>_____</p> <p>() _____ - _____ (Telephone)</p> <p>() _____ - _____ (Facsimile)</p>	<p>NOTICES TO BE SENT TO:</p> <p>_____</p> <p>_____</p> <p>_____</p> <p>() _____ - _____ (Telephone)</p> <p>() _____ - _____ (Facsimile)</p>
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<p>_____</p>	<p>_____</p>

<p>NORMANDY PARK:</p> <p>CITY OF NORMANDY PARK</p>	<p>ORTING:</p> <p>CITY OF ORTING</p>
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By: _____ Print Name: _____ Its: _____ Date: _____	By: _____ Print Name: _____ Its: _____ Date: _____
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PORT ANGELES: CITY OF PORT ANGELES By: _____ Print Name: _____ Its: _____ Date: _____	PULLMAN: CITY OF PULLMAN By: _____ Print Name: _____ Its: _____ Date: _____
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PUYALLUP: CITY OF PUYALLUP By: _____ Print Name: _____ Its: _____ Date: _____	RENTON CITY OF RENTON By: _____ Print Name: _____ Its: _____ Date: _____
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APPROVED AS TO FORM: _____ -	APPROVED AS TO FORM: _____ -

RICHLAND:	SAMMAMISH
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<p>CITY OF RICHLAND</p> <p>By: _____</p> <p>Print Name: _____</p> <p>Its: _____</p> <p>Date: _____</p>	<p>CITY OF SAMMAMISH</p> <p>By: _____</p> <p>Print Name: _____</p> <p>Its: _____</p> <p>Date: _____</p>
<p>NOTICES TO BE SENT TO:</p> <p>_____</p> <p>—</p> <p>_____</p> <p>—</p> <p>_____</p> <p>—</p> <p>_____</p> <p>—</p> <p>() _____ - _____ (Telephone)</p> <p>() _____ - _____ (Facsimile)</p>	<p>NOTICES TO BE SENT TO:</p> <p>_____</p> <p>—</p> <p>_____</p> <p>—</p> <p>_____</p> <p>—</p> <p>_____</p> <p>—</p> <p>() _____ - _____ (Telephone)</p> <p>() _____ - _____ (Facsimile)</p>
<p>APPROVED AS TO FORM:</p> <p>_____</p> <p>—</p>	<p>APPROVED AS TO FORM:</p> <p>_____</p> <p>—</p>

<p>SEATAC:</p> <p>CITY OF SEATAC</p> <p>By: _____</p> <p>Print Name: _____</p> <p>Its: _____</p> <p>Date: _____</p>	<p>SUMMNER:</p> <p>CITY OF SUMMNER</p> <p>By: _____</p> <p>Print Name: _____</p> <p>Its: _____</p> <p>Date: _____</p>
<p>NOTICES TO BE SENT TO:</p> <p>_____</p> <p>_____</p> <p>_____</p>	<p>NOTICES TO BE SENT TO:</p> <p>_____</p> <p>_____</p> <p>_____</p>

() _____ - _____ (Telephone)	() _____ - _____ (Telephone)
() _____ - _____ (Facsimile)	() _____ - _____ (Facsimile)
APPROVED AS TO FORM: _____	APPROVED AS TO FORM: _____

UNIVERSITY PLACE: CITY OF UNIVERSITY PLACE By: _____ Print Name: _____ Its: _____ Date: _____	VANCOUVER: CITY OF VANCOUVER By: _____ Print Name: _____ Its: _____ Date: _____
NOTICES TO BE SENT TO: _____ _____ _____ _____ () _____ - _____ (Telephone) () _____ - _____ (Facsimile)	NOTICES TO BE SENT TO: _____ _____ _____ _____ () _____ - _____ (Telephone) () _____ - _____ (Facsimile)
APPROVED AS TO FORM: _____	APPROVED AS TO FORM: _____

KITSAP COUNTY: KITSAP COUNTY By: _____ Print Name: _____ Its: _____ Date: _____

NOTICES TO BE SENT TO:

(____) _____ - _____ (Telephone)

(____) _____ - _____ (Facsimile)

APPROVED AS TO FORM:

CITY OF MARYSVILLE

EXECUTIVE SUMMARY FOR ACTION

CITY COUNCIL MEETING DATE: July 28, 2008

AGENDA ITEM: Salary Commission Appointment	AGENDA SECTION: Mayor's Business	
PREPARED BY: April O'Brien, Deputy City Clerk	AGENDA NUMBER:	
ATTACHMENTS: 1. Appointment Sheet	APPROVED BY:	
	MAYOR	CAO
BUDGET CODE:	AMOUNT:	

Mayor Kendall is requesting the appointment of Gary Clark to the Salary Commission.

RECOMMENDED ACTION: Mayor Kendall recommends the City Council confirm the appointment of Gary Clark to the Salary Commission serving until June 23, 2011.
COUNCIL ACTION:

Office of the Mayor
Dennis L. Kendall
1049 State Avenue
Marysville, WA 98020
Phone: 360-363-8000
Fax: 360-51-5033
ci.marysville.wa.us

APPOINTMENT

I, DENNIS L. KENDALL, duly elected and acting Mayor of the City of Marysville, do hereby appoint GARY CLARK to serve as a member of the SALARY COMMISSION of the City of Marysville, pursuant to the provisions of the Marysville Municipal Code 2.51.010; dated this 28th day of July, 2008.

M A Y O R

I do swear and affirm I will perform the duties assigned to me as a member of the Marysville Salary Commission of the City of Marysville in the manner required by law.

Dated this ____ day of _____, 2008

GARY CLARK

This term of appointment expires the 23rd day of June, 2011.