

Marysville City Council Meeting

November 24, 2014

7:00 p.m.

City Hall

Call to Order

Invocation

Pledge of Allegiance

Roll Call

Approval of the Agenda

Committee Reports

Presentations

- A. Volunteer of the Month
- B. Employee Services of the Month

Audience Participation

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

- 1. Approval of October 27, 2014 City Council Meeting Minutes.
- 2. Approval of November 3, 2014 City Council Work Session Minutes.

Consent

- 3. Approval of the November 5, 2014 Claims in the Amount of \$1,325,239.46; Paid by Check Number's 95782 through 95894 with no Checks Voided.
- 4. Approval of the November 12, 2014 Claims in the Amount of \$537,521.02; Paid by Check Number's 95895 through 96027 with no Check Voided.

Review Bids

Public Hearings

New Business

- 5. Consider the Cable Franchise Three Month Extension with WaveDivision 1, LLC.
- 6. Consider the Cable Franchise Five Year Extension with Comcast Cable Holdings, LLC.

Marysville City Council Meeting

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7:00 p.m.

City Hall

7. Consider a **Resolution** Amending New Standards for the Delivery of Public Defender Services Pursuant to RCW 10.101.030 Adopted by Resolution 2363.

8. Consider the Professional Services Agreement for Public Defense Service Agreement with Feldman and Lee, P.S.

9. Consider the **Recovery Contract** for Sewer, R & V Enterprises, LLC (Sewer Main on 52nd Drive NE for Pinewood Apartments).

10. Consider an **Ordinance** Amending Sections 3.64.020(1) and (2) of the Marysville Municipal Code, Relating to the Utility Tax on Telephone Services.

11. Consider an **Ordinance** of the City of Marysville, Washington Increasing Water, Sewer, and Surface Water Utility Rates and Amending Sections 14.07.060, 14.07.070, and 14.19.050 of the Marysville Municipal Code as Allowed Under Section 14.07.075.

Legal

Mayor's Business

12. Regional Fire Authority Planning Committee Appointments.

Staff Business

Call on Councilmembers

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 the City Clerk's office 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.

Index #1

COUNCIL



MINUTES

Work Session October 27, 2014

Call to Order / Pledge of Allegiance

Mayor Nehring called the meeting to order at 7:00 p.m.

Roll Call

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

Mayor: Jon Nehring

Council: Kamille Norton, Jeff Seibert, Michael Stevens, Rob Toyer, Jeff Vaughan, Steve Muller and Donna Wright

Absent: Steve Muller

Also Present: Chief Administrative Officer Gloria Hirashima, Finance Director Sandy Langdon, Police Chief Rick Smith, City Attorney Emily Guildner, Public Works Director Kevin Nielsen, Planning Manager Chris Holland, Fire Chief Greg Corn, Asst. Fire Chief Martin McFalls, Court Administrator Suzanne Elsner, Human Resources Director Kristie Guy, and Recording Secretary April O'Brien.

Mayor Nehring spoke regarding the horrible ordeal the shooting victims and families went through. He commended the way the Marysville Police Department and other departments handled themselves during the Marysville-Pilchuck shooting. He thanked various Staff members for their support during the shooting, Seattle's Mayor Murray for sending a staff member to help, and Providence and Harbor View Hospitals.

Mayor Nehring requested a moment of silence before Pastor Steve Swanson of Vital Signs Ministries gave the invocation, and Mayor Nehring led those present in the Pledge of Allegiance.

Approval of the Agenda

Motion made by Councilmember Toyer, seconded by Councilmember Stevens, to add the Special Event Permit Application for the Crossfit Marysville Muscles for Marysville Fundraiser to the agenda and approve the agenda. **Motion** passed unanimously (7-0).

Committee Reports

Councilmember Stevens reported on the October 15 Fire Board meeting where the following items were discussed:

- The Board of Directors for the Fire District started the budget process.
- The next meeting will be held at 5 p.m. on October 30 at Fire Station 62.
- They received an update on the New World System.
- Prothman consulting firm has been hired for the new Chief search.

Councilmember Vaughn reported on the October 22 LEOFF 1 Disability Board meeting where three claims were reviewed, discussed and paid.

Councilmember Seibert reported on the October 22 Public Safety meeting that they received an update on the individual that has been shooting police property and went on a tour of the jail facility.

Councilmember Norton reported on the October 8 Marysville Parks and Advisory Board meeting where the following was discussed:

- The Rotary Ranch looks great, and the goal is to have it completed by end of year. It will be used mostly for programming, training, etc.
- The summer programming was reviewed.
- The Board discussed and board approved eliminating facility deposit for rentals.

Presentations

A. Custody Officer Swearing-in

Brandon Palmer was introduced and sworn in as custody officer.

B. Employee Services Awards

None were present.

C. Volunteer of the Month

Patrick McGouty has volunteered at the Marysville Library for over five years and has donated approximately 1062 hours. Patrick has earned a bronze award the last four years.

Audience Participation

Snohomish County Executive John Lovick, 2403 157th Place SE, Mill Creek, WA 98012, complimented the city for all it has done and promised that Snohomish County would be available to help with the Maysville-Pilchuck shooting as long as necessary.

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

1. Approval of the September 22, 2014 City Council Minutes.

Motion made by Councilmember Wright, seconded by Councilmember Norton, to approve the minutes as presented. **Motion** passed unanimously (7-0).

2. Approval of the October 6, 2014 City Council Work Session Minutes.

Motion made by Councilmember Vaughan, seconded by Councilmember Stevens, to approve the minutes as presented. **Motion** passed unanimously (6-0) with Councilmember Muller abstaining.

Consent

3. Consider Approving the October 8, 2014 Claims in the Amount of \$1,274,362.60; Paid by Check Numbers 95209 through 95350 with No Checks Voided.

4. Consider Approving the October 15, 2014 Claims in the Amount of \$1,363,453.66; Paid by Check Numbers 95351 through 95503 with Check Numbers 72249,72862,73336,73410,73421,73761,73992,74485, 74489,74491,74779,74987,75768,75862,77417,77487,77500,77636,77980,78052, 78513,78519,78924,79653,80344,80356,80524,80897,81110,82005,82114,82157, 82496,82506,83233,83311,83883,84021,84050,84580,84699,84870,84883 voided

Motion made by Councilmember Muller, seconded by Councilmember Vaughan, to approve Consent Agenda items 3, 4, and 5. **Motion** passed unanimously (7-0).

Motion made by Councilmember Muller amended motion to approve Consent Agenda items 3 and 4. **Motion** passed unanimously (7-0).

Review Bids

5. Consider Awarding the Contract for a Hybrid Automated Meter Infrastructure System to HD Supply Waterworks, Ltd. and Authorize the Mayor to Execute the Contract in the Amount of \$425,228.48 Including Washington State Sales Tax.

Director Neilson commented that this item was part of the PUD transition to get the Sunnyside area on automated meter reads.

Motion made by Councilmember Stevens to award the contract for a Hybrid Automated Meter Infrastructure System to HD Supply Waterworks, Ltd. and authorize the Mayor to execute the contract in the amount of \$425,228.48 including Washington State sales tax, seconded by Councilmember Vaughan. **Motion** passed unanimously (7-0).

Public Hearings

6. A Public Hearing to Consider Upholding Ordinance No. 2969, Continuing the 6-Month Moratorium on the Filing, Receipt and Processing of Applications for all Permits and Development Plan Approvals, for Master Planned Senior Communities allowing the Planning Commission to Review Proposed Amendments and Make a Formal Recommendation to Council Related to Marysville Municipal Code Chapter 22C.220.

Planning Manager Holland explained the background behind this item and that the Planning Commission is holding a Public Hearing on November 13. He asked that the Council uphold the six-month moratorium.

The Public Hearing was opened for public comment at 7:36 p.m.

Rune Harkestad, 11042 SE 30th Street, Bellevue, WA, commented that he is a real-estate broker and is currently listing properties on the 116th corridor. He has seen the demand for senior community housing near commercial property raise over the last couple of years and believes such housing, even though the property would be tax exempt, would benefit the city by helping bring in business. He also noted that the crime rates would most likely be low in senior housing.

Ron Barrkly, 3724 116th Street N.E., Marysville, WA, has been trying to sell his property along the 116th corridor for ten years. He feels his property would be a good fit for senior housing. He doesn't see senior housing being a concern for crime rate.

Public Hearing closed at 7:48 p.m.

Councilmember Muller asked if the Planning Commission was going to have a recommendation by the December 8 Council meeting.

Mr. Holland stated that the Planning Commission might have a recommendation sooner. Mr. Holland stated that no applications would be accepted during the moratorium but that doesn't mean an individual couldn't move through a development pre-application process.

Councilmember Muller asked why the need to uphold a moratorium that is already in place.

Chief Administrator Officer Hirashima explained when an emergency ordinance moratorium is passed; it's required within 60 days to hold a Public Hearing.

Councilmember Vaughan asked for clarification that the motion is to uphold Ordinance 2969 that is already in place and there isn't a need for a new ordinance.

Mayor Nehring asked Director Langdon to confirm that we don't need a new ordinance.

Director Langdon confirmed that this was the case.

Motion made by Councilmember Vaughan, seconded by Councilmember Seibert, to uphold Ordinance No. 2969, Continuing the 6-Month Moratorium on the Filing, Receipt and Processing of Applications for all Permits and Development Plan Approvals, for Master Planned Senior Communities allowing the Planning Commission to Review Proposed Amendments and Make a Formal Recommendation to Council Related to Marysville Municipal Code Chapter 22C.220. Motion passed unanimously (7-0).

Councilmember Muller asked if this item comes back to Council by December 8, and the recommendation are affirmed, does that remove the moratorium.

Chief Administrator Officer Hirashima stated that they would simultaneously repeal the ordinance.

New Business

7. Consider the Hotel/Motel Committee Recommendations to Award Funding.

Chief Administrator Officer Hirashima reported that the Hotel/Motel Committee convened on October 8 to review the applications and interview applicants.

Mayor Nehring clarified that under a new state law Council could approve or disapprove the award amounts but can't change the amounts.

Chief Administrator Officer Hirashima confirmed Mayor Nehring's clarification.

Motion made by Councilmember Vaughn, seconded by Councilmember Wright to approve the Hotel/Motel Committee recommendations to award funding. **Motion** passed unanimously (7-0).

8. Consider the Emergency Sewer Pump Purchase in the Amount of \$95,924.93 from HGACBuy.

Director Nielsen explained the need for the backup pump at the city's largest lift station and that some of the peak flows are very high.

Councilmember Seibert asked if generator would run on diesel since it would be a backup and what the process would be to start it.

Director Neilson explained that the generator would be connected with hard mounts so standby only would have to push a button to start it.

Motion made by Councilmember Seibert, seconded by Councilmember Vaughan, to approve the emergency sewer pump purchase in the amount of \$95,924.93 from HGACBuy. **Motion** passed unanimously (7-0).

9. Consider the Court Management Classification & Compensation Analysis and Reclassification of the Assistant Court Administrator to M2 Pay Classification.

Chief Administrator Officer Hirashima explained that Kristie Guy did compensation and classification analysis on the Assistant Court Administrator and Court Administrator positions and the job descriptions were updated.

Motion made but Councilmember Norton, seconded by Councilmember Muller, to adopt the new Assistant Court Administrator Job Description and placement on the M2 Management Salary Grid. **Motion** passed unanimously (7-0).

Motion made but Councilmember Norton, seconded by Councilmember Muller, to adopt the new Court Administrator Job Description. **Motion** passed unanimously (7-0).

10. Consider a **Resolution** Urging the Governor and the Legislature of the State of Washington to Preserve the Streamlined Sales Tax Mitigation Distribution to Impacted Local Jurisdictions In The 2015-2017 Biennial Budget.

Motion made but Councilmember Wright, seconded by Councilmember Seibert, to adopt the Resolution 2367 urging the Governor and the Legislature of the State of Washington to preserve the Streamlined Sales Tax Mitigation Distribution to Impacted Local Jurisdictions In The 2015-2017 Biennial Budget. **Motion** passed unanimously (7-0).

Added item

Special Event Permit Application for the Crossfit Marysville Muscles for Marysville Fundraiser.

Chief Administrator Officer Hirashima briefly went over the special event permit application.

Motion made by Councilmember Toyer, seconded by Councilmember Norton, to waive application fee for special event permit; approve street closure of Columbia between 2nd and 3rd Street. Approve closure of either 2nd or 3rd Street, per CD staff determination, following discussion with 3rd Street businesses and submittal of final application and insurance allowances. **Motion** passed unanimously (7-0).

Discussion

11. Fire Study

- Director Langdon explained that she reviewed some of the recent RFA formation and they were all very different. The city's RFA would be different as well because it would be formed as part of the planning process. She could provide copies of the RFAs she reviewed if requested.
- Councilmember Stevens said that he and Councilmember Wright were at conference where he learned the City of Prosser and Benton County had the most similar relationship with their fire district as the city has with Fire District 12. He asked Director Langdon to contact the City of Prosser to see how their RFA had gone.
- Director Langdon stated that she thought Prosser's RFA was on the ballot this November.
- Chief Corn confirmed the RFA is on the ballot in November.
- Councilmember Seibert asked if staff had an opportunity for meet with fire staff to discuss negotiation of assets and how the city would proceed depending on which route was taken.
- Chief Administrator Officer Hirashima stated that staff hadn't met with the fire staff but she could initiate.
- Councilmember Seibert requested she initiate a meeting with fire staff to open a dialogue.
- Councilmember Vaughan asked if there were any of the four options that council aren't interested in.
- Councilmember Stevens stated his preference is to move forward with an RFA or annex into Fire District 12. He doesn't wish to continue with the status quo of the current contract or taken over the fire district.
- Councilmember Wright stated that from what she learned at the conference the RFA would be best because it was similar to what the city is doing now.
- Councilmember Seibert doesn't wish to move forward with an annexation. He thought the City should look into taken over the fire district. He also felt like the consultant report was predisposed to an RFA because he is in the business of forming fire districts.

- Councilmember Stevens stated that Bob Merrit, who performed the fire study, was one of the presenters at the conference. At the conference, the annexations were recommended as the easiest, but as far as the city keeping its governance from the city's perspective the RFA has the most benefits.
- Councilmember Muller asked if council could come to a resolution on a preferred choice before staff does more work.
- Mayor Nehring stated if there is a consensus on a preferred, staff could move aggressively with the fire district and council would always have final approval.
- Councilmember Norton stated that she wants to insure the option that is chosen provides the citizen the best services, care, and is the most efficient. She asked staff for recommendations.
- Chief Corn stated that the fire department performed excellently last Friday. The fire department has mutual agreements with other fire departments, and when the alarm levels are raised they are able to bring in additional resources quickly. The medics were able to transport the injured quickly to the hospital. He added the fire department rating by the Washington Survey and Rating Bureau evaluates all communities for their fire protections and suppression capabilities using a schedule that is approved by the Office of the Washington State Insurance Commissioner. Each community is assigned a protection class rating, and that is reviewed by insurance companies to help determine premiums. The fire district just went through an evaluation this summer and their rating changed from a four to a three due to the water systems used. Chief Corn thanked Director Nelson for the water department and commended the fire department for the great services they provided.
- Councilmember Norton agreed that the fire department performed well on Friday. She asked Chief Corn what structure he feels enables the highest level of service for the citizens of Marysville.
- Chief Corn responded that fire department isn't a governmental agency. It has run into governmental and tax structure issues in the past. He prefers the creation of a Regional Fire Study. The first phase of creating a RFA is creating a planning committee of elected officials from the two entities. If either governmental agency wants out of the planning process and doesn't want to move forward with the RFA, the process can be stopped.
- Councilmember Toyer asked if the fire rating will change if the structure changes.
- Chief Corn said that it wouldn't during this rating period but they would come back around in five years, but if the city started its own fire department it would have to be reevaluated.
- Councilmember Stevens asked if the formation of an RFA would have a different rating than city of Maysville, and that the two rating don't get average.
- Chief Corn responded that the two ratings don't get averaged. He doesn't know whether the city incorporated would be looked at by survey and rating differently than unincorporated areas of the same regional fire authority.
- Councilmember Stevens stated the agency that would have the most flexibility to fund the services would be best. Those entities would be the RFA or annexing in from a government standpoint.
- Councilmember Vaughan stated that he is not convinced that the current structure is better than having our own fire department. He has concerns with a fire district; citizens might not realize they are a hybrid agency that was created several years ago. The citizens might not realize that there is a fire board to voice complaints. His belief is if it's a core function of government, the core governing body of a community should be able to institute some control or influence with the agency. He is concerned that with an RFA, the city might have little

influence and citizens might be frustrated. If the city ends up moving forward with an RFA, he wants the city to have a majority of the representations.

- Councilmember Stevens agreed with Councilmember Vaughan and that is why he feels the RFA is the best approached. In the formation of the RFA they have the ability to walk way if the council is not agreeable.
- Councilmember Muller confirmed his understanding is the same of Councilmember Stevens.
- Councilmember Seibert mildly objected to forming an RFA committee.
- Councilmember Vaughan asked how the assets would be divided.
- Mayor Nehring said if Council approved the city moving forward with the RFA committee, three fire board representatives and three council representatives would discuss division of assets.
- Councilmember Muller confirmed the meetings would be open to the public.
- Councilmember Seibert asked if a quorum could be present at a meeting.
- Chief Corn responded from the city's standpoint the Councilmembers not on the committee would just be listening.
- Mayor Nerhing confirmed that five Councilmembers approve of the RFA committee forming with Councilmember Seibert and Councilmember Vaughan mildly objecting.
- Councilmember Toyer asked Councilmember Vaughan what his objections were.
- Councilmember Vaughan stated the he doesn't feel that the consultant gave all four options the fair treatment and doesn't feel like the council is operating with all the information. He feels that if the RFA addresses the issues he feels are important, then maybe the RFA would be ok.

Council directed Staff to initiate moving forward to bring a resolution back to Council the second cycle of November.

Legal

Mayor's Business

Mayor Nehring commended the IS staff for setting up a command center in less than an hour. He also thanked Chief Smith and his team for all he has done in the last couple of weeks.

Staff Business

Chief Smith commented on the way the city has come together, how proud he is to be a member of the city staff, and how they work together. Went over the details handle scene, incident command post, and information center set up. He thanked Director Ballew, Director Neilson, Director Langdon, and Sheriff for their help during the event. The support staff did an amazing job. He complimented Gloria on the great job she did and the Mayor bringing calm to the community.

Director Langdon commented on how the recent events reminded her how she is part of this community and how our small town can come together and become family. She was proud of how well our IS Team did in the event.

Director Neilson stated how amazing it was to watch our police department and sheriff's department work together. The Command Staff was so professional and so calm during this event. He talked the Chief Smith for the kind comments. He stated that the council can count on staff to handle these types of events.

Director Ballew spoke about the various events going on in the community and the community is moving together to get through this. He applauded Chief Smith on what he had accomplished. He said that the command staff operating in an amazing way. It was a privilege to work with them.

City Attorney Guildner commented that she moved to Marysville in April and is glad to be part of the community.

CAO Hirashima thanked everyone that responded to the event. Fire and Police did a tremendous job. She is grateful for all contributions that the departments and various agencies made. She can't think of any missteps that were made in terms of the city's response because of the support network the city had available.

Chief Corn echoed what others said and added that the fire department is the city's fire department.

Gloria Hirashima announced a need for a ten minute Executive Session to discuss two real-estate and one current litigation matter. Action is expected on real-estate items.

Call on Councilmembers

Councilmember Norton stated how proud she is to be a part of this community and the various way people pulled together to support each other.

Councilmember Muller commented on how calm and under control the command center and the police center were. Thanked staff for the amazing job.

Councilmember Toyer thanked staff for all the work they do.

Councilmember Stevens echoed how professional the city team was and that only positive things have been said about the way the city handled this event.

Councilmember Seibert had not comments.

Councilmember Wright said that it was hard to be on the other side of the state and get the news of the shooting.

Council President Vaughan expressed the sadness he felt due to the shooting event. He said that appreciated the community and staff.

The Council recessed at 9:12 p.m. into Executive Session which began at 9:16 p.m. to discuss one pending litigation and two real-estate items. Action is expected on the two real-estate items.

Executive Session

- A. Litigation** one item, per RCW 42.30.110(1)(i)
- B. Personnel**
- C. Real Estate** two items, per RCW 42.30.110(1)(b)

Motion made by Councilmember Seibert, seconded by Councilmember Wright, to approve the price of the Nyhus Property as discussed in Executive Session. **Motion** passed unanimously (7-0).

Motion made by Councilmember Toyer, seconded by Councilmember Muller, to approve the price of the Liefer Property as discussed in Executive Session. **Motion** passed unanimously (7-0).

Executive Session ended and public meeting reconvened at 9:26 p.m.

Adjournment

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

Approved this ____ day of _____, 2014.

Jon Nehring
Mayor

April O'Brien
Deputy City Clerk

Index #2

COUNCIL*DRAFT*
MINUTES

Work Session
November 3, 2014

Call to Order / Pledge of Allegiance

Mayor Pro Tem Vaughan called the meeting to order at 7:00 p.m. and led those present in the Pledge of Allegiance. He announced that Mayor Nehring would be arriving shortly as he is taking care of business at the school district.

Roll Call

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

- Mayor:** Jon Nehring (arrived at 7:07 p.m.)
- Mayor Pro Tem:** Jeff Vaughan
- Council:** Steve Muller, Kamille Norton, Jeff Seibert, Michael Stevens, Rob Toyer, and Donna Wright
- Absent:** None
- Also Present:** Chief Administrative Officer Gloria Hirashima, Finance Director Sandy Langdon, Police Chief Rick Smith, City Attorney Grant Weed, Public Works Director Kevin Nielsen, Parks and Recreation Director Jim Ballew, and Recording Secretary Laurie Hugdahl.

Mayor Pro Tem Vaughan pointed out that item 8 had been removed from the agenda.

Motion made by Councilmember Toyer, seconded by Councilmember Muller, to approve the agenda with the removal of item 8. **Motion** passed unanimously (7-0).

Committee Reports

None

Presentations

A. Puget Sound Energy

Don Amor, Local Government Community and Customer Engagement Manager for PSE introduced his staff Dave Matulich, Lisa Griffith, and Cory Urtel, and gave a presentation regarding PSE in Marysville. PSE engages very heavily with the communities in Snohomish County. He reviewed the PSE service territory and explained that they are a gas and electric company. They are the second largest utility in the country that owns wind farms. The green power company is one of the highlights of their service. In Snohomish County they are the natural gas provider as well as in Seattle and other communities. He commented that some local businesses will be turning to natural gas as a fuel. He reviewed examples of businesses that have converted parts of their businesses to using natural gas. PSE is also involved in safety and preparedness campaigns and outreach. He distributed emergency contact cards and natural gas safety brochures.

Dave Matulich, Municipal Liaison Manager, reviewed natural gas system and safety. In Marysville and all of Snohomish County, PSE is the provider of natural gas. Even though PSE doesn't provide electricity in Snohomish County they have 130 miles of transmission lines that run through the county. PSE has 12,000 miles of natural gas main in the ground throughout six counties. Safety is a big priority and replacement of infrastructure is underway. There are just over 200 miles of natural gas pipeline in Marysville. There is no major system work planned. PSE works closely with the Public Works Department to improve efficiency. He encouraged people to call 811 before digging. He discussed the prevalence of cross bores and noted that they are rare, but dangerous. PSE is working to correct this issue. If you have a blocked sewer you should call PSE who will come out for free to make sure you don't have an intersecting gas pipe. PSE is working to raise awareness of this issue.

Councilmember Muller asked if all the system is through lines or if they use compressed gas on the rails. Mr. Amor replied that there is a compressed natural gas truck that is used for injecting the system in low pressure situations, but it is not used very often. Councilmember Muller asked about the expansion of compressed natural gas vehicles. Mr. Amor explained that business fleets are switching over to compressed natural gas. Some auto dealers are selling compressed natural gas vehicles. There is a public fueling station in Everett on Smith Street and 41st. Councilmember Muller asked about industrial applications. Mr. Amor noted that many businesses install a compressor so they can fill up onsite.

City Attorney Weed asked if PSE has a franchise agreement to operate in the rights of way of the City. Mr. Amor replied that an expired one is currently in place, and they are in the process of updating that.

Mayor Pro Tem Vaughan asked about the fluctuation in prices of coal and gas and how that impacts PSE rates. Mr. Amor explained the electric portfolio is managed separately

from the gas. The electric rates are impacted by the fuel source. Natural gas rates are based on market prices as well.

Mayor Nehring thanked Council President Vaughan for starting the meeting for him.

Discussion Items

Approval of Minutes

1. Approval of October 13, 2014 City Council Meeting Minutes.
2. Approval of October 20, 2014 City Council Budget Work Shop Minutes.

Consent

3. Consider Approving the October 22, 2014 Claims in the Amount of \$296,854.71; Paid by Check Number's 95504 through 95627 with No Checks Voided.
4. Consider Approving the October 20, 2014 Payroll in the Amount of \$885,770.64; Paid by Check Number's 28275 through 28314.

Review Bids

Public Hearings

5. Consider an **Ordinance** of the City of Marysville Adopting a Biennial Budget for the City of Marysville, Washington, for the Years 2015-2016, Setting Forth in Summary Form the Totals of Estimated Revenues and Appropriations for Each Separate Fund and the Aggregate Totals of All Such Funds Combined, and Establishing Compensation Levels as Proscribed by MMC 3.50.030 (*Public Hearing will be held November 10, 2014*).
6. Consider an **Ordinance** of the City of Marysville Levying Regular Taxes Upon All Property Real, Personal and Utility Subject to Taxation within the Corporate Limits of the City of Marysville, Washington for the Year 2015 (*Public Hearing will be held November 10, 2014*).
7. Consider an **Ordinance** of the City of Marysville levying EMS Taxes Upon All Property Real, Personal and Utility Subject to Taxation within the Corporate Limits of the City of Marysville, Washington for the Year 2015 (*Public Hearing will be held November 10, 2014*).

New Business

9. Consider the Maintenance Agreement for the SR 9/84th Street Roundabout with the Washington State Department of Transportation.

Director Ballew stated this is an agreement with WSDOT for maintenance of the new roundabout as a result of the City's commitment to put in two new gateway signs.

Mayor's Business

Mayor Nehring reported on the following:

- Thanks to everyone who participated in the all-city food drive which raised 6300 pounds of food and over \$200.
- He had a coffee klatch last Wednesday. It was a good community event. Other than MPHS, the other biggest topic was around the trains.
- He gave an update on events related to the tragedy at MPHS. He thanked those who have stepped up to help out with the situation. He displayed a flag he received from the First Selectman of Newtown who experienced a similar tragedy and who has been a huge source of support.
- Thanks to Jim Ballew and Gloria and everyone who worked to put together the Muscles on Third event in just a few days. Cross Fit Marysville did a tremendous job at raising a lot of money for a good cause.
- Congressman Larsen was in town this week. He and Director Nielsen took him on a tour of transportation projects.

Commander Lamoureux had no items.

Chief Smith also gave an update on the events related to the recent shooting. He commended Mayor Nehring's handling of the events. He spoke to importance of working together and commended staff and his department.

Sandy Langdon said she was at a class in Spokane and received many messages of support and prayer from those in attendance.

Jim Ballew:

- He was also amazed at what Cross Fit was able to do in just a few days.
- He distributed and reviewed a summary of golf course operations 2013-2014. Sandy Langdon reviewed the three year comparisons of year end totals. Director Ballew summarized that the facility is not improving dramatically, but they are not in dire straits. His recommendation is that Council authorize staff to start getting a request for information about management groups to see if there are alternatives that the City has not explored to change the status. CAO Hirashima noted that staff is keeping a really close eye on the golf course. Jim Ballew and his staff have done a remarkable job with running the program and improving efficiencies. Because of their excellent work the City is not in dire straits right now and the situation would have been much worse. She spoke to the value of management groups. There was general consensus for staff to proceed with getting an RFP.

Kevin Nielsen reminded Council of the Public Works meeting this Friday.

Grant Weed:

- It is true that the City is working with PSE on an agreement, but also working on a cross bore agreement.
- Will have a need for an executive session next week to discuss pending litigation.

Gloria Hirashima:

- She met with Sno-Isle libraries regarding the transfer of the Marysville library to Sno-Isle. Their board is interested in continuing the discussion to look at a transfer of the facility.
- The City has been working with Domestic Violence Services of Snohomish County to provide a domestic violence advocate that assists the city prosecutors and police with domestic violence cases. This was a 20-hour a week position that was funded by CDBG funds with the remainder being funded by city funds. Prosecutors and police recently identified that the part-time position wasn't sufficient. After discussing this with Domestic Violence Services they have agreed to fill a full-time advocate position with only a nominal increase in the city contract. This is excellent news.

Call on Council

Steve Muller:

- Asked about the status of the officers involved in the other incident this month. Commander Lamoureux stated that they have all returned to work except the one who is still having surgeries.
- They YMCA will keep its facility open to students and families for the rest of the year.
- He reported that Boeing contributed a \$25,000 gift today to support families involved in the Marysville Pilchuck tragedy.

Kamille Norton:

- She expressed thankfulness and gratitude for the way this situation has been handled.
- It has been amazing to see the support from neighboring communities.

Donna Wright:

- She agreed with what has been said about the handling of the MPHS incident.
- She noticed the nice article in the paper about the community beautification.

Michael Stevens:

- He reiterated the positive comments about the way the City and first responders handled the tragedy at the high school.
- The gateway sign design is beautiful.

Jeff Seibert:

- He ran into Councilmember Soriano over the weekend who sent his best wishes to the Council.

DRAFT

- He asked to talk to Director Nielsen about the traffic signal at 88th at the freeway onramp and the one at 35th to see what can be done about some of the congestion going westbound during Saturdays and Sundays.
- He will try to make the Public Works meeting on Friday, but may not be able to attend due to work.

Rob Toyer had no comments.

Jeff Vaughan:

- He was amazed at the Muscles for Marysville event.
- With regard to the funeral on Saturday there were a number of churches involved in setting up, taking down, and serving food.
- He has some family members and associates outside of this state in law enforcement. He has received comments about how well the police and first responders handled this.

CAO Hirashima reminded Council of the Firework Committee meeting this week.

Adjournment

Seeing no further business Mayor Nehring adjourned the meeting at 8:13 p.m.

Approved this _____ day of _____, 2014.

Mayor
Jon Nehring

April O'Brien
Deputy City Clerk

Index #3

CITY OF MARYSVILLE

EXECUTIVE SUMMARY FOR ACTION

CITY COUNCIL MEETING DATE: November 24, 2014

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 **November 5, 2014** claims in the amount of **\$1,325,239.46** paid by **Check No.'s 95782 through 95894 with no Check No.'s voided.**

COUNCIL ACTION:

BLANKET CERTIFICATION
CLAIMS
FOR
PERIOD-11

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 **\$1,325,239.46 PAID BY CHECK NO.'S 95782 THROUGH 95894 WITH NO CHECK NO.'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 COUNCIL MEMBERS OF MARYSVILLE, WASHINGTON DO HEREBY APPROVE FOR PAYMENT THE ABOVE MENTIONED **CLAIMS** ON THIS **24th DAY OF NOVEMBER 2014.**

COUNCIL MEMBER

**CITY OF MARYSVILLE
 INVOICE LIST**

FOR INVOICES FROM 10/30/2014 TO 11/5/2014

<u>CHK #</u>	<u>VENDOR</u>	<u>ITEM DESCRIPTION</u>	<u>ACCOUNT DESCRIPTION</u>	<u>ITEM AMOUNT</u>
5782	ALLEN, RUTH	UB 720530000000 6700 22ND DR N	WATER/SEWER OPERATION	46.61
5783	ALLIANCEONE INC	#31120863 160440000003 12832	WATER/SEWER OPERATION	181.12
5784	AMERICAN PUBLIC WORK	ANNUAL RENEWAL-COWLING	ENGR-GENL	194.00
5785	ARAMARK UNIFORM	UNIFORM SERVICE	MAINTENANCE	11.13
	ARAMARK UNIFORM		MAINTENANCE	11.13
	ARAMARK UNIFORM		MAINTENANCE	11.48
5786	BALL, TINA	RENTAL DEPOSIT REFUND	GENERAL FUND	100.00
5787	BERGER/ABAM ENGR	PROFESSIONAL SERVICES	GMA - STREET	8,020.45
5788	BICKFORD FORD	CORE REFUND	EQUIPMENT RENTAL	-326.40
	BICKFORD FORD	CORE CHARGE	EQUIPMENT RENTAL	326.40
	BICKFORD FORD	INSTRUMENT CLUSTER	EQUIPMENT RENTAL	411.24
5789	BOY, DOREEN	RENTAL DEPOSIT REFUND	GENERAL FUND	100.00
5790	BROWN, CARMEN	UB 911740000011 1618 4TH ST #A	WATER/SEWER OPERATION	39.50
5791	CARRS ACE	BOX FANS	UTIL ADMIN	47.85
	CARRS ACE	HARDWARE	TRANSPORTATION MANAGEM	64.77
5792	CEMEX	ASPHALT	WATER DIST MAINS	172.68
	CEMEX		GMA-PARKS	346.04
	CEMEX		GMA-PARKS	674.05
5793	CEMEX	PAY ESTIMATE #2	ROADWAY MAINTENANCE	298,765.46
5794	CNR INC	DESK PHONES	TRIBAL GAMING-GENL	1,301.13
5795	CODE PUBLISHING	ELEC UPDATES	CITY CLERK	311.53
5796	COLUMBIA FORD	2015 FORD F350 SUPERDUTY	EQUIPMENT RENTAL	32,745.94
5797	COMCAST	CABLE SERVICE-KBCC	BAXTER CENTER APPRE	49.78
	COMCAST	CABLE SERVICE-KBCC	BAXTER CENTER APPRE	51.14
	COMCAST	MONTHLY BROADBAND CHARGE	COMPUTER SERVICES	227.50
5798	COMPUCOM SYSTEMS	SERVER SOFTWARE UPGRADE CREDIT	IS REPLACEMENT ACCOUNTS	-9,204.54
	COMPUCOM SYSTEMS	SOFTWARE	UTILITY LOCATING	24.13
	COMPUCOM SYSTEMS		EXECUTIVE ADMIN	54.48
	COMPUCOM SYSTEMS		WATER DIST MAINS	78.60
	COMPUCOM SYSTEMS	MS LICENSES MEDIA AND ADOBE PR	STORM DRAINAGE	275.05
	COMPUCOM SYSTEMS	SOFTWARE	SEWER MAIN COLLECTION	302.77
	COMPUCOM SYSTEMS		STORM DRAINAGE	302.77
	COMPUCOM SYSTEMS	SOFTWARE ASSURANCE	TRIBAL GAMING-GENL	472.41
	COMPUCOM SYSTEMS	SERVERS	TECHNOLOGY REPLACEMEN	618.93
	COMPUCOM SYSTEMS		EQUIPMENT RENTAL	629.66
	COMPUCOM SYSTEMS	UPGRADE SQL LICENSES	EQUIPMENT RENTAL	1,025.28
	COMPUCOM SYSTEMS	SQL & VIRTUAL SERVER LICENSES	IS REPLACEMENT ACCOUNTS	1,051.32
	COMPUCOM SYSTEMS	SOFTWARE	UTIL ADMIN	1,053.88
	COMPUCOM SYSTEMS	SQL & VIRTUAL SERVER LICENSES	WATER CAPITAL PROJECTS	1,240.15
	COMPUCOM SYSTEMS	SOFTWARE AND LICENSES	TRIBAL GAMING-GENL	1,579.26
	COMPUCOM SYSTEMS	SOFTWARE	COMPUTER SERVICES	1,664.74
	COMPUCOM SYSTEMS	MS LICENSES MEDIA AND ADOBE PR	COMPUTER SERVICES	1,808.56
5799	CONTECH ENGINEERED	CARTRIDGES AND ADAPTERS	STORM DRAINAGE	2,929.59
5800	COOK, AMBRE	REFUND CLASS FEES	PARKS-RECREATION	70.00
5801	COOP SUPPLY	ROPE AND CLASPS	PARK & RECREATION FAC	40.81
5802	CORPORATE OFFICE SPL	OFFICE SUPPLIES	WATER DIST MAINS	146.74
5803	DATABAR	FORMS	MUNICIPAL COURTS	752.39
5804	DAVIS, ARTEZ L	UB 849000271502 6521 81ST ST N	WATER/SEWER OPERATION	122.41
5805	DAY WIRELESS SYSTEMS	RADIO REPAIR	POLICE PATROL	868.15
5806	DB SECURE SHRED	MONTHLY SHREDDING SERVICE	CITY CLERK	10.79
	DB SECURE SHRED		FINANCE-GENL	10.80
	DB SECURE SHRED		UTILITY BILLING	10.80
5807	DICKS TOWING	TOWING EXPENSE	POLICE PATROL	43.52
	DICKS TOWING		POLICE PATROL	43.52
	DICKS TOWING		POLICE PATROL	43.52
	DICKS TOWING	TOWING EXPENSE-MP14-8492	POLICE PATROL	43.52
	DICKS TOWING	TOWING EXPENSE-MP14-8589	POLICE PATROL	43.52
5808	DISCOUNTCELL INC	IPHONE CASES	GENERAL FUND	-8.94
	DISCOUNTCELL INC		TECHNOLOGY REPLACEMEN	110.54
5809	DURHAM, KELLI & DONA	UB 849000518001 7908 64TH DR N	WATER/SEWER OPERATION	24.79
5810	E&E LUMBER	RETURN FOAMULAR	PARK & RECREATION FAC	-112.93

**CITY OF MARYSVILLE
 INVOICE LIST
 FOR INVOICES FROM 10/30/2014 TO 11/5/2014**

<u>CHK #</u>	<u>VENDOR</u>	<u>ITEM DESCRIPTION</u>	<u>ACCOUNT DESCRIPTION</u>	<u>ITEM AMOUNT</u>
5810	E&E LUMBER	TAPE	COMPUTER SERVICES	12.42
	E&E LUMBER	GRAFFITI SUPPLIES	COMMUNITY DEVELOPMENT-	17.84
	E&E LUMBER	PAINTING SUPPLIES	PARK & RECREATION FAC	18.34
	E&E LUMBER	SETTER, BLADES AND FASTENERS	PARK & RECREATION FAC	19.66
	E&E LUMBER	TAPE	COMPUTER SERVICES	22.96
	E&E LUMBER	HARDWARE	PARK & RECREATION FAC	23.17
	E&E LUMBER	FLASHING AND CAULKING	CAPITAL OUTLAY	39.60
	E&E LUMBER	PAINT	PARK & RECREATION FAC	40.72
	E&E LUMBER	LUMBER AND TARP	CAPITAL OUTLAY	60.57
	E&E LUMBER	PAINTING SUPPLIES	PARK & RECREATION FAC	63.52
	E&E LUMBER	PRIMER, HEATERS AND BLADES	PARK & RECREATION FAC	151.00
	E&E LUMBER	SIGN SUPPLIES	PARK & RECREATION FAC	218.56
5811	EGGERLING, RODERICK	UB 091980000001 9217 47TH DR N	WATER/SEWER OPERATION	28.11
5812	EMERALD HILLS	COFFEE SUPPLIES	BAXTER CENTER APPRE	129.90
5813	ESI-M LLC	UB 420761670005 4011 166TH ST	WATER/SEWER OPERATION	10.02
5814	FARMER, THOMAS	UB 260006500001 5213 114TH PL	WATER/SEWER OPERATION	242.03
5815	FEDEX	SHIPPING EXPENSE	COMPUTER SERVICES	67.74
5816	FINCK, MARVIN & MAUR	UB 766121000000 6121 73RD AVE	WATER/SEWER OPERATION	187.34
5817	FRONTIER COMMUNICATI	PHONE CHARGES	POLICE ADMINISTRATION	45.39
	FRONTIER COMMUNICATI		ADMIN FACILITIES	45.39
	FRONTIER COMMUNICATI		COMMUNICATION CENTER	45.39
	FRONTIER COMMUNICATI		LIBRARY-GENL	45.39
	FRONTIER COMMUNICATI		UTILITY BILLING	45.39
	FRONTIER COMMUNICATI		GENERAL SERVICES - OVERH	45.39
	FRONTIER COMMUNICATI	ACCT #36065173190324995	TRAFFIC CONTROL DEVICES	46.14
	FRONTIER COMMUNICATI	ACCT #36065771080927115	STREET LIGHTING	49.50
	FRONTIER COMMUNICATI	ACCT #36065833580311025	POLICE PATROL	49.50
	FRONTIER COMMUNICATI	ACCT# 36065770750721145	POLICE PATROL	49.65
	FRONTIER COMMUNICATI	PHONE CHARGES	COMMUNITY DEVELOPMENT-	90.77
	FRONTIER COMMUNICATI		POLICE PATROL	90.77
	FRONTIER COMMUNICATI		DETENTION & CORRECTION	90.77
	FRONTIER COMMUNICATI		OFFICE OPERATIONS	90.77
	FRONTIER COMMUNICATI		COMMUNITY CENTER	90.77
	FRONTIER COMMUNICATI		GOLF ADMINISTRATION	90.77
	FRONTIER COMMUNICATI		GOLF ADMINISTRATION	90.78
	FRONTIER COMMUNICATI	ACCT #36065943981121075	PUBLIC SAFETY BLDG.	92.20
	FRONTIER COMMUNICATI	ACCT #36065340280125085	ADMIN FACILITIES	96.30
	FRONTIER COMMUNICATI	PHONE CHARGES	WASTE WATER TREATMENT F	181.54
	FRONTIER COMMUNICATI		PARK & RECREATION FAC	226.90
	FRONTIER COMMUNICATI		UTIL ADMIN	308.76
5818	GARCIA, TINA & MICHA	UB 651131191600 9716 83RD AVE	WATER/SEWER OPERATION	46.07
5819	GENUINE AUTO GLASS	WINDOW REPLACEMENT	EQUIPMENT RENTAL	614.72
5820	GLOBALSTAR INC.	PHONE CHARGES	OFFICE OPERATIONS	62.29
5821	GOVCONNECTION INC	LAPTOP CAR CHARGERS	WATER DIST MAINS	107.71
	GOVCONNECTION INC		STORM DRAINAGE	107.71
	GOVCONNECTION INC	TABLET	TECHNOLOGY REPLACEMEN	1,001.99
5822	GREENSHIELDS	CABLE AND CRIMPER SUPPLIES	EQUIPMENT RENTAL	315.04
5823	GRIFFEN, CHRIS	PUBLIC DEFENDER	LEGAL - PUBLIC DEFENSE	225.00
	GRIFFEN, CHRIS		LEGAL - PUBLIC DEFENSE	262.50
	GRIFFEN, CHRIS		LEGAL - PUBLIC DEFENSE	300.00
	GRIFFEN, CHRIS		LEGAL - PUBLIC DEFENSE	300.00
5824	GUIDANCE SOFTWARE	INVESTIGATION CLASSES-WIERSMA	TRIBAL GAMING-GENL	5,500.00
5825	HAMILTON, IRENE*	UB 988418000000 8418 36TH AVE	GARBAGE	23.27
5826	HDR ENGINEERING	PROFESSIONAL SERVICES	GMA - STREET	14,032.64
	HDR ENGINEERING		GMA - STREET	39,891.95
5827	HILL, KENNETH	UB 046594000000 6504 100TH PL	WATER/SEWER OPERATION	8.17
5828	HOME DEPOT	POST, POLE AND SUPPLIES	PARK & RECREATION FAC	66.64
5829	HUDSON, CHAD	REIMBURSE BOOT PURCHASE	ENGR-GENL	108.60
5830	IDENTITY LINKS, INC.	DISPENSER W/CHAIN	WATER/SEWER OPERATION	-80.19
	IDENTITY LINKS, INC.		STORM DRAINAGE	991.44
5831	JACOBSEN, TRACY	REIMBURSE CONFERENCE EXPENSES	MUNICIPAL COURTS	407.79

DATE: 11/5/2014
 TIME: 1:19:01PM

CITY OF MARYSVILLE
INVOICE LIST
 FOR INVOICES FROM 10/30/2014 TO 11/5/2014

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<u>CHK #</u>	<u>VENDOR</u>	<u>ITEM DESCRIPTION</u>	<u>ACCOUNT DESCRIPTION</u>	<u>ITEM AMOUNT</u>
5832	KLEIN, LEVI	UB 021280000000 8411 55TH AVE	WATER/SEWER OPERATION	267.52
5833	KMD ARCHITECTS	PROFESSIONAL SERVICES	FACILITY REPLACEMENT	14,320.00
5834	KRAMER, KRISTOPHER &	UB 780420000003 5627 63RD AVE	WATER/SEWER OPERATION	239.77
5835	LASTING IMPRESSIONS	SHIRTS	COMMUNITY DEVELOPMENT-	157.50
5836	LAYCOCK, JEFF	REIMBURSE BOOT PURCHASE	ENGR-GENL	75.94
5837	LEED	BALLISTIC SHIELD	POLICE PATROL	2,861.39
5838	LOWES HIW INC	FLOOR SLIDERS	FACILITY MAINTENANCE	39.15
5839	MAILFINANCE	POSTAGE LEASE PAYMENT	CITY CLERK	22.97
	MAILFINANCE		EXECUTIVE ADMIN	22.97
	MAILFINANCE		FINANCE-GENL	22.97
	MAILFINANCE		PERSONNEL ADMINISTRATIO	22.97
	MAILFINANCE		UTILITY BILLING	22.97
	MAILFINANCE		LEGAL - PROSECUTION	22.97
	MAILFINANCE		COMMUNITY DEVELOPMENT-	22.97
	MAILFINANCE		ENGR-GENL	22.97
	MAILFINANCE		UTIL ADMIN	22.97
	MAILFINANCE		POLICE INVESTIGATION	22.98
	MAILFINANCE		POLICE PATROL	22.98
	MAILFINANCE		OFFICE OPERATIONS	22.98
	MAILFINANCE		DETENTION & CORRECTION	22.98
	MAILFINANCE		POLICE ADMINISTRATION	22.98
	MAILFINANCE		PROBATION	128.24
	MAILFINANCE		MUNICIPAL COURTS	384.73
5840	MARYSVILLE FIRE DIST	FIRE CONTROL/EMERGENCY AID SER	FIRE-EMS	192,327.12
	MARYSVILLE FIRE DIST		FIRE-GENL	576,361.81
5841	MARYSVILLE PRINTING	BUSINESS CARDS	POLICE PATROL	118.48
5842	MATERIALS TESTING &	SERVICES PERFORMED	ROADWAY MAINTENANCE	1,383.00
5843	MEGAPATH CORPORATION	INTERNET SERVICES	COMPUTER SERVICES	263.83
5844	MODULAR SPACE	TRAILER RENT	WASTE WATER TREATMENT F	92.47
	MODULAR SPACE		STORM DRAINAGE	92.48
	MODULAR SPACE		WATER QUAL TREATMENT	92.48
5845	MORRISON, ALLISON	REIMBURSE CONFERENCE EXPENSES	MUNICIPAL COURTS	378.51
5846	MOTOR TRUCKS	ELEMENTS	ER&R	13.79
	MOTOR TRUCKS		ER&R	41.22
5847	NELSON PETROLEUM	ENGINE AND TRACTOR OIL	ER&R	1,350.16
5848	NESS & CAMPBELL CRAN	CRANE RENTAL	WASTE WATER TREATMENT F	1,144.28
5849	NEXTEL	ACCT #843707243	EQUIPMENT RENTAL	37.99
	NEXTEL	ACCT #130961290	WATER FILTRATION PLANT	60.36
	NEXTEL		SOURCE OF SUPPLY	60.36
5850	NICOLE & ANDREW PILL	UB 212400000000 4914 130TH PL	WATER/SEWER OPERATION	40.98
5851	NORTHWESTERN AUTO	REPAINT PATROL CAR DOORS	EQUIPMENT RENTAL	397.77
5852	OFFICE DEPOT	OFFICE SUPPLIES	ENGR-GENL	9.62
	OFFICE DEPOT		ENGR-GENL	27.40
	OFFICE DEPOT		UTIL ADMIN	27.40
	OFFICE DEPOT		POLICE PATROL	42.42
	OFFICE DEPOT		ENGR-GENL	49.77
	OFFICE DEPOT		UTIL ADMIN	89.91
	OFFICE DEPOT		DETENTION & CORRECTION	140.91
	OFFICE DEPOT		POLICE PATROL	162.66
	OFFICE DEPOT		POLICE PATROL	677.84
5853	OLASON, MONICA	INSTRUCTOR SERVICES	RECREATION SERVICES	151.20
	OLASON, MONICA		RECREATION SERVICES	165.00
	OLASON, MONICA		RECREATION SERVICES	168.00
	OLASON, MONICA		RECREATION SERVICES	176.40
	OLASON, MONICA		RECREATION SERVICES	216.00
	OLASON, MONICA		RECREATION SERVICES	264.00
5854	ORSBOM, MARISA	RENTAL DEPOSIT REFUND	GENERAL FUND	100.00
5855	OSBORN CONSULTING	SERVICES PERFORMED	SURFACE WATER CAPITAL PF	1,929.40
5856	PAHLS, JAMIE & JOSH	UB 780071000000 6326 53RD PL N	WATER/SEWER OPERATION	29.29
5857	PAPE MACHINERY	FILTERS	ER&R	105.52
5858	PARTS STORE, THE	BRAKE PAD CREDIT	EQUIPMENT RENTAL	-37.44

**CITY OF MARYSVILLE
 INVOICE LIST**

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<u>CHK #</u>	<u>VENDOR</u>	<u>ITEM DESCRIPTION</u>	<u>ACCOUNT DESCRIPTION</u>	<u>ITEM AMOUNT</u>
05858	PARTS STORE, THE	ACCESSORY BELTS AND FILTERS	MAINTENANCE	37.01
	PARTS STORE, THE	BRAKE PADS	EQUIPMENT RENTAL	47.63
	PARTS STORE, THE	SWAY BAR LINK	EQUIPMENT RENTAL	77.12
	PARTS STORE, THE	BRAKE ROTORS AND BRAKE PADS	EQUIPMENT RENTAL	89.31
	PARTS STORE, THE	BRAKE ROTORS, BRAKE PADS AND S	EQUIPMENT RENTAL	107.43
	PARTS STORE, THE	AIR, FUEL FILTERS AND GLASS CL	ER&R	331.67
05859	PATRICIA RIZZUTO	UB 865003100000 5001 80TH ST N	WATER/SEWER OPERATION	10.30
05860	PETRICK, EUGENE E	BOLLARD SLEAVES	PARK & RECREATION FAC	82.69
05861	PETROCARD SYSTEMS	FUEL CONSUMED	ENGR-GENL	30.08
	PETROCARD SYSTEMS		STORM DRAINAGE	38.87
	PETROCARD SYSTEMS		EQUIPMENT RENTAL	46.58
	PETROCARD SYSTEMS		FACILITY MAINTENANCE	109.80
	PETROCARD SYSTEMS		COMMUNITY DEVELOPMENT-	399.02
	PETROCARD SYSTEMS		PARK & RECREATION FAC	941.25
	PETROCARD SYSTEMS		GENERAL SERVICES - OVERF	2,396.50
	PETROCARD SYSTEMS		SOLID WASTE OPERATIONS	4,001.14
	PETROCARD SYSTEMS		MAINT OF EQUIPMENT	4,256.07
	PETROCARD SYSTEMS		POLICE PATROL	7,436.00
05862	PHELPS TIRE CO INC.	TIRES	ER&R	1,731.99
05863	PILCHUCK RENTALS	HOPPER RENTAL	PARK & RECREATION FAC	92.48
	PILCHUCK RENTALS	FUEL MIX	PARK & RECREATION FAC	120.45
	PILCHUCK RENTALS	SHOP VAC AND FILTERS	FACILITY MAINTENANCE	406.76
	PILCHUCK RENTALS	GENERATOR	EQUIPMENT RENTAL	2,040.00
05864	POLLARDWATER.COM	CHLOR TABLETS	WATER DIST MAINS	398.93
05865	PUD	ACCT #2009-9853-2	PARK & RECREATION FAC	32.03
	PUD	ACCT #2019-3119-3	PARK & RECREATION FAC	33.40
	PUD	ACCT #2008-0070-4	STREET LIGHTING	93.39
	PUD	ACCT #2048-7913-4	TRAFFIC CONTROL DEVICES	108.74
	PUD	ACCT #2008-6930-3	TRANSPORTATION MANAGEM	111.69
	PUD	ACCT #2024-6155-4	SEWER LIFT STATION	521.41
	PUD	ACCT #2000-8415-0	TRANSPORTATION MANAGEM	545.72
	PUD	ACCT #2016-3963-0	MAINTENANCE	1,060.22
05866	PUGET SOUND ENERGY	EXTENSION OF GAS DISTRUBUTION	MAINT OF GENL PLANT	721.75
05867	PUGET SOUND SECURITY	KEYS	POLICE PATROL	3.55
	PUGET SOUND SECURITY		POLICE PATROL	14.12
05868	QUIL CEDA CARVERS	ADVERTISING	COMMUNITY CENTER	25.00
05869	RICOH USA, INC.	PRINTER/COPIER CHARGES	WASTE WATER TREATMENT F	5.59
	RICOH USA, INC.		MAINTENANCE	5.68
	RICOH USA, INC.		PROBATION	6.11
	RICOH USA, INC.		GENERAL SERVICES - OVERF	10.34
	RICOH USA, INC.		COMMUNITY CENTER	17.66
	RICOH USA, INC.		PARK & RECREATION FAC	23.97
	RICOH USA, INC.		UTILITY BILLING	28.68
	RICOH USA, INC.		CITY CLERK	31.99
	RICOH USA, INC.		FINANCE-GENL	31.99
	RICOH USA, INC.		MUNICIPAL COURTS	68.48
	RICOH USA, INC.		ENGR-GENL	98.47
	RICOH USA, INC.		POLICE PATROL	100.16
	RICOH USA, INC.		PERSONNEL ADMINISTRATIO	105.65
	RICOH USA, INC.		DETENTION & CORRECTION	117.54
	RICOH USA, INC.		POLICE INVESTIGATION	167.50
	RICOH USA, INC.		LEGAL - PROSECUTION	179.38
	RICOH USA, INC.		UTIL ADMIN	186.70
	RICOH USA, INC.		EXECUTIVE ADMIN	188.20
	RICOH USA, INC.		COMMUNITY DEVELOPMENT-	311.59
	RICOH USA, INC.		OFFICE OPERATIONS	740.89
05870	SAFE RESTRAINTS INC	RESTRAINT SYSTEM	GENERAL FUND	-171.57
	SAFE RESTRAINTS INC		DETENTION & CORRECTION	2,166.57
05871	SCORE	INMATE HOUSING-SEPT 2014	DETENTION & CORRECTION	45,955.00
05872	SELECTIVE TREE	TREE REMOVAL	STORM DRAINAGE	2,443.50
05873	SENTINEL OFFENDER SE	ELEC HOME MONITORING	DETENTION & CORRECTION	1,113.19

**CITY OF MARYSVILLE
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5874	SGTBS LLC	REFUND BUSINESS LICENSE FEES	GENL FUND BUS LIC & PERMI	50.00
5875	SIX ROBBLEES INC	SOCKET	ER&R	63.45
5876	SMITH, ROBB	REIMBURSE MEAL	GENERAL SERVICES - OVERH	8.90
5877	SOUND SAFETY	GLOVES	MAINTENANCE	54.89
	SOUND SAFETY	BOOTS-ROCHE	COMMUNITY DEVELOPMENT-	114.66
	SOUND SAFETY	GLOVES	ER&R	165.29
5878	STAPLES	OFFICE SUPPLY CREDIT	STORM DRAINAGE	-99.58
	STAPLES	OFFICE SUPPLIES	LEGAL - PROSECUTION	10.88
	STAPLES		LEGAL - PROSECUTION	83.03
	STAPLES		MUNICIPAL COURTS	104.19
5879	STAUFFER, NAKAYLA	RENTAL DEPOSIT REFUND	GENERAL FUND	100.00
5880	STRAKELE, CYNTHIA	REFUND CLASS FEES	PARKS-RECREATION	21.00
5881	SUTTON PROPERTIES #4	UB 180720000000 3715 134TH ST	WATER/SEWER OPERATION	10.84
5882	TENFOUR LLC	UB 871360500001 5007 73RD PL N	WATER/SEWER OPERATION	45.10
5883	TOCCO, LEAH	REIMBURSE POSTAGE AND OFFICE S	EXECUTIVE ADMIN	17.85
	TOCCO, LEAH		EXECUTIVE ADMIN	48.01
5884	TRANSPO GROUP	PROFESSIONAL SERVICES	GMA - STREET	3,346.25
5885	TRANSPORTATION, DEPT	BIA PROJECT COSTS	GMA - STREET	1,107.25
5886	UNITED PARCEL SERVIC	SHIPPING EXPENSE	POLICE PATROL	85.15
5887	VILLALOBOS, YADIRA	RENTAL DEPOSIT REFUND	GENERAL FUND	200.00
5888	WASTE MANAGEMENT	RECYCLE PILOT	RECYCLING OPERATION	2,094.83
5889	WEED GRAAFSTRA	POSSESSION AND USE AGREEMENT	GMA - STREET	16,550.00
5890	WEST PAYMENT CENTER	COURTROOM HANDBOOK	LEGAL - PROSECUTION	284.53
	WEST PAYMENT CENTER	COURT RULES	MUNICIPAL COURTS	630.96
5891	WESTON, CURTIS L	UB 230790000000 4930 121ST PL	WATER/SEWER OPERATION	97.12
5892	WIDE FORMAT COMPANY	MAINTENANCE AGREEMENT KIP PRIN	UTIL ADMIN	106.62
5893	WILSON, ALEX	REFUND CLASS FEES	PARKS-RECREATION	124.40
5894	WOODS, KYLE	REIMBURSE BOOT PURCHASE	ENGR-GENL	121.63

WARRANT TOTAL:

1,325,239.46

REASON FOR VOIDS:

- UNCLAIMED PROPERTY
- INITIATOR ERROR
- WRONG VENDOR
- CHECK LOST/DAMAGED IN MAIL

Index #4

CITY OF MARYSVILLE

EXECUTIVE SUMMARY FOR ACTION

CITY COUNCIL MEETING DATE: November 24, 2014

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 **November 12, 2014** claims in the amount of **\$537,521.02** paid by **Check No.'s 95895 through 96027 with no Check No.'s voided.**

COUNCIL ACTION:

BLANKET CERTIFICATION
CLAIMS
FOR
PERIOD-11

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 **\$537,521.02 PAID BY CHECK NO.'S 95895 THROUGH 96027 WITH NO CHECK NO.'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 COUNCIL MEMBERS OF MARYSVILLE, WASHINGTON DO HEREBY APPROVE FOR PAYMENT THE ABOVE MENTIONED **CLAIMS** ON THIS **24th DAY OF NOVEMBER 2014.**

COUNCIL MEMBER

**CITY OF MARYSVILLE
 INVOICE LIST**

FOR INVOICES FROM 11/6/2014 TO 11/12/2014

<u>CHK #</u>	<u>VENDOR</u>	<u>ITEM DESCRIPTION</u>	<u>ACCOUNT DESCRIPTION</u>	<u>ITEM AMOUNT</u>
05895	ADVANTAGE BUILDING S	JANITORIAL SERVICE	WATER FILTRATION PLANT	43.33
	ADVANTAGE BUILDING S		COMMUNITY CENTER	383.17
	ADVANTAGE BUILDING S		WASTE WATER TREATMENT F	463.65
	ADVANTAGE BUILDING S		ADMIN FACILITIES	619.00
	ADVANTAGE BUILDING S		MAINT OF GENL PLANT	647.79
	ADVANTAGE BUILDING S		UTIL ADMIN	750.70
	ADVANTAGE BUILDING S		PARK & RECREATION FAC	829.31
	ADVANTAGE BUILDING S		PUBLIC SAFETY BLDG.	1,085.75
	ADVANTAGE BUILDING S		COURT FACILITIES	1,091.50
05896	AFTS	REMITTANCE BILLING-OCTOBER 201	UTILITY BILLING	879.23
	AFTS	BILL PRINTING SERVICES-OCTOBER	UTILITY BILLING	8,291.07
05897	ALI, PETER	MULTICULTURAL FAIR	NON-DEPARTMENTAL	150.00
05898	ANDERSON, BRYAN	UB 848309820000 8309 82ND ST N	WATER/SEWER OPERATION	64.54
05899	APOSTOLIC CHURCH	RENTAL FEES AND DEPOSIT REFUND	PARKS-RECREATION	35.00
	APOSTOLIC CHURCH		GENERAL FUND	100.00
05900	APPEL, THOMAS	MULTICULTURAL FAIR	NON-DEPARTMENTAL	200.00
05901	APSCO, INC.	MECHANICAL SEAL KIT	SEWER LIFT STATION	1,667.48
	APSCO, INC.	PUMP SEALS AND ORINGS	SEWER LIFT STATION	7,357.20
05902	ARAMARK UNIFORM	UNIFORM SERVICE	MAINTENANCE	11.15
	ARAMARK UNIFORM		MAINTENANCE	11.15
05903	ARMAS, ALBERTO	MULTICULTURAL FAIR	NON-DEPARTMENTAL	200.00
05904	ASL INTERPRETER NETW	INTERPRETER SERVICES	EXECUTIVE ADMIN	184.72
05905	BIANCHI, CAROL	RENTAL DEPOSIT REFUND	GENERAL FUND	100.00
05906	BICKFORD FORD	CORE CREDIT	EQUIPMENT RENTAL	-81.60
	BICKFORD FORD	BRAKE ROTORS AND BRAKE PADS	ER&R	378.49
	BICKFORD FORD		ER&R	443.77
	BICKFORD FORD	ALTERNATOR W/CORE CHARGE	EQUIPMENT RENTAL	505.01
	BICKFORD FORD	COIL ASSEMBLY AND SPARK PLUGS	EQUIPMENT RENTAL	600.90
05907	BLUMENTHAL UNIFORMS	UNIFORM-PALMER	DETENTION & CORRECTION	678.41
05908	BUELL, DOUG	REIMBURSE EVENT SUPPLIES	GENERAL FUND	-69.46
	BUELL, DOUG	REIMBURSE NEWSLETTER COSTS	EXECUTIVE ADMIN	576.93
	BUELL, DOUG	REIMBURSE EVENT SUPPLIES	EXECUTIVE ADMIN	1,023.19
05909	CABLES PLUS	CAT5 CABLES	WATER/SEWER OPERATION	-9.40
	CABLES PLUS		INFORMATION SERVICES	-2.82
	CABLES PLUS		COMPUTER SERVICES	34.91
	CABLES PLUS		CAPITAL OUTLAY	116.27
05910	CALIBRE PRESS, INC.	TRAINING-CARLILE	POLICE TRAINING-FIREARMS	199.00
	CALIBRE PRESS, INC.	TRAINING-FAWKS & BELLEME	POLICE TRAINING-FIREARMS	398.00
05911	CAPITAL ONE COMMERC	SUPPLY REIMBURSEMENT	UTIL ADMIN	3.25
	CAPITAL ONE COMMERC		PARK & RECREATION FAC	39.76
	CAPITAL ONE COMMERC		UTIL ADMIN	100.05
05912	CARRS ACE	PAINTING SUPPLIES	SOLID WASTE OPERATIONS	36.67
	CARRS ACE	SIGNAL SUPPLIES	TRANSPORTATION MANAGEM	121.83
	CARRS ACE	WWTP/LIFT STATION SUPPLIES	WASTE WATER TREATMENT F	187.58
05913	CEMEX	ASPHALT	STORM DRAINAGE	114.66
	CEMEX		ROADWAY MAINTENANCE	147.75
	CEMEX		STORM DRAINAGE	416.90
	CEMEX	LIQUID TAR	ROADWAY MAINTENANCE	600.60
05914	CHAMPION BOLT	HARDWARE	WASTE WATER TREATMENT F	265.77
05915	CLEAN CUT TREE & STU	TREE REMOVAL	PARK & RECREATION FAC	652.80
05916	CLYDE WEST	SWEEPER CURTAIN KIT	EQUIPMENT RENTAL	439.38
05917	CONRAD, MELISSA	RENTAL DEPOSIT REFUND	GENERAL FUND	100.00
05918	CONSOLIDATED PRESS	CITY SCENE NOV & DEC 2014	UTILITY BILLING	2,090.27
05919	CONSTANT CONTACT	6 MONTH SUBSCRIPTION	EXECUTIVE ADMIN	578.16
05920	COOP SUPPLY	PEAT MOSS	PARK & RECREATION FAC	16.31
	COOP SUPPLY		PARK & RECREATION FAC	32.62
05921	CORNERSTONE HOMES NW	UB 783407000000 3407 64TH AVE	WATER/SEWER OPERATION	228.50
05922	CRABTREE, KRISTI & B	UB 046428000000 6428 100TH PL	WATER/SEWER OPERATION	39.71
05923	CRIE, CANDEN	REFUND CLASS FEES	PARKS-RECREATION	90.00
05924	CRYSTAL SPRINGS	WATER COOLER RENTAL AND BOTTLE	SOLID WASTE OPERATIONS	19.63
	CRYSTAL SPRINGS		WASTE WATER TREATMENT F	262.02

**CITY OF MARYSVILLE
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<u>CHK #</u>	<u>VENDOR</u>	<u>ITEM DESCRIPTION</u>	<u>ACCOUNT DESCRIPTION</u>	<u>ITEM AMOUNT</u>
05925	DAVIS, WILL	REFUND CLASS FEES	PARKS-RECREATION	74.00
05926	DB SECURE SHRED	MONTHLY SHREDDING SERVICE	LEGAL - PROSECUTION	11.19
	DB SECURE SHRED		EXECUTIVE ADMIN	11.20
05927	DECARO, CATHRYN	REFUND CLASS FEES	PARKS-RECREATION	126.00
05928	DEKRA-LITE	BANNERS	GENERAL FUND	-354.38
	DEKRA-LITE		GENERAL FUND	-16.72
	DEKRA-LITE		COMMUNITY EVENTS	206.72
	DEKRA-LITE		COMMUNITY EVENTS	4,381.38
05929	DELL	CREDIT DRIVES	TECHNOLOGY REPLACEMENT	-783.34
	DELL	VIDEO RECORDING DRIVES	TECHNOLOGY REPLACEMENT	783.34
	DELL	MONITORS-TASKFORCE	TRIBAL GAMING-GENL	979.14
	DELL	TASKFORCE WORKSTATION	TRIBAL GAMING-GENL	2,437.14
	DELL	PC'S-TASKFORCE	TRIBAL GAMING-GENL	2,889.67
05930	DIAMOND B CONSTRUCT	CLEAN AND REINSTALL FAN	PUBLIC SAFETY BLDG.	211.07
	DIAMOND B CONSTRUCT	REPLACE BLOWER	COURT FACILITIES	892.68
	DIAMOND B CONSTRUCT	REPLACE EXPANSION VALVE	PUBLIC SAFETY BLDG.	1,407.58
05931	DICKS TOWING	TOWING EXPENSE	POLICE PATROL	43.52
	DICKS TOWING		EQUIPMENT RENTAL	43.52
	DICKS TOWING	TOWING EXPENSE-MP14-8476	POLICE PATROL	43.52
	DICKS TOWING	TOWING EXPENSE-MP14-8649	POLICE PATROL	43.52
05932	DIGITAL DOLPHIN SUPP	TONER	GENERAL FUND	-7.96
	DIGITAL DOLPHIN SUPP		DETENTION & CORRECTION	98.45
05933	DUBEAU, AMY	REIMBURSE PRINTING EXPENSE	LEGAL - PROSECUTION	49.05
05934	DUNLAP INDUSTRIAL	WWTP MAINTENANCE TOOLS	WASTE WATER TREATMENT F	171.02
05935	E&E LUMBER	COUPLING	SOURCE OF SUPPLY	11.47
	E&E LUMBER	BLADE AND SPRAY	PARK & RECREATION FAC	18.57
	E&E LUMBER	SILICONE AND BLADES	PARK & RECREATION FAC	22.74
	E&E LUMBER	WOOD, DECKING AND BRACES	SEWER LIFT STATION	71.01
	E&E LUMBER	GARBAGE CANS	PARK & RECREATION FAC	72.04
	E&E LUMBER	STAPLES	CAPITAL OUTLAY	81.59
	E&E LUMBER	MDF AND BRACKETS	CAPITAL OUTLAY	84.31
	E&E LUMBER	NAILER, TOOL SET AND HOSE	PARK & RECREATION FAC	159.05
	E&E LUMBER	PAINT	PARK & RECREATION FAC	323.77
	E&E LUMBER	LUMBER	GMA-PARKS	441.55
	E&E LUMBER	PLYWOOD AND PARTICLE BOARD	CAPITAL OUTLAY	803.49
	E&E LUMBER	LUMBER	GMA-PARKS	2,689.54
05936	EDGE ANALYTICAL	LAB ANALYSIS	WATER QUAL TREATMENT	10.50
	EDGE ANALYTICAL		WATER QUAL TREATMENT	10.50
	EDGE ANALYTICAL		WATER QUAL TREATMENT	12.00
	EDGE ANALYTICAL		WATER QUAL TREATMENT	12.00
	EDGE ANALYTICAL		WATER QUAL TREATMENT	12.00
	EDGE ANALYTICAL		WATER QUAL TREATMENT	12.00
	EDGE ANALYTICAL		WATER QUAL TREATMENT	12.00
	EDGE ANALYTICAL		WATER QUAL TREATMENT	12.00
	EDGE ANALYTICAL		WATER QUAL TREATMENT	12.00
	EDGE ANALYTICAL		WATER QUAL TREATMENT	12.00
	EDGE ANALYTICAL		WATER QUAL TREATMENT	24.00
	EDGE ANALYTICAL		WATER QUAL TREATMENT	24.00
	EDGE ANALYTICAL		WATER QUAL TREATMENT	24.00
	EDGE ANALYTICAL		WATER QUAL TREATMENT	73.50
	EDGE ANALYTICAL		WATER QUAL TREATMENT	115.50
	EDGE ANALYTICAL		WATER QUAL TREATMENT	189.00
	EDGE ANALYTICAL		WATER QUAL TREATMENT	189.00
05937	EVERETT COMMUNITY CO	10/24/14 WELDING AND SAFTEY TR	EXECUTIVE ADMIN	1,500.00
05938	EVERETT, CITY OF	ANIMAL SHELTER FEES	ANIMAL CONTROL	7,440.00
	EVERETT, CITY OF	DEEP WATER OUTFALL BEACH REPAI	WASTE WATER TREATMENT F	14,701.52
05939	FELDMAN & LEE P.S.	PUBLIC DEFENDER	LEGAL - PUBLIC DEFENSE	20,000.00
05940	FRENCH, ALLISSIA	RENTAL DEPOSIT REFUND	GENERAL FUND	100.00
05941	FRONTIER COMMUNICATI	ACCT #36065347410509955	WASTE WATER TREATMENT F	48.30
	FRONTIER COMMUNICATI	ACCT #36065852920604075	PERSONNEL ADMINISTRATIO	66.07
	FRONTIER COMMUNICATI		MUNICIPAL COURTS	164.91
05942	GBH COMMUNICATIONS	LIFESIZE EQUIPMENT UPGRADE AND	MUNICIPAL COURTS	3,427.20

**CITY OF MARYSVILLE
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05942	GBH COMMUNICATIONS	LIFESIZE EQUIPMENT UPGRADE AND	DETENTION & CORRECTION	15,068.80
05943	GENUINE AUTO GLASS	WINDSHIELD REPLACEMENT	EQUIPMENT RENTAL	217.60
05944	GILL, SHUB-CHINTAN K	MULTICULTURAL FAIR	NON-DEPARTMENTAL	200.00
05945	GRAINGER	SAFETY GLASSES	WASTE WATER TREATMENT F	103.58
05946	GRINAKE, ROD	UB 821563000000 6514 69TH ST N	WATER/SEWER OPERATION	146.67
05947	HD FOWLER COMPANY	ELLS	WATER/SEWER OPERATION	166.01
	HD FOWLER COMPANY	COUPLINGS AND QUICK JOINTS	WATER/SEWER OPERATION	267.36
	HD FOWLER COMPANY	ELLS	WATER/SEWER OPERATION	332.02
	HD FOWLER COMPANY	BRASS HARDWARE AND BALL VALVES	WATER/SEWER OPERATION	433.06
	HD FOWLER COMPANY	METER BOXES AND LIDS	WATER SERVICE INSTALL	461.92
	HD FOWLER COMPANY	DRAINAGE FABRIC	STORM DRAINAGE	555.03
05948	HD SUPPLY WATERWORKS	BRASS HARDWARE	WATER CROSS CNTL	11.39
	HD SUPPLY WATERWORKS		WATER CROSS CNTL	71.43
	HD SUPPLY WATERWORKS	ADAPTERS	WATER CROSS CNTL	139.82
	HD SUPPLY WATERWORKS	METERS, COUPLINGS AND FITTINGS	WATER/SEWER OPERATION	373.05
	HD SUPPLY WATERWORKS	HYDRANT PARTS	WATER CAPITAL PROJECTS	1,003.13
05949	HE MITCHELL CO	BOLTS	MAINT OF GENL PLANT	144.52
	HE MITCHELL CO	MASTER KEYS AND SIDE BARS	MAINT OF GENL PLANT	251.42
05950	HOS BROS CONST	HYDRANT METER REFUND	WATER-UTILITIES/ENVIRONM	-283.25
	HOS BROS CONST		WATER/SEWER OPERATION	1,150.00
05951	JOHNSON, SARAH	RENTAL DEPOSIT REFUND	GENERAL FUND	200.00
05952	KANE, JAMIE & MICHEL	UB 800402860000 5513 67TH ST N	WATER/SEWER OPERATION	12.36
05953	KELLER SUPPLY COMPAN	RESTROOM TANK	COMMUNITY CENTER	136.51
05954	KIDZ LOVE SOCCER	INSTRUCTOR SERVICES	RECREATION SERVICES	386.40
	KIDZ LOVE SOCCER		RECREATION SERVICES	574.00
	KIDZ LOVE SOCCER		RECREATION SERVICES	579.60
	KIDZ LOVE SOCCER		RECREATION SERVICES	1,030.40
	KIDZ LOVE SOCCER		RECREATION SERVICES	1,094.80
05955	KONECRANES, INC.	CRANE INSPECTIONS	WASTE WATER TREATMENT F	973.77
05956	LANDGREBE, LOIS ANN	MULTICULTURAL FAIR	NON-DEPARTMENTAL	100.00
05957	LASTING IMPRESSIONS	CHAPLAIN UNIFORMS	POLICE ADMINISTRATION	845.56
05958	LEE, PAUL	UB 830024000000 7111 55TH AVE	WATER/SEWER OPERATION	26.77
05959	LICENSING, DEPT OF	ASHBAUGH, DANIEL (ORIGINAL)	GENERAL FUND	18.00
	LICENSING, DEPT OF	BEEGLE, KEVIN (ORIGINAL)	GENERAL FUND	18.00
	LICENSING, DEPT OF	BLAKELY, JASON (ORIGINAL)	GENERAL FUND	18.00
	LICENSING, DEPT OF	BRADLEY, JAMES (ORIGINAL)	GENERAL FUND	18.00
	LICENSING, DEPT OF	BUTTURFF, JASON (ORIGINAL)	GENERAL FUND	18.00
	LICENSING, DEPT OF	COLE, KENNETH (ORIGINAL)	GENERAL FUND	18.00
	LICENSING, DEPT OF	CROSBY, PAUL (RENEWAL)	GENERAL FUND	18.00
	LICENSING, DEPT OF	DOUGLAS, DENNIS (ORIGINAL)	GENERAL FUND	18.00
	LICENSING, DEPT OF	DOUGLAS, PATRICIA (ORIGINAL)	GENERAL FUND	18.00
	LICENSING, DEPT OF	FADDEN, MARK (ORIGINAL)	GENERAL FUND	18.00
	LICENSING, DEPT OF	GAYDESKI, JACOB (ORIGINAL)	GENERAL FUND	18.00
	LICENSING, DEPT OF	GIL MENDOZA, SANDRA (ORIGINAL)	GENERAL FUND	18.00
	LICENSING, DEPT OF	GILSTRAP, RAMONA (ORIGINAL)	GENERAL FUND	18.00
	LICENSING, DEPT OF	KLOPP, AMANDA (ORIGINAL)	GENERAL FUND	18.00
	LICENSING, DEPT OF	LARSON, SHAWN (ORIGINAL)	GENERAL FUND	18.00
	LICENSING, DEPT OF	LOVETT, BRUCE (RENEWAL)	GENERAL FUND	18.00
	LICENSING, DEPT OF	MAYHUGH, JERRY (ORIGINAL)	GENERAL FUND	18.00
	LICENSING, DEPT OF	MCENTIRE, HAROLD (ORIGINAL)	GENERAL FUND	18.00
	LICENSING, DEPT OF	MCGHEE, DONALD (RENEWAL)	GENERAL FUND	18.00
	LICENSING, DEPT OF	NICKLE, CURTIS (RENEWAL)	GENERAL FUND	18.00
	LICENSING, DEPT OF	PAYETTE, CHRISTOPHER (ORIGINAL)	GENERAL FUND	18.00
	LICENSING, DEPT OF	PIERCE, SCOTT (ORIGINAL)	GENERAL FUND	18.00
	LICENSING, DEPT OF	SHAUGER, STANLEY (RENEWAL)	GENERAL FUND	18.00
	LICENSING, DEPT OF	STEPURA, DANIEL (ORIGINAL)	GENERAL FUND	18.00
	LICENSING, DEPT OF	STRADLEY, CHELSIE (ORIGINAL)	GENERAL FUND	18.00
	LICENSING, DEPT OF	TERPENING, SAMARA (ORIGINAL)	GENERAL FUND	18.00
	LICENSING, DEPT OF	WARE, ALEXANDRA (ORIGINAL)	GENERAL FUND	18.00
	LICENSING, DEPT OF	WEAVER, ASHLEY (ORIGINAL)	GENERAL FUND	18.00
	LICENSING, DEPT OF	WEAVER, DAVID (ORIGINAL)	GENERAL FUND	18.00

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5960	LOWES HIW INC	T-HOLDS	UTIL ADMIN	13.39
5961	LYNN PEAVEY COMPANY	EVIDENCE SUPPLIES	POLICE PATROL	505.70
5962	MARYSVILLE PRINTING	ESS PRINTING	NON-DEPARTMENTAL	475.89
5963	MESSERLY, CONNIE	REIMBURSE WELLNESS FAIR SUPPLI	PERSONNEL ADMINISTRATIO	36.93
5964	MEYERS METAL WORKS	ENCLOSURE	SOLID WASTE OPERATIONS	1,169.60
5965	MORGAN SOUND	MICROPHONE REPAIR	CITY COUNCIL	54.74
5966	MOTOR TRUCKS	AIR BRAKE KIT	EQUIPMENT RENTAL	1,066.91
5967	NORTH CASCADE CHAPT	RENTAL DEPOSIT REFUND	GENERAL FUND	100.00
5968	NORTH SOUND HOSE	HOSE	SEWER MAIN COLLECTION	102.06
5969	NORTHWESTERN AUTO	REPAINT PATROL CAR	EQUIPMENT RENTAL	2,598.91
5970	NW PROPERTY MANAGEME	UB 331481200000 14812 45TH DR	WATER/SEWER OPERATION	200.38
5971	ODELL, REBECCA	RENTAL DEPOSIT REFUND	GENERAL FUND	200.00
5972	OFFICE DEPOT	OFFICE SUPPLIES	UTIL ADMIN	50.18
	OFFICE DEPOT		ENGR-GENL	50.19
	OFFICE DEPOT		POLICE INVESTIGATION	58.71
	OFFICE DEPOT		POLICE INVESTIGATION	73.19
	OFFICE DEPOT		POLICE INVESTIGATION	124.54
	OFFICE DEPOT		POLICE PATROL	193.26
5973	OWEN EQUIPMENT	SWITCH	EQUIPMENT RENTAL	58.43
5974	PACIFIC POWER BATTER	FLASHLIGHTS	WATER DIST MAINS	94.17
5975	PACIFIC POWER PROD	LASTEC PARTS	MAINTENANCE	277.99
5976	PARTS STORE, THE	FILTERS, ZIP TIES AND WWF	ER&R	218.96
5977	PIKE, TRAVIS	REIMBURSE MEAL	GENERAL SERVICES - OVERF	14.00
5978	PILCHUCK RENTALS	PUMP OIL	WASTE WATER TREATMENT F	10.83
	PILCHUCK RENTALS	BLADE SET	STORM DRAINAGE	107.33
	PILCHUCK RENTALS	SPRAYER RENTAL	PARK & RECREATION FAC	217.60
5979	POLLARDWATER.COM	LOCATORS AND PIPE SCRAPER	UTILITY LOCATING	929.10
5980	PRECISION CONCRETE	TRIP HAZARD CONCRETE CUTTING	SIDEWALKS MAINTENANCE	1,133.11
5981	PUD	ACCT #2054-2741-2	PARK & RECREATION FAC	6.91
	PUD	ACCT #2052-8364-1	STREET LIGHTING	7.82
	PUD	ACCT #2050-2647-6	STREET LIGHTING	9.53
	PUD	ACCT #2045-8436-1	STREET LIGHTING	14.86
	PUD	ACCT #2050-2647-6	STREET LIGHTING	14.91
	PUD	ACCT #2045-8436-1	STREET LIGHTING	19.69
	PUD	ACCT #2026-7070-9	STREET LIGHTING	55.20
	PUD	ACCT #2011-4215-5	TRANSPORTATION MANAGEM	67.82
	PUD	ACCT #2025-7611-2	STREET LIGHTING	99.77
	PUD	ACCT #2033-4458-5	STREET LIGHTING	172.49
	PUD	ACCT #2008-1280-8	PUMPING PLANT	324.65
	PUD	ACCT #2026-0420-3	STREET LIGHTING	1,387.66
	PUD	ACCT #2025-7611-2	STREET LIGHTING	1,895.70
	PUD	ACCT #2026-0420-3	STREET LIGHTING	2,081.49
	PUD	ACCT #2028-8209-8	STREET LIGHTING	8,436.51
	PUD		STREET LIGHTING	13,195.57
5982	PUGET SOUND ENERGY	ACCT #220002768939	PUBLIC SAFETY BLDG.	10.83
	PUGET SOUND ENERGY	ACCT #200007781657	PRO-SHOP	46.59
	PUGET SOUND ENERGY	ACCT #200007052364	MAINT OF GENL PLANT	53.96
	PUGET SOUND ENERGY	ACCT #200024981520	COMMUNITY CENTER	57.13
	PUGET SOUND ENERGY	ACCT #200013812314	MAINT OF GENL PLANT	80.04
	PUGET SOUND ENERGY	ACCT #200023493808	ADMIN FACILITIES	111.46
	PUGET SOUND ENERGY	ACCT #200004804056	COURT FACILITIES	144.98
	PUGET SOUND ENERGY	ACCT #200010703029	PUBLIC SAFETY BLDG.	260.21
5983	R&R PRODUCTS INC	BED KNIVES, HARDWARE AND BRACK	MAINTENANCE	268.93
5984	RACO MANUFACTURING	ALARM AGENT SERVICE PLAN	WATER/SEWER OPERATION	-55.18
	RACO MANUFACTURING		STORM DRAINAGE	682.18
5985	RANGLES, ROD	UB 121260000000 4325 109TH PL	WATER/SEWER OPERATION	473.07
5986	RENTAL MANAGEMENT CO	UB 420750166001 16503 41ST DR	WATER/SEWER OPERATION	27.51
5987	RODDA	PAINT	SOLID WASTE OPERATIONS	410.59
5988	ROY ROBINSON	CREDIT ROTORS AND PADS	ER&R	-378.80
	ROY ROBINSON	BRAKE HOSE	EQUIPMENT RENTAL	41.76
	ROY ROBINSON	DISTRIBUTOR	EQUIPMENT RENTAL	371.94

**CITY OF MARYSVILLE
 INVOICE LIST
 FOR INVOICES FROM 11/6/2014 TO 11/12/2014**

<u>CHK #</u>	<u>VENDOR</u>	<u>ITEM DESCRIPTION</u>	<u>ACCOUNT DESCRIPTION</u>	<u>ITEM AMOUNT</u>
5988	ROY ROBINSON	BRAKE ROTORS AND BRAKE PADS	ER&R	378.80
	ROY ROBINSON		ER&R	379.49
5989	RUCHTY, CHERIE	UB 650670000000 9629 62ND DR N	WATER/SEWER OPERATION	32.95
5990	SAFETY SOURCE LLC	REPAIR SEWER STUB SUPPLIES	SEWER MAIN COLLECTION	490.14
	SAFETY SOURCE LLC	TRENCH BOX	SEWER MAIN COLLECTION	562.49
	SAFETY SOURCE LLC	GAS MONITOR KITS	SEWER MAIN COLLECTION	1,256.02
	SAFETY SOURCE LLC		WATER DIST MAINS	1,256.03
5991	SCLAFANI, RICHARD	MULTICULTURAL FAIR	NON-DEPARTMENTAL	150.00
5992	SEA-ALASKA INDUSTRIA	BRUSH KITS	WASTE WATER TREATMENT F	97.18
	SEA-ALASKA INDUSTRIA	MOTOR REPAIR	WASTE WATER TREATMENT F	1,327.36
5993	SEATTLE AUTOMOTIVE D	BATTERIES CREDIT	ER&R	-310.58
	SEATTLE AUTOMOTIVE D	BATTERIES	ER&R	311.15
5994	SEATTLE VISITING NUR	IMMUNIZATIONS	EXECUTIVE ADMIN	56.00
5995	SHERWIN WILLIAMS	PAINT AND SUPPLIES	CAPITAL OUTLAY	1,092.89
5996	SIEMENS INDUSTRY, IN	PROBES, CABLES AND ROCK GAURD	PUMPING PLANT	1,075.54
	SIEMENS INDUSTRY, IN	GROUNDING RING	PUMPING PLANT	1,115.05
	SIEMENS INDUSTRY, IN	PROBES, CABLES AND ROCK GAURD	STORM DRAINAGE	1,358.43
5997	SKAGIT PLUMBING	PSB REPAIR	PUBLIC SAFETY BLDG.	819.19
5998	SMALLEY, JOHN S	WELLNESS EXPENSE	PERSONNEL ADMINISTRATIO	551.00
5999	SMITH, BRAD	REIMBURSE UNIFORM EXPENSE	K9 PROGRAM	313.49
6000	SNO CO FINANCE	PATROL CAR BUILD UP	EQUIPMENT RENTAL	9,933.63
6001	SNO CO FINANCE	800 MHZ PRINCIPAL AND INTEREST	REET I - POLICE	11,225.48
	SNO CO FINANCE		REET I - POLICE	71,966.96
6002	SNO CO TREASURER	TOWING EXPENSE REIMBURSEMENT	POLICE PATROL	240.24
6003	SOUND SAFETY	BOOTS-KINNEY, S	SOLID WASTE OPERATIONS	173.46
6004	STAPLES	OFFICE SUPPLIES	COMMUNITY DEVELOPMENT-	9.24
	STAPLES		PRO-SHOP	78.55
	STAPLES		PARK & RECREATION FAC	146.07
	STAPLES		COMMUNITY DEVELOPMENT-	149.90
	STAPLES		COMMUNITY DEVELOPMENT-	166.64
6005	SUMMIT LAW GROUP	PROFESSIONAL SERVICES	PERSONNEL ADMINISTRATIO	2,430.00
6006	SWEET, CATHERINE	UB 851500000000 5513 83RD PL N	WATER/SEWER OPERATION	107.37
6007	SWERVE FLEET	TRAINING-OLSON	UTIL ADMIN	269.00
6008	THOMPSON INFORMATION	TRAINING-HESS	COMMUNITY DEVELOPMENT-	249.00
6009	TOCCO, LEAH	REIMBURSE COSTCO SUPPLIES	EXECUTIVE ADMIN	54.45
6010	TRAVERS, GERARD	REFUND CLASS FEES	PARKS-RECREATION	50.00
6011	TYLER TECHNOLOGIES	ESS IMPLEMENTATION	NON-DEPARTMENTAL	637.50
	TYLER TECHNOLOGIES		NON-DEPARTMENTAL	3,000.00
	TYLER TECHNOLOGIES		NON-DEPARTMENTAL	3,258.00
6012	USA BLUEBOOK	HYDRANT OIL AND WRENCH	WATER DIST MAINS	237.64
	USA BLUEBOOK	ADAPTER AND PROBE	WATER SERVICES	1,414.23
6013	VCA ANIMAL MEDICAL	ANIMAL CARE-MP14-062012	ANIMAL CONTROL	100.00
6014	VILLAGE COMM SERVICE	MULTICULTURAL FAIR	NON-DEPARTMENTAL	200.00
6015	WAN, BING	REFUND BUSINESS LICENSE FEES	GENL FUND BUS LIC & PERMI	50.00
6016	WASTE MANAGEMENT	YARDWASTE/RECYCLE SERVICE	RECYCLING OPERATION	107,413.93
6017	WAXIE SANITARY SUPPL	JANITORIAL SUPPLIES	PARK & RECREATION FAC	1,286.48
6018	WEBCHECK	WEBCHECK SERVICE-OCT 2014	UTILITY BILLING	1,042.56
6019	WEED GRAAFSTRA	LEGAL SERVICE	GMA - STREET	37.00
	WEED GRAAFSTRA		GENL GVRNMNT SERVICES	74.00
	WEED GRAAFSTRA	FORFEITURES-OCT 2014	POLICE INVESTIGATION	1,316.25
	WEED GRAAFSTRA	LEGAL SERVICE	STORM DRAINAGE	2,060.50
	WEED GRAAFSTRA		GMA - STREET	3,318.00
	WEED GRAAFSTRA		UTIL ADMIN	4,602.00
	WEED GRAAFSTRA		UTIL ADMIN	9,690.19
	WEED GRAAFSTRA		LEGAL-GENL	9,690.20
	WEED GRAAFSTRA		LEGAL-GENL	23,072.00
6020	WEED GRAAFSTRA	SETTLEMENT AGREEMENT	GMA - STREET	80,750.00
6021	WELLS, WOODY & CAROL	UB 331280000003 3722 152ND ST	WATER/SEWER OPERATION	6.31
6022	WEST COAST EXCAVATIN	HYDRANT METER REFUND	WATER-UTILITIES/ENVIRONM	-69.95
	WEST COAST EXCAVATIN		WATER/SEWER OPERATION	1,150.00
6023	WESTERN EQUIPMENT	BUSHING, SHAFT AND SPRING	MAINTENANCE	304.79

CITY OF MARYSVILLE
INVOICE LIST
FOR INVOICES FROM 11/6/2014 TO 11/12/2014

<u>CHK #</u>	<u>VENDOR</u>	<u>ITEM DESCRIPTION</u>	<u>ACCOUNT DESCRIPTION</u>	<u>ITEM AMOUNT</u>
6024	WESTERN GRAPHICS	GRAPHICS PACKAGE	EQUIPMENT RENTAL	519.54
6025	WESTERN PETERBILT	RADIATOR HOSE	EQUIPMENT RENTAL	143.20
	WESTERN PETERBILT	SERPENTINE BELTS	EQUIPMENT RENTAL	144.71
	WESTERN PETERBILT	CORE CHARGE	EQUIPMENT RENTAL	651.60
	WESTERN PETERBILT	CLUTCH FAN	EQUIPMENT RENTAL	731.54
6026	WIERSMA, ALEX	MEAL REIMBURSEMENT	POLICE INVESTIGATION	17.83
6027	WRIGHT, DONNA	MILEAGE REIMBURSEMENT	CITY COUNCIL	24.75

WARRANT TOTAL:

537,521.02

REASON FOR VOIDS:

- UNCLAIMED PROPERTY
- INITIATOR ERROR
- WRONG VENDOR
- CHECK LOST/DAMAGED IN MAIL

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CITY OF MARYSVILLE

EXECUTIVE SUMMARY FOR ACTION

CITY COUNCIL MEETING DATE: November 24, 2014

AGENDA ITEM: Cable Franchise Agreement- Three Month extension with WaveDivision I, LLC.	AGENDA SECTION: New Business	
PREPARED BY: Gloria Hirashima, Chief Administrative Officer DEPARTMENT: Executive	AGENDA NUMBER:	
ATTACHMENTS: 1. Wave Cable agreement extension	APPROVED BY:	
	MAYOR	CAO
BUDGET CODE:	AMOUNT:	

Summary:

The City has a non-exclusive television cable franchise agreement with WaveDivision 1, LLC that will expire in December 2014. The proposed agreement will extend the current franchise by 3 months through March 5, 2015. The City has not yet completed its negotiation of a new franchise agreement. We anticipate that the negotiation and contract proposal will be completed within the extension period.

RECOMMENDED ACTION: Approve cable franchise 3 month extension with WaveDivision 1, LLC.
COUNCIL ACTION:

AMENDMENT OF CABLE TELEVISION FRANCHISE

THIS AMENDMENT OF CABLE TELEVISION FRANCHISE is entered into by and between the City of Marysville, Washington (hereinafter called “Franchise Authority” or “City”) and WaveDivision I, LLC (hereinafter referred to as “Wave”) as of the 24th day of November, 2014.

WITNESSETH:

WHEREAS, Wave holds a Cable Television Franchise dated July 24, 2006 (“Franchise”) to own and operate a cable system within the City, and

WHEREAS, Franchise Authority and Wave each desire to enter into an amendment further extending the term of the Franchise as set forth herein.

NOW, THEREFORE, Franchise Authority and Wave agree as follows:

1. The term of the Franchise is hereby extended for three months commencing December 4, 2014 and running through March 3, 2015 subject to the terms and conditions contained in the Franchise which shall remain in full force and effect, and
2. The extension shall be without prejudice to the rights of either party under the Cable Communications Policy Act of 1984 as amended. The extension of the term of the existing Franchise agreed to herein shall in no way affect the rights of the Franchise Authority or of Wave under the provisions of §626 of the Cable Communications Policy Act of 1984 as amended or the other terms of the existing Franchise.

IN WITNESS WHEREOF, the parties hereto have caused this Amendment of Cable Television Franchise to be executed for the uses and purposes therein expressed on the day and year first written above.

WaveDivision I, LLC

City of Marysville, Washington

By: _____
 Title Executive Vice President
Business and Legal Affairs

By: _____
 Title Mayor

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CITY OF MARYSVILLE

EXECUTIVE SUMMARY FOR ACTION

CITY COUNCIL MEETING DATE: November 24, 2014

AGENDA ITEM: Cable Franchise Agreement- Five year extension with Comcast Cable Holdings, LLC.	AGENDA SECTION: New Business	
PREPARED BY: Gloria Hirashima, Chief Administrative Officer DEPARTMENT: Executive	AGENDA NUMBER:	
ATTACHMENTS: 1. Comcast Cable Holdings 5 year extension 2. Comcast Franchise Agreement	APPROVED BY:	
	MAYOR	CAO
BUDGET CODE:	AMOUNT:	

Summary:

The City has a non-exclusive television cable franchise agreement that will expire this month. The City has negotiated a five year extension of the current Comcast agreement. City staff worked with Bob Duchon of River Oaks Communications Corp. to negotiate the extension. Originally, both Comcast and the City had been working towards a new 10 year agreement. Comcast offered a 5 year extension of the current agreement under existing terms. The City believes this is a preferable outcome at this time.

RECOMMENDED ACTION: Approve cable franchise 5 year extension with Comcast Cable Holdings, LLC.
COUNCIL ACTION:

AMENDMENT OF CABLE TELEVISION FRANCHISE

THIS AMENDMENT OF CABLE TELEVISION FRANCHISE is entered into by and between the City of Marysville, Washington (hereinafter called “Franchise Authority” or “City”) and Comcast Cable Holdings, LLC (formerly known as Comcast of California/Colorado/Texas/Washington, Inc.) and Comcast Cable Communications Management, LLC (formerly known as Comcast of Washington, IV, Inc.), hereinafter referred to collectively as “Comcast,” as of the 24th day of November, 2014.

WITNESSETH:

WHEREAS, Comcast holds a Cable Television Franchise dated September 22, 2003 (“Franchise”) to own and operate a cable system within the City, and

WHEREAS, Franchise Authority and Comcast each desire to enter into an amendment extending the term of the Franchise as set forth herein.

NOW, THEREFORE, Franchise Authority and Comcast agree as follows:

1. The term of the Franchise is hereby extended for five years commencing November 24, 2014 and running until November 23, 2019 subject to all of the other terms and conditions contained in the Franchise which shall remain in full force and effect, and
2. The extension shall be without prejudice to the rights of either party under the Cable Communications Policy Act of 1984 as amended.

IN WITNESS WHEREOF, the parties hereto have caused this Amendment of Cable Television Franchise to be executed for the uses and purposes therein expressed on the day and year first written above.

Comcast Cable Holdings, LLC

City of Marysville, Washington

By: _____
Title _____

By: _____
Title Mayor _____

Comcast Cable Communications Management, LLC

By: _____
Title _____

cc: Doug Buell
Comcast
Mun Res
Code Pub

CITY OF MARYSVILLE *orig. file*
Marysville, Washington

ORDINANCE NO. 2492

AN ORDINANCE OF THE CITY OF MARYSVILLE, WASHINGTON APPROVING A CABLE TELEVISION FRANCHISE BETWEEN THE CITY OF MARYSVILLE, WASHINGTON "CITY" AND COMCAST OF CALIFORNIA/COLORADO/TEXAS/WASHINGTON, INC., AND COMCAST OF WASHINGTON IV, INC.; (COLLECTIVELY "COMCAST").

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 Comcast by timely filing with the City Clerk an unconditional, written acceptance of all of the terms and conditions of said Franchise. Failure of Comcast 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 13th day of October, 2003.

CITY OF MARYSVILLE
By David Weiser
DAVID A. WEISER, Mayor

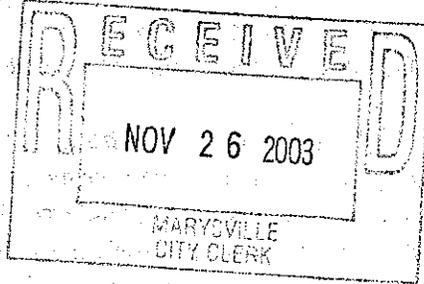
ATTEST:
By Gerry Becker
GERRY BECKER, City Clerk

Approved as to form:

By Grant K. Weed
GRANT K. WEED, City Attorney

Date of Publication: 10-22-03

Effective Date (5 days after publication): 10-27-03



THE CITY OF MARYSVILLE, WASHINGTON

CABLE TELEVISION FRANCHISE

CABLE TELEVISION FRANCHISE

This Cable Television Franchise ("Franchise") is entered into in Marysville, Washington, this 22nd day of September, 2003, by and between the City of Marysville, Washington a municipal corporation, (hereinafter "City") and Comcast of California/Colorado/Texas/Washington, Inc. (formerly known as Tele-Vue Systems, Inc.) and Comcast of Washington, IV, Inc. (formerly known as TCI Cablevision of Washington, Inc.), collectively known as Comcast, and hereinafter "Grantee". City and Grantee are sometimes referred to hereinafter collectively as the "parties."

WHEREAS, the City has reviewed Grantee's performance under the prior franchises and the quality of service during the prior franchise terms, has identified the future cable-related needs and interests of the City and its citizens, has considered the financial, technical and legal qualifications of Grantee, and has determined that Grantee's plans for constructing, operating and maintaining its Cable System are adequate, in a full public proceeding affording due process to all concerned; and

WHEREAS, the public has had adequate notice and opportunity to comment on Grantee's proposal to provide cable television service within the City; and

WHEREAS, the City has a legitimate and necessary regulatory role in ensuring the availability of state-of-the-art cable communications service, the high technical capability and reliability of cable systems in the Franchise Area, the availability of local programming (including educational and governmental access programming) and quality customer service; and

WHEREAS, diversity in cable service and local and non-local programming is an important policy goal and the Grantee's Cable System should offer a broad range of programming services; and

WHEREAS, flexibility to respond to changes in technology and subscriber interests within the cable service market should be an essential characteristic of this Franchise and the Grantee will take advantage of new technology to benefit subscribers and citizens as such technology becomes available; and

WHEREAS, the City is authorized by applicable law to grant one or more nonexclusive franchises to construct, operate and maintain a cable system or systems within the boundaries of the City.

NOW, THEREFORE, in consideration of the mutual promises made herein, and other good and valuable consideration, the receipt and adequacy of which are hereby acknowledged, the City and Grantee do hereby agree as follows:

SECTION 1. DEFINITIONS

For the purposes of this Franchise and the Exhibit attached hereto the following terms, phrases, words and their derivations shall have the meanings given herein. When not inconsistent with the context, words used in the present tense include the future, words in the plural include the singular,

and words in the singular include the plural. Words not defined shall be given their common and ordinary meaning. The word "shall" is always mandatory and not merely directory.

1.1 "Access" means the availability for noncommercial use by various governmental and educational agencies, institutions, organizations, and other groups and individuals in the community, including the City and its designees, of particular channels on the Cable System to receive and distribute programming to Subscribers, as permitted under applicable law.

(A) **"Educational Access"** means Access where Schools are the primary users having editorial control over programming and services.

(B) **"Government Access"** means Access where governmental institutions or their designees are the primary users having editorial control over programming and services.

1.2 "Access Channel" means any channel, or portion thereof, designated for Access purposes or otherwise made available to facilitate or transmit Access programming.

1.3 "Activation" or "Activated" means the status of any capacity on or part of the Cable System wherein the use of that capacity or part thereof may be made available without further installation of system equipment other than Subscriber premise equipment, whether hardware or software.

1.4 "Affiliate" when used in connection with Grantee means any Person who owns or controls, is owned or controlled by, or is under common ownership or control with, Grantee.

1.5 "Bad Debt" means amounts lawfully owed by a Subscriber and accrued as revenues on the books of Grantee, but not collected after reasonable efforts by Grantee.

1.6 "Basic Service" means the Cable Service tier which includes, at a minimum, the retransmission of local television broadcast signals and Access programming.

1.7 "Broadcast Signal" means a television or radio signal transmitted over the air to a wide geographic audience, and received by an antenna, microwave, satellite dishes or any other means.

1.8 "Cable Act" means the Cable Communications Policy Act of 1984, as amended by the Cable Television Consumer Protection and Competition Act of 1992, and the Telecommunications Act of 1996, and any future amendments thereto.

1.9 "Cable Internet Service" means any service offered by Grantee whereby Persons receive access to the Internet through the Cable System.

1.10 "Cable Operator" means any Person or groups of Persons, including Grantee, who provides Cable Service over the Cable System and directly or through one or more Affiliates owns a significant interest in such Cable System or who otherwise control(s) or is(are) responsible for, through any arrangement, the management and operation of such a Cable System.

1.11 "Cable Service" means the one-way transmission to Subscribers of Video Programming, or other programming service and Subscriber interaction, if any, which is required for the selection or use of such Video Programming or other programming service.

1.12 "Channel" means a portion of the frequency band capable of carrying a Video Programming Service, an audio service or a combination of Video Programming Services and audio services, whether delivered in an analog or digital format, on a twenty-four (24) hour per day basis or a portion thereof.

1.13 "City" means the City of Marysville, Washington, a municipal corporation.

1.14 "Connection", with regard to connections to public buildings, means installation of fiber optic or coaxial cable or other System related facilities through the outer wall of the building leaving adequate excess space to permit further connection to other facilities, plant or cable within the building.

1.15 "Designated Access Provider" means the entity or entities designated by the City to manage or co-manage Access Channels and facilities. The City may be a Designated Access Provider.

1.16 "Downstream" means carrying a transmission from the Headend to remote points on the System or to interconnection points on the System.

1.17 "Dwelling Unit" means any residential building, or each portion thereof that has independent living facilities, including provisions for cooking, sanitation and sleeping and that is designed for residential occupancy.

1.18 "Expanded Basic Service" means cable programming services not included in the Basic Service and excluding premium or pay-per-view services.

1.19 "FCC" means the Federal Communications Commission or its lawful successor.

1.20 "Fiber Optic" means a transmission medium of optical fiber cable, along with all associated electronics and equipment capable of carrying Cable Service or Institutional Network Service by means of electric lightwave impulses.

1.21 "Franchise" means the document in which this definition appears, which is executed between the City and Grantee, containing the specific provisions of the authorization granted and the contractual agreement created hereby.

1.22 "Franchise Area" means the area within the jurisdictional boundaries of the City, including any areas annexed by the City during the term of this Franchise.

1.23 "Gross Revenues" means any and all revenue derived directly or indirectly by the Grantee, or by Grantee's Affiliates, from the operation of Grantee's Cable System to provide Cable Services in the Franchise Area. Gross Revenues include, by way of illustration and not limitation, monthly fees charged Subscribers for Cable Services including Basic Service, any expanded tiers of Cable Service, other tiers of Cable Service, Premium Services; Cable Service installation, disconnection, reconnection and change-in-service fees, Leased Access Channel fees, Cable Service lease payments to the Cable System, late fees and administrative fees; payments or other consideration received by the Grantee from programmers for carriage of Cable Services on the Cable System and accounted for as revenue under GAAP; revenues from rentals of converters or other Cable System equipment, advertising sales revenues, provided the advertising occurred on the Cable System within the Franchise Area; the fair market value of consideration received by the Grantee for use of the Cable System to provide Cable Service and accounted for as revenue under GAAP; revenues from program guides, revenue from Cable Internet Service to the extent those services are considered a Cable Service under federal or State law, additional outlet fees, Franchise Fees, revenue from interactive services to the extent they are considered Cable Services under federal or State law, revenue from the sale or carriage of other Cable Services, and revenues from home shopping. Gross Revenues shall not include (i) Bad Debt, provided, however, that all or part of any such Bad Debt that is written off but subsequently collected shall be included in Gross Revenues in the period collected; (ii) the capital advances and Capital Contribution referenced in Sections 9.6 and 9.7; or (iii) any taxes on services furnished by the Grantee which are imposed directly on any Subscriber or user by the State, City or other governmental unit and which are collected by the Grantee on behalf of said governmental unit. The Franchise Fees are not such a tax, and are therefore included in Gross Revenues.

1.24 "Headend" means any facility for signal reception and dissemination on the System, including cables, antennas, wires, satellite dishes, monitors, switchers, modulators, processors and other related equipment.

1.25 "Institutional Network" or "I-Net" means that part of the System facilities or capacity designed for use by non-residential Subscribers including communications to, from and among government agencies, schools, libraries and other public agencies.

1.26 "Interconnect" or "Interconnection" means the linking of the System with another contiguous cable system, including technical, engineering, physical, financial and other necessary components to accomplish, complete and adequately maintain such linking, in a manner to permit the transmission and receiving of Access programming between the System and other cable systems.

1.27 "Leased Access Channel" means any Channel or portion of a Channel commercially available for programming in accordance with Section 612 of the Cable Act.

1.28 "Noncommercial" means, in the context of Access Channels, that particular products and services are not promoted or sold. This shall not be interpreted to prohibit an Access Channel operator or programmer from soliciting and receiving financial support (i.e., fund raising) to produce and transmit programming on an Access Channel, or from acknowledging a contribution.

1.29 "Pay-Per-View Service" or "Premium Service" means Video Programming or other programming service choices (such as movie channels) offered to Subscribers on a per-channel, per-program or per-event basis.

1.30 "Person" means any individual, sole proprietorship, partnership, joint venture, association, corporation or limited liability entity, or any other form of entity or organization.

1.31 "Right-of-Way" or "Rights-of-Way" means land acquired or dedicated to the public or hereafter dedicated to the public for public streets or roads, highways, avenues, lanes, alleys, bridges, sidewalks, easements and other similar public property located within the Franchise Area.

1.32 "School" means any state accredited public educational institution including, for example, primary and secondary schools (K-12).

1.33 "State" means the State of Washington.

1.34 "Subscriber" means any Person who lawfully receives Cable Service provided by Grantee by means of the System with Grantee's express permission.

1.35 "System" or "Cable System" means a facility, consisting of a set of closed transmission paths and associated signal generation, reception and control equipment that is designed to provide Cable Service which includes video programming and which is provided to multiple Subscribers within a community, but such term does not include (1) a facility that serves only to retransmit the television signals of one or more television broadcast stations; (2) a facility that serves Subscribers without using any public Right-of-Way; (3) a facility of a common carrier which is subject, in whole or in part, to the provisions of Title II of the federal Communications Act (47 U.S.C. 201 et seq.), except that such facility shall be considered a cable system (other than for purposes of 47 U.S.C. 541(c) to the extent such facility is used in the transmission of video programming directly to Subscribers, unless the extent of such use is solely to provide interactive on-demand services; (4) an open video system that complies with 47 U.S.C. 573 and federal regulations; or (5) any facilities of any electric utility used solely for operating its electric utility systems. When used herein, System or Cable System refers to Grantee's Cable System in the Franchise Area.

1.36 "Telecommunications" means the transmission, between or among points specified by the user, of information of the user's choosing, without change in the form or content of the information as sent and received (as provided in 47 U.S.C. 153(43)).

1.37 "Telecommunications Service" means the offering of Telecommunications for a fee directly to the public, or to such classes of users as to be effectively available directly to the public, regardless of the facilities used (as provided in 47 U.S.C. 153(46)).

1.38 "Tier" means a category of Cable Services provided by the Grantee for which a separate periodic rate is charged.

1.39 "Upgrade" means improvements made to the Cable System necessary to meet the requirements of Section 11 herein.

1.40 "Upstream" means carrying a transmission to the headend from remote points on the System or from Interconnection points on the System.

1.41 "Video Programming" means programming provided by, or generally considered comparable to programming provided by, a television broadcast station.

SECTION 2. GRANT OF FRANCHISE

2.1 Grant

(A) The City hereby grants to Grantee a nonexclusive and revocable authorization to make reasonable and lawful use of the Rights-of-Way within the Franchise Area to construct, operate, maintain, reconstruct and Upgrade a System for the purpose of providing Cable Services, subject to the terms and conditions set forth in this Franchise. This Franchise shall constitute both a right and an obligation to provide the Cable Services required by, and to fulfill the obligations set forth in, the provisions of this Franchise.

(B) Grantee, through this Franchise, is granted the right to operate its System using the Rights-of-Way within the Franchise Area in compliance with all lawfully enacted City Codes and procedures. In the event of a conflict between the City Code and this Franchise, the Franchise shall control. Additionally, nothing in this Franchise shall be deemed to waive the requirements of ordinances of general applicability lawfully enacted, or hereafter lawfully enacted, by the City. Grantee reserves the right to challenge provisions of any ordinance or other enactment of the City that conflicts with its contractual rights hereunder.

(C) This Franchise shall not be interpreted to prevent the City from lawfully imposing additional conditions, including additional compensation conditions for use of the Rights-of-Way, should Grantee provide service other than Cable Service.

(D) Grantee promises and guarantees, as a condition of exercising the privileges granted by this Franchise, that any Affiliate of the Grantee offering Cable Service in the Franchise Area, or directly involved in the management or operation of the System in the Franchise Area, will also comply with the terms and conditions of this Franchise.

(E) No rights shall pass to Grantee by implication. Without limiting the foregoing, by way of example and not limitation, this Franchise shall not include or be a substitute for:

(1) Any other permit or authorization required for the privilege of transacting and carrying on a business within the City that may be required by the ordinances and laws of the City;

(2) Any permit, agreement or authorization required by the City for Rights-of-Way users in connection with operations on or in Rights-of-Way or public property including, by way of example and not limitation, street cut permits; or

(3) Any permits or agreements for occupying any other property of the City or private entities to which access is not specifically granted by this Franchise including, without limitation, permits and agreements for placing devices on poles, in conduits or in or on other structures.

(F) This Franchise is intended to convey limited rights and interests only as to those Rights-of-Ways in which the City has an actual interest. It is not a warranty of title or interest in any Rights-of-Way; it does not provide the Grantee with any interest in any particular location within the Rights-of-Way; and it does not confer rights other than as expressly provided in the grant hereof.

(G) This Franchise expressly authorizes Grantee to provide only Cable Services, and to construct, operate or maintain Cable Service facilities. This Franchise is not a bar to imposition of any lawful conditions on Grantee with respect to non-Cable services, Telecommunications Services or information services, whether similar, different or the same as the conditions specified herein. This Franchise does not relieve Grantee of any obligation it may have to obtain from the City an authorization to provide non-Cable services, Telecommunications Services or information services or relieve Grantee of its obligation to comply with any such authorization(s) that may be lawfully required. However, this Franchise shall not be read as a concession by Grantee that it needs authorization to provide non-Cable, Telecommunications or information services.

2.2 Use of Rights-of-Way

(A) Subject to the City's supervision and control, Grantee may erect, install, construct, repair, replace, reconstruct, and retain in, on, over, under, upon, across, and along the Rights-of-Way within the Franchise Area, such wires, cables (both coaxial and fiber optic), conductors, ducts, conduit, vaults, manholes, amplifiers, pedestals, attachments and other property and equipment as are necessary and appurtenant to the operation of the System for the provision of Cable Services within the Franchise Area.

(B) Grantee must follow City-established requirements for placement of System facilities in the Rights-of-Way, and must install System facilities in a manner that minimizes interference with the use of the Right-of-Way by others, including others that may be installing communications facilities. Within parameters reasonably related to the City's role in protecting the public health, safety and welfare, the City may require that System facilities be installed at a particular time, at a specific place or in a particular manner as a condition of access to a particular Right-of-Way; may deny access if Grantee is not willing to comply with the City's requirements; and, subject to giving Grantee prior written notice and an opportunity to take the requisite corrective action, may remove, or require removal of, any facility that is not installed in compliance with the requirements established by the City, or which is installed without prior City approval and charge Grantee for all of the costs associated with removal; and may require Grantee to cooperate

with others to minimize adverse impacts on the Rights-of-Way through joint trenching and other arrangements.

2.3 Duration

The term of this Franchise and all rights, privileges, obligations and restrictions pertaining thereto shall be eight (8) years from the effective date of this Franchise, unless terminated, reduced or extended as hereinafter provided.

2.4 Effective Date

(A) This Franchise and the rights, privileges, and authority granted hereunder and the contractual relationship established hereby shall take effect and be in force from and after the effective date of this Franchise.

(B) The effective date of this Franchise shall be the date on which it is accepted in writing by Grantee.

(C) The grant of this Franchise shall have no effect on the Grantee's duty under the prior franchises or any ordinances in effect prior to the effective date of this Franchise to indemnify or insure the City against acts and omissions occurring during the period that the prior franchises were in effect.

2.5 Franchise Nonexclusive

This Franchise shall be nonexclusive, and subject to all prior rights, interests, easements, permits or licenses granted by the City to any Person to use any property for any purpose whatsoever, including the right of the City to use same for any purpose it deems fit, including the same or similar purposes allowed Grantee hereunder. The City may at any time grant authorization to use the Rights-of-Way for any purpose not incompatible with Grantee's authority under this Franchise and for such additional franchises for cable systems as the City deems appropriate.

2.6 Grant of Other Franchises

In the event the City enters into a franchise, permit, license, authorization or other agreement of any kind with any other Person or entity other than the Grantee to use the Rights-of-Way for the purpose of constructing or operating a System or providing Cable Service to any part of the Franchise Area in which the Grantee is providing Cable Service under the terms and conditions of this Franchise or is required to extend Cable Service to under the provisions of this Franchise, the terms and conditions thereof, taken as a whole, shall be neither more favorable nor less burdensome to such Person than those contained herein in order that one cable operator not be granted an unfair competitive advantage over another.

2.7 Familiarity with Franchise

Grantee acknowledges and warrants by acceptance of the rights, privileges and agreement granted herein, that it has carefully read and fully comprehends the terms and conditions of this Franchise and is willing to and does accept all lawful and reasonable risks of the meaning of the provisions, terms and conditions herein. The Grantee further acknowledges and states that it has fully studied

and considered the requirements relating to an Upgrade of the System, and all other requirements and provisions of this Franchise, and finds that the same are commercially practicable at this time.

2.8 Effect of Acceptance

By accepting the Franchise, the Grantee: (1) acknowledges and accepts the City's legal right to issue and enforce the Franchise; (2) accepts and agrees to comply with each and every provision of this Franchise, subject to applicable law; and (3) agrees that the Franchise was granted pursuant to processes and procedures consistent with applicable law, and that it will not raise any claim to the contrary.

2.9 Police Powers

Grantee's rights hereunder are subject to the police powers of the City to adopt and enforce ordinances necessary to the safety, health and welfare of the public, and Grantee agrees to comply with all such applicable laws, ordinances and regulations lawfully enacted pursuant to the police powers of the City, or hereafter enacted in accordance therewith, by the City. Any conflict between the provisions of this Franchise and any other present or future lawful exercise of the City's police powers shall be resolved in favor of the latter, provided that such ordinances shall be reasonable and not destructive of the rights granted in this Franchise. Grantee shall pay those costs (in accordance with applicable law) associated with moving its System within the Right-of-Way as a result of the City's lawful exercise of its police powers.

SECTION 3. FRANCHISE FEES AND FINANCIAL CONTROLS

3.1 Franchise Fees

As compensation for the use of the Rights-of-Way, Grantee shall pay as a Franchise Fee to the City, throughout the duration of this Franchise, an amount equal to five percent (5%) of Grantee's Gross Revenues. Accrual of such Franchise Fees shall commence as of the effective date of this Franchise.

3.2 Payments

Grantee's Franchise Fee payments to the City shall be computed quarterly for the preceding quarter. Each payment shall be due and payable no later than thirty (30) days after the end of the preceding quarter.

3.3 Acceptance of Payment

No acceptance of any payment shall be construed as an accord by the City that the amount paid is, in fact, the correct amount, nor shall any acceptance of payments be construed as a release of any claim the City may have for further or additional sums payable or for the performance of any other obligation of Grantee. However, the period for recovery of franchise fees payable hereunder is limited to six (6) years from the date on which payment by the Grantee was due.

3.4 Franchise Fee Reports

Each payment shall be accompanied by a written report to the City on a form approved by the City, verified by an authorized representative of Grantee, containing an accurate statement in

summarized form, as well as in detail, of Grantee's Gross Revenues and the computation of the payment amount.

3.5 Audits

On an annual basis, upon thirty (30) days' prior written notice, the City shall have the right to conduct an independent audit of Grantee's records reasonably related to the enforcement of this Franchise and to recompute any amounts determined to be payable under this Franchise. If Grantee cooperates in making all relevant records available to the City, the City will attempt to complete each audit within six (6) months, and the audit period shall not be any greater than the previous six (6) years. Any additional amounts due to the City as a result of the audit shall be paid within forty-five (45) days following written notice to the Grantee by the City, which notice shall include a copy of the audit findings. If the audit shows that Franchise Fees have been underpaid, by five percent (5%) in a calendar year or more, Grantee shall pay the cost of the audit up to ten thousand dollars (\$10,000) for each year of the audit period. Grantee's obligation to retain records related to a franchise fee audit shall expire six (6) years after each Franchise Fee payment has been made, or should have been made, to the City.

3.6 Financial Records

Grantee agrees to meet with a representative of the City upon request to review Grantee's methodology of record-keeping, financial reporting, the computing of Franchise Fee obligations and other procedures, the understanding of which the City deems necessary for reviewing reports and records that are relevant to the enforcement of this Franchise.

3.7 Late Payments

In the event any payment due the City is not timely made, Grantee shall pay, in addition to the amount due, interest at the rate established for judgments by the Snohomish County Superior Court, until the date the City receives the payment.

3.8 Underpayments

If a Franchise Fee underpayment is discovered as the result of an audit, Grantee shall pay, in addition to the amount due, interest at the rate established for judgments by the Snohomish County Superior Court, compounded daily, calculated from the date the underpayment was originally due until the date the City receives the payment.

3.9 Maximum Franchise Fees

The parties acknowledge that, at present, applicable federal law limits the City to collection of a Franchise Fee of five percent (5%) of Gross Revenues in a 12-month period. In the event that at any time throughout the term of this Franchise, the City is authorized to collect an amount in excess of five percent (5%) of Gross Revenues and the City elects to do so, then this Franchise shall be amended by the parties consistent with such change to provide that such excess amount shall be added to the franchise fee payments to be paid by Grantee to the City hereunder. Conversely, in the event that at any time throughout the term of this Franchise, the City may only collect an amount which is less than five percent (5%) of Gross Revenues for franchise fees due to a change in federal law, then this Franchise shall be amended by the parties consistent with such change to provide for such lesser percentage.

3.10 Additional Commitments Not Franchise Fees

No term or condition in this Franchise shall in any way modify or affect Grantee's obligation to pay Franchise Fees. Although the total sum of Franchise Fee payments and additional commitments set forth elsewhere in this Franchise may total more than five percent (5%) of Grantee's Gross Revenues in any 12-month period, Grantee agrees that the additional commitments herein are not Franchise Fees, nor are they to be offset or credited against any Franchise Fee payments due to the City, nor do they represent an increase in Franchise Fees to be passed through to Subscribers.

3.11 Alternative Compensation

In the event the obligation of Grantee to compensate the City through Franchise Fee payments is lawfully suspended or eliminated, in whole or part, then Grantee shall pay to the City compensation equivalent to the compensation paid to the City by other similarly situated users of the Rights-of-Way for Grantee's use of the Rights-of-Way, provided that in no event shall such payments exceed the equivalent of five percent (5%) of Grantee's Gross Revenues (subject to the other provisions contained in this Franchise).

3.12 Payment on Termination

If this Franchise terminates for any reason, the Grantee shall file with the City within ninety (90) calendar days of the date of the termination, a financial statement, certified by an independent certified public accountant, showing the Gross Revenues received by the Grantee since the end of the previous fiscal year. Within thirty (30) days of the filing of the certified statement with the City, Grantee shall pay any unpaid amounts as indicated. If the Grantee fails to pay its remaining financial obligations as required in this Franchise, the City may satisfy the same by utilizing the funds available in a letter of credit, if any, or other security provided by the Grantee.

3.13 Tax Liability

The Franchise Fees shall be in addition to any and all taxes or other levies or assessments which are now or hereafter required to be paid by businesses in general by any law of the City, the State or the United States including, without limitation, sales, use and other taxes, business license fees or other payments. Payment of the Franchise Fees under this Franchise shall not exempt Grantee from the payment of any other license fee, permit fee, tax or charge on the business, occupation, property or income of Grantee that may be lawfully imposed by the City. Any other license fees, taxes or charges shall be of general applicability in nature and shall not be levied against Grantee solely because of its status as a Cable Operator, or against Subscribers, solely because of their status as such.

SECTION 4. ADMINISTRATION AND REGULATION

4.1 Authority

The City shall be vested with the power and right to administer and enforce the requirements of this Franchise and the regulations and requirements of applicable law, including the Cable Acts, or to delegate that power and right, or any part thereof, to the extent permitted under law, to any agent in the sole discretion of the City.

Nothing in this Franchise shall expand or limit the City's right of eminent domain under State law.

The Grantee and the City shall be entitled to all rights and be bound by all changes in local, State and federal law that occur subsequent to the effective date of this Franchise. The Grantee and the City acknowledge that their rights and obligations under this Franchise are explicitly subject to all such changes.

4.2 Charges

All of Grantee's rates and charges related to or regarding Cable Services shall be subject to regulation by the City to the full extent authorized by applicable federal, State and local laws.

4.3 Cross Subsidization

Grantee shall comply with all applicable laws regarding rates for Cable Services and all applicable laws covering issues of cross subsidization.

4.4 No Rate Discrimination

All of Grantee rates and charges shall be published (in the form of a publicly-available rate card), and shall be nondiscriminatory for all Persons of similar classes, under similar circumstances and conditions. Grantee shall permit Subscribers to make any in-residence connections the Subscriber chooses without additional charge and without penalizing the Subscriber therefor. However, if any in-home connection requires service from Grantee due to poor signal quality, signal leakage or other factors, caused by improper installation of such in-home wiring or faulty materials of such in-home wiring, the Subscriber may be charged appropriate service charges by Grantee. Nothing herein shall be construed to prohibit:

- (A) The temporary reduction or waiving of rates or charges in conjunction with valid promotional campaigns;
- (B) The offering of reasonable discounts to similarly situated Persons;
- (C) The offering of rate discounts for Cable Service to government agencies or educational institutions; or
- (D) The offering of bulk discounts for Multiple Dwelling Units.

The Grantee shall offer a discount to those individuals who are low income (according to City guidelines) and who are also either permanently disabled or 62 years of age or older and who are the legal owner and resident of the dwelling unit. Such discounts will consist of at least thirty (30%) off of Basic Service (whether it is Basic Service only or combined with Expanded Basic Service or with a premium service), and Grantee is also encouraged to waive standard installation charges.

4.5 Rates

Upon request, Grantee shall provide a complete schedule of current rates and charges for any and all Leased Access Channels, or portions of such Channels, provided by Grantee. The schedule shall

include a description of the price, terms and conditions established by Grantee for Leased Access Channels.

4.6 Late Fees

(A) For purposes of this subsection, any assessment, charge, cost, fee or sum, however characterized, that the Grantee imposes upon a Subscriber solely for late payment of a bill is a late fee and shall be applied in accordance with applicable local, state and federal laws.

(B) The Grantee's late fee and disconnection policies and practices shall be nondiscriminatory, and such policies and practices, and any fees imposed pursuant to this subsection, shall apply equally in all parts of the City without regard to the neighborhood or income level of the Subscribers.

4.7 Reserved Authority

The City reserves all rights and authority arising from the Cable Act and any other relevant provisions of federal, state or local laws.

4.8 Time Limits Strictly Construed

Whenever this Franchise sets forth a time for any act to be performed by Grantee or the City, such time shall be deemed to be of the essence, and any failure of Grantee to perform within the allotted time may be considered a material breach of this Franchise.

4.9 Performance Evaluations

(A) Evaluation sessions may be held upon request by the City, but no more frequently than once a year, throughout the term of this Franchise.

(B) All evaluation sessions shall be open to the public and shall be announced by the City at least two (2) weeks in advance, in a newspaper of general circulation in the Franchise Area.

(C) Topics of discussion at any evaluation session may include, but are not limited to, Cable Service rates; Franchise Fees; liquidated damages; free or discounted Cable Services; application of new technologies; system performance; Cable Services provided; programming offered; customer complaints; privacy; amendments to this Franchise; judicial and FCC rulings; line extension policies; and the City's or Grantee's rules; provided that nothing in this subsection shall be construed as requiring the renegotiation of this Franchise.

(D) During evaluations under this Franchise, Grantee shall fully cooperate with the City and shall provide such information and documents as the City may reasonably require to perform the evaluation.

SECTION 5. INDEMNIFICATION AND INSURANCE REQUIREMENTS

5.1 Indemnification

(A) General Indemnification. Grantee shall indemnify, defend and hold harmless the City, its officers, officials, boards, commissions, agents and employees from any action or claim,

damage, loss, liability, cost or expense, including court and appeal costs and attorneys' fees and expenses, arising from any death, or injury casualty or accident to a Person, equipment or property or arising out of or by reason of, the presence of or any construction, excavation, operation, maintenance, repair, reconstruction, upgrade, rebuild, upkeep or removal of the Cable System, by or for Grantee, its agents or its employees, or by reason of any neglect or omission of Grantee, its agents or its employees. Grantee shall consult and cooperate with the City while conducting its defense of the City.

(B) Procedures and Defense. The City shall give the Grantee timely written notice of any claim or of the commencement of any action, suit or other proceeding covered by the indemnity in this Section. If a claim or action arises, the City or any other indemnified party shall then tender the defense of the claim to Grantee, which defense shall be at Grantee's expense. The City may participate in the defense of a claim and, in any event, Grantee may not agree to any settlement of claims financially affecting the City without the City's prior written approval, which approval shall not be unreasonably withheld.

(C) Grantee's Duties. The fact that Grantee carries out any activities under this Franchise through independent contractors shall not constitute an avoidance of or defense to Grantee's duties of defense and indemnification under this Section.

(D) Expenses. If separate representation to fully protect the interests of both parties is necessary, such as a conflict of interest between the City and the counsel selected by Grantee to represent the City, Grantee shall pay expenses incurred by the City in defending itself with regard to any action, suit or proceeding indemnified by Grantee. The City's expenses shall include all out-of-pocket expenses, such as consultants' fees, and shall also include the reasonable value of any services rendered by the City Attorney or his/her assistants or any employees of the City or its agents but shall not include outside attorneys' fees for services that are unnecessarily duplicative of services provided the City by Grantee.

5.2 Insurance Requirements

(A) General Requirement. Grantee must have adequate insurance during the entire term of this Franchise to protect the City against claims for death or injuries to Persons or damages to property or equipment which in any way relate to, arise from or are connected with this Franchise, or involve Grantee, its agents, representatives, contractors, subcontractors and their employees.

(B) Minimum Insurance Limits. Grantee must keep insurance in effect in accordance with the minimum insurance limits herein set forth:

- (1) Commercial General Liability: Two million dollars (\$2,000,000) aggregate limit per occurrence for bodily injury, personal injury and property damage;
- (2) Automobile Liability: Two million dollars (\$2,000,000) combined single limit per accident for bodily injury and property damage; and
- (3) Employer's Liability: One million dollars (\$1,000,000).

- (4) Excess Liability or Umbrella Coverage: Five million dollars (\$5,000,000).

C. Endorsements.

- (1) All policies shall contain, or shall be endorsed so that:

(a) The City shall be designated as an additional insured;

(b) The Grantee's insurance coverage shall be primary insurance with respect to the City, its officers, officials, boards, commissions, employees and agents. Any insurance or self-insurance maintained by the City, its officers, officials, boards, commissions, employees and agents shall be in excess of the Grantee's insurance and shall not contribute to it; and

(c) The policy shall contain a severability of interests provision. Grantee's insurance shall apply separately to each insured against whom a claim is made or lawsuit is brought, except with respect to the limits of the insurer's liability.

(2) The insurance provided herein shall not be cancelled or the limits reduced so as to be out of compliance with the requirements of this Section without forty-five (45) days' written notice first being given to the City. If the insurance is cancelled Grantee shall provide a replacement policy. Grantee agrees to maintain continuous uninterrupted insurance coverage, in the amounts required, for the duration of this Franchise.

(D) Acceptability of Insurers. The insurance obtained by Grantee shall be placed with insurers with a Best's rating of no less than "A VII".

(E) Verification of Coverage. The Grantee shall furnish the City with a certificate of insurance. The certificate for each insurance policy is to be signed by a person authorized by that insurer to bind coverage on its behalf. The certificate for each insurance policy must be on standard forms or on such forms as are consistent with standard industry practices, and are to be provided to the City upon acceptance of this Franchise. The Grantee hereby warrants that its insurance policies satisfy the requirements of this Franchise.

5.3 Letter of Credit

(A) If there is an uncured breach by Grantee of a material provision of this Franchise or a pattern of repeated violations of any provision(s) of this Franchise, then the City may request and Grantee shall establish and provide to the City, as security for the faithful performance by Grantee of all of the provisions of this Franchise, a letter of credit from a financial institution satisfactory to the City in the amount of ten thousand dollars (\$10,000).

(B) If a letter of credit is required pursuant to subsection (A), the letter of credit shall then be maintained at that same amount throughout the remainder of the term of this Franchise.

(C) After the giving of notice to Grantee and expiration of any applicable cure period, the letter of credit may be drawn upon by the City for purposes including, but not limited to, the following:

- (1) Failure of Grantee to pay the City sums due under the terms of this Franchise;
- (2) Reimbursement of costs borne by the City to correct Franchise violations not corrected by Grantee;
- (3) Monetary remedies or damages assessed against Grantee as provided in this Franchise.

(D) The City shall give Grantee written notice of its intent to withdraw from the letter of credit pursuant to this subsection. Within thirty (30) days following notice that such withdrawal has occurred, Grantee shall restore the letter of credit to the full amount required by subsection (A). Grantee's maintenance of the letter of credit shall not be construed to excuse unfaithful performance by Grantee or limit the liability of Grantee to the amount of the letter of credit or otherwise limit the City's recourse to any other remedy available at law or in equity.

(E) Grantee shall have the right to appeal to the City Council for reimbursement in the event Grantee believes that the letter of credit was drawn upon improperly. Grantee shall also have the right of judicial appeal if Grantee believes the letter of credit has not been properly drawn upon in accordance with this Franchise. Any funds the City erroneously or wrongfully withdraws from the letter of credit shall be returned to Grantee with interest, from the date of withdrawal at the rate established for judgments by the Snohomish County Superior Court.

5.4 Bonds

(A) Upon commencement of the Cable System Upgrade, Grantee shall comply with the bonding requirements provided for in the Marysville Municipal Code. Grantee may be required to obtain other additional bonds in accordance with the City's ordinary practices.

(B) Grantee's maintenance of the bond(s) shall not be construed to excuse unfaithful performance by Grantee or limit the liability of Grantee to the amount of the bond(s) or otherwise limit the City's recourse to any other remedy available at law or in equity.

SECTION 6. CUSTOMER SERVICE

6.1 Customer Service Standards

Grantee shall comply with Customer Service Standards as the same may be adopted and amended from time to time by the City Council. Grantee reserves the right to challenge any customer service standards which it believes are inconsistent with its contractual rights granted under this Franchise.

6.2 Subscriber Privacy

Grantee will comply with privacy rights of Subscribers in accordance with federal, State and local laws.

SECTION 7. REPORTS AND RECORDS

7.1 Open Records

The City shall have access to, and the right to inspect, any books and records of Grantee and its Affiliates which are necessary for the enforcement of the provisions of this Franchise. Grantee shall not deny the City access to any of Grantee's records on the basis that Grantee's records are under the control of any Affiliate or a third Person. The City may, in writing, request copies of any such records or books, and Grantee shall provide such copies within thirty (30) days of the transmittal of such request. One copy of all reports and records required under this or any other Section shall be furnished to the City at the sole expense of Grantee. If the requested books and records are too voluminous, or for security reasons cannot be copied or removed, then Grantee may request that the City inspect them at Grantee's local office. If any books or records of Grantee are not kept in a local office and not made available in copies to the City upon written request as set forth above, and if the City determines that an examination of such records is necessary for the enforcement of this Franchise, then all reasonable travel expenses incurred in making such examination shall be paid by Grantee.

7.2 Confidentiality

The City agrees to keep confidential any proprietary or confidential books or records of Grantee to the extent permitted by law. Grantee shall be responsible for clearly and conspicuously identifying the records as confidential or proprietary, and shall provide a brief written explanation as to why such information is confidential or proprietary and how it may be treated as such under State or federal law. If the City receives a demand from any Person for disclosure of any information designated by Grantee as confidential, the City shall, so far as consistent with applicable law, advise Grantee and provide Grantee with a copy of any written request by the Person demanding access to such information within a reasonable time.

7.3 Records Required

Grantee shall provide to the City, upon request:

- (A) A complete set of route maps showing the location of Cable System facilities in the Franchise Area;
- (B) A copy of all FCC filings issued by Grantee or its Affiliates which relate to the operation of the System in the Franchise Area;
- (C) A list of Grantee's Cable Services, rates and Channel line-up;
- (D) A compilation of Subscriber complaints, actions taken and resolution, and a log of service calls; and

(E) Make available, at Grantee's local office, for inspection, plans and as-built maps of the Cable System.

7.4 Submittal of Documents

Upon written request, Grantee shall submit to the City copies of any applications, notifications, communications and documents of any kind, submitted by Grantee or its Affiliates to any federal, State or local courts, regulatory agencies and other government bodies if such documents directly relate to the operations of Grantee's System within the Franchise Area. Grantee shall submit such documents to the City no later than forty-five (45) days after receipt of the City's request. Grantee shall not claim confidential, privileged or proprietary rights to such documents unless under federal, State, or local law such documents have been determined to be confidential by a court of competent jurisdiction, or a federal or State agency.

7.5 Annual Reports

Within ninety (90) days of the end of the calendar year, Grantee shall submit to the City a written report, which shall include, but not necessarily be limited to, the following information:

(A) A Gross Revenue statement for the preceding year and all deductions and computations for the period, and such statement shall be reviewed by a certified public accountant, who may also be the chief financial officer or controller of Grantee, prior to submission to the City;

(B) A summary of the previous year's activities regarding the development of the Cable System, including, but not limited to, beginning and ending plant miles, any technological changes occurring in the Cable System and the number of Subscribers for each class of Cable Service (i.e., Basic, Expanded Basic Service, Premium, etc.);

(C) A description of planned construction, if any, for the current year; and

(D) An executive summary of Subscriber complaints received in the previous year.

7.6 False Statements

Any intentional false or misleading statement or representation in any report required by this Franchise shall be a material breach of this Franchise and may subject Grantee to all remedies, legal or equitable, which are available to the City under this Franchise or otherwise.

7.7 Failure to Report

The failure or neglect of Grantee to file any of the information required under this Franchise (not including clerical errors or errors made in good faith) may, at the City's option, be deemed a breach of this Franchise.

SECTION 8. PROGRAMMING

8.1 Broad Programming Categories

Grantee shall provide at least the following initial broad categories of programming to the extent such categories are reasonably available:

- (A) Educational programming;
- (B) Washington news, weather and information;
- (C) Sports;
- (D) General entertainment including movies;
- (E) Children, family oriented;
- (F) Arts, culture and performing arts;
- (G) Foreign language programming;
- (H) Science/documentary;
- (I) National news, weather and information; and
- (J) Access programming.

8.2 Deletion of Broad Programming Categories

(A) Grantee shall not delete or so limit as to effectively delete any broad category of programming within its control without prior written notice to the City.

(B) In the event of a modification proceeding under federal law, the mix and quality of Cable Services provided by Grantee on the effective date of this Franchise must be maintained after any such modification.

8.3 Ascertainment of Programming and Customer Satisfaction

Upon request of the City, but not more frequently than once every two (2) years, the Grantee shall provide to the City written questions that it intends to use in upcoming surveys of customer satisfaction. The City may suggest new or modified questions, which the Grantee, in the reasonable exercise of its discretion, may add to the customer survey it conducts. Upon completion of the customer survey of Subscribers in the City, Grantee shall provide the results thereof to the City. Nothing herein shall be construed to limit the right of the City to conduct its own surveys at its own expense.

8.4 Continuity of Service Mandatory

(A) It shall be the right of all Subscribers to continue to receive Cable Service from Grantee insofar as their financial and other obligations to Grantee are honored. The Grantee shall use reasonable efforts so as to ensure that all Subscribers receive continuous, uninterrupted Cable Service. For the purposes of this subsection, "uninterrupted" does not include short-term outages of the Cable System for upgrade construction, maintenance or testing.

(B) In the event a new Cable Operator acquires the Cable System in accordance with this Franchise, Grantee shall reasonably cooperate with the City and the new Cable Operator to maintain continuity of Cable Service to all Subscribers. During any transition period, Grantee shall be entitled to the revenues for any period during which it operates the Cable System, and shall be entitled to reasonable costs for its services, if such services are requested by the City, when it no longer operates the Cable System.

8.5 Obscenity

Grantee shall not transmit, or permit to be transmitted, over any Channel subject to its editorial control any programming which is obscene under applicable federal, State or local laws, statutes, regulations or standards now existing or hereafter adopted.

8.6 Parental Control Device

Upon request by any Subscriber, Grantee shall make available a parental control or lockout device, traps or filters to enable a Subscriber to control access to both the audio and video portions of any or all Channels. Grantee shall inform its Subscribers of the availability of the lockout device at the time of their initial subscription and periodically thereafter.

8.7 Cable Internet Service

Grantee has established a voluntary initiative to provide Cable Internet Service to all State-accredited K-12 schools and public libraries that are passed within 125 feet of the Cable System at no cost to the City or institutions. Grantee intends to provide at its expense each of these schools and libraries with one outlet of unlimited Internet access, including the necessary cable modem. The City encourages and supports Grantee's efforts in this area.

8.8 New Technology

If there is a new technology which in the City's opinion would enhance substantially the quality or quantity of programming available to Subscribers on the System, Grantee shall, at the request of the City, investigate the feasibility of implementing said technology and report to the City the results of such investigation.

8.9 Services for the Disabled

Grantee shall comply with the Americans With Disabilities Act and any amendments or successor legislation thereto.

SECTION 9. ACCESS

9.1 Access Channels

Upon the effective date of this Franchise and throughout the term hereof, Grantee shall make available at its expense:

One Governmental Access Channel for use by the City; and

One Educational Access Channel for use by the Marysville School District.

Additionally, upon completion of the System upgrade, Grantee shall carry all other available regional Access Channels in Snohomish County as part of the upgraded channel line up. Furthermore, upon completion of the System upgrade, all Subscribers in the Franchise Area will receive all of the Access Channels.

Any Access Channels provided via digital or compressed video technology shall have at least the same transmission quality as is used to carry any of the commercial Channels that deliver programming on the System. The provision of Access Channels via digital or compressed video technology will not reduce the total number of Access Channels required herein.

If Grantee makes a change in its Cable System and related equipment and facilities, or in its signal delivery technology, which directly or indirectly affects the signal quality or transmission of Access programming, Grantee shall at its own expense take necessary technical steps and provide necessary technical assistance, including the acquisition of all necessary equipment and full training of Access personnel, to ensure that the capabilities of Access Channels are not diminished or adversely affected by such change. For example, this provision shall apply if Basic Service on the Cable System is converted from an analog to a digital format, such that the Access Channels must also be converted to a digital format in order to be received by Subscribers.

9.2 Management and Control of Access Channels

(A) The City may authorize Designated Access Providers to control, operate and manage the use of any and all Access facilities provided by Grantee under this Franchise, including, without limitation, the operation of Access Channels. The City or its designee may formulate rules for the operation of the Access Channels, consistent with this Franchise. Nothing herein shall prohibit the City from authorizing itself to be a Designated Access Provider.

(B) Grantee shall cooperate with the City and Designated Access Providers in the use of the System and Access facilities for the provision of Access Channels. To the extent allowed by law, the City agrees to indemnify, save and hold harmless Grantee from and against any and all liability resulting from the City's use of the Governmental Access Channel.

9.3 Additional Access Channels

In addition to the Access Channels referenced in Section 9.1 above, the City may require Grantee to make available at no charge additional Access Channels, as established by the triggers set forth below.

One additional channel shall be made available for each Access category when either of the initial channels required above respectively is used for original Educational Access or Governmental Access programming (excluding character generated and filler programming, e.g., AM/FM radio programming) during fifty percent (50%) of the hours between 10:00 AM and 10:00 PM, during any consecutive ten (10) week period. Except for character generated announcements, the programming shall be distinct and non-repetitive of the previous channel. Based upon this criteria, the Grantee shall, within six (6) months following a written request by the City, provide another designated Access Channel.

9.4 Location of Access Channels

Subject to must carry requirements, Grantee will continue to carry the City's programming on Channel 29 until such time as the Cable System Upgrade is completed. Furthermore, Grantee will institute common Channel assignments for compatible Access programming; for example, assigning all Educational Access Channels programmed by higher education organizations to the same Channel number on its regional upgraded channel line-up. Grantee shall use its best efforts to provide ninety (90) days advance written notice to the City and at least thirty (30) days advance written notice to the City prior to any relocation of Access Channel 29. In connection with the movement of the City's Government Access Channel to another Channel number, Grantee shall provide, at its expense, a bill message on Subscribers' bills, and the City may provide, at its expense, a bill insert.

9.5 Access Interconnections

Grantee shall Interconnect the Access Channels of the Cable System with the Access Channels of any other contiguous cable system not owned or operated by Grantee or an Affiliate of Grantee if technically feasible and not financially burdensome to Grantee. Interconnection of Access Channels may be accomplished by direct fiber optic or cable connection or by other appropriate methods. Grantee shall not be required to Interconnect with the other cable system unless the cable operator of that system is willing to do so and such cable operator shall pay for its own costs of constructing and maintaining the Interconnect up to the connection point.

9.6 Access or I-Net Support Grants

No later than forty-five (45) days after the adoption of this Franchise, Grantee shall pay to the City a capital advance in the amount of \$88,000. Additionally, at the beginning of year two of this Franchise, Grantee shall pay to the City another capital advance in the amount of \$88,000. These are advance payments of the Capital Contribution set forth in subsection 9.7. These support grants may be used by the City for capital expenditures related to Access and/or I-Net construction, renovation, equipment or facilities. These grants shall in no way be considered in lieu of Franchise Fees and shall not reduce in any way Franchise Fees owed to the City under this Franchise. To the extent allowed by federal law, these capital advances may be treated as an external cost by Grantee and itemized on Subscribers' bills.

9.7 Capital Contribution

Commencing with the effective date of this Franchise, Grantee shall provide a capital contribution to the City for Access and/or I-Net capital costs ("Capital Contribution") in an amount not to exceed \$1.00 per Subscriber per month throughout the term of this Franchise. As of the effective date of this Franchise, that figure shall be \$1.00 per Subscriber per month. The monthly amount may be reduced, as determined by the City Council. Grantee shall be entitled to retain the Capital Contribution up to the amounts advanced in subsection 9.6. Thereafter, the Capital Contribution shall be paid quarterly to the City. Grantee shall not be responsible for paying the Capital Contribution with respect to gratis or bad debt accounts. Within ninety (90) days after the end of each year, Grantee shall provide a report to the City regarding such gratis or bad debt accounts, which report may be included as part of another report. The City can inquire as to the status of any such accounts, and the Grantee agrees to meet with the City, upon request, to discuss such matters as necessary. To the extent allowed by federal law, the Capital Contribution may be treated as an

external cost by Grantee and itemized on Subscribers' bills. The City shall have discretion to allocate the Capital Contribution in accordance with applicable law, provided the City submits a summary of capital expenditures from the Capital Contribution to Grantee within ninety (90) days of the end of each calendar year. To the extent the City makes Access and/or I-Net capital investments using City funds prior to receiving necessary capital advances or Capital Contribution funds, the City is entitled to apply subsequent capital advances or Capital Contribution payments from Grantee toward such City capital investments.

The City and Grantee agree that any Capital Contribution shall be referred to on Subscribers' bills as a "EG fee", "I-Net fee" or language substantially similar thereto. Grantee shall not change such reference on the Subscribers' bills without the prior written consent of the City, which consent shall not be unreasonably withheld.

9.8 Access Channels On Lowest Tier

All Access Channels provided to Subscribers under this Franchise shall be included by Grantee as a part of the Basic Service Tier.

9.9 Use of Educational and Governmental Access Channels

Access Channels shall be placed under the authority of the City for use related to governmental and educational purposes. Access Channel use shall include sponsorships and underwriting. Grantee shall not exercise editorial control over programming of any Access Channel made available to the City or the Marysville School District for their use. Grantee will not interrupt at its headend or hub site, the signal provided on any Access Channel, except during the upgrade, or during circumstances beyond Grantee's control or if necessary for testing or planned system maintenance purposes.

9.10 Technical Quality

The Grantee shall, at its expense, maintain all Access services, Channels and Interconnections at the same level of technical quality and reliability as that for the rest of its System. The Grantee shall, at its expense, provide routine maintenance and repair and replace, if necessary, any of Grantee's equipment required to carry a quality signal to and from the City's (and Designated Access Providers') and the Grantee's facilities for the Access Channels.

9.11 Underutilized Access Channels

Grantee and the City agree that it is their mutual goal to fully and efficiently use the Channel capacity of the Cable System, which may include allowing the Grantee to use underutilized time on the dedicated Access Channels. If Grantee believes that any Access Channel has underutilized time, Grantee may file a request with the City to use that time. In response to the request, the City will consider a combination of factors, including, but not limited to, the community's needs and interests, and the source, quantity, type and schedule of the programming carried on the Access Channel. The City will also consider, taking into account the mission of Access programming, whether it is feasible for the Designated Access Providers to cluster Access programming into blocks of time such that the Channel space can be compatibly shared between the Designated Access Provider and the Grantee and/or if several Designated Access Providers can combine their programming onto a single Access Channel. The City shall render its decision regarding the matter

within sixty (60) days of receiving the request. Should the City find that the Access Channel or a portion of the Access Channel may be used by the Grantee, then Grantee may begin using such time ninety (90) days after receipt of the decision. The Grantee's request shall not be unreasonably denied. Any permission granted pursuant to this subsection for use of an Access Channel or a portion thereof shall be considered temporary.

At such time as a Designated Access Provider believes that it has the resources and ability to utilize the Access Channel time currently used by the Grantee pursuant to this subsection, a Designated Access Provider may request that the City return such Channel or portion of the Channel for Access purposes. In response to the request, the City will consider a combination of factors, including, but not limited to, the community's needs and interests, and the source, quantity, type and schedule of the programming proposed to be carried on the Access Channel as well the applicant's ability and resources to acquire or produce the proposed Access programming. The City will also consider, taking into account the mission of the Access programming, whether it is feasible for the Designated Access Providers to cluster Access programming into blocks of time such that the Channel space can be compatibly shared between the Designated Access Provider and the Grantee and/or if several Designated Access Providers can combine their programming onto a single Access Channel. The City shall render its decision regarding the matter within sixty (60) days of receiving the request. Should the City find that the evidence exists to support the return of the Access Channel or a portion of the Access Channel to the Designated Access Provider, then Grantee shall surrender the Access Channel or the requested time on the Access Channel, as applicable, within ninety (90) days of receiving the decision. The Designated Access Provider's request shall not be unreasonably denied.

9.12 Information about Access Programming

Grantee shall include information about Access programming in the installation packet provided to Subscribers. The City shall supply the materials, for insertion in the packet, in a format consistent with Grantee's requirements.

9.13 Return Lines

In conjunction with the Cable System Upgrade, Grantee shall, at its expense, construct and maintain a fiber optic return line to the Headend (and hub[s] if applicable) from City Hall (on State Avenue) and the School District Service Center to enable the distribution of Governmental and Educational Access programming to Residential Subscribers on the Access Channels.

SECTION 10. GENERAL RIGHT-OF-WAY USE AND CONSTRUCTION

10.1 Right to Construct

Subject to generally applicable laws, regulations, rules, resolutions and ordinances of the City and the provisions of this Franchise, Grantee may perform all construction in the Rights-of-Way for any facility needed for the maintenance, Upgrade or extension of Grantee's Cable System.

10.2 Right-of-Way Meetings

Subject to receiving advance notice, Grantee shall make reasonable efforts to attend and participate in meetings of the City regarding Right-of-Way issues that may impact the Cable System.

10.3 General Standard

All work authorized and required hereunder shall be done in a safe, thorough and workmanlike manner. All installations of equipment shall be durable and installed in accordance with good engineering practices.

10.4 Joint Trenching/Boring

Whenever it is possible and reasonably and financially practicable to joint trench or share bores or cuts, Grantee shall work with other providers (such as, but not limited to, telecommunications, gas and electric companies), licensees, permittees and franchisees so as to reduce so far as possible the number of Right-of-Way cuts within the City.

10.5 Movement of Facilities During Emergencies

During emergencies, the City may move Grantee's facilities without prior notice.

10.6 One Call

Grantee will maintain membership in good standing with the Utility Coordinating Council One Call Center or other similar or successor organization which is designated to coordinate underground equipment locations and installations. Grantee shall abide by the State's "Underground Utilities" statutes and will further comply with and adhere to local procedures, customs and practices relating to the one call locator service program.

10.7 Permits Required for Construction

Prior to doing any work in the Right-of Way or other public property, Grantee shall apply for, and obtain, appropriate permits from the City. As part of the permitting process, the City may impose such conditions and regulations as are necessary for the purpose of protecting any structures in such Rights-of-Way, and in providing for the proper restoration of such Rights-of-Way and to protect the public and the continuity of pedestrian or vehicular traffic. Grantee shall pay all generally applicable fees for the requisite City permits.

10.8 Emergency Permits

In the event that emergency repairs are necessary, Grantee shall immediately notify the City of the need for such repairs. Grantee may initiate such emergency repairs, and shall apply for appropriate permits within forty-eight (48) hours after discovery of the emergency.

10.9 Compliance with Applicable Codes

(A) City Codes. Grantee shall comply with all applicable City codes, including, without limitation, construction codes, building codes, the Fire Code and zoning codes and regulations.

(B) Regulations and Safety Codes. Grantee shall comply with all applicable federal, State and City safety requirements, rules, regulations, laws and practices. By way of illustration and not limitation, Grantee shall comply with the National Electric Code, National Electrical Safety Code and Occupational Safety and Health Administration (OSHA) Standards.

10.10 GIS Mapping

Grantee shall comply with any generally applicable ordinances, rules and regulations of the City regarding geographic information mapping systems for users of the Rights-of-Way.

10.11 Least Interference

Work in the Right-of-Way, or on other public or private property, shall be done in a manner that causes the least interference with the rights and reasonable convenience of property owners and residents. Grantee's Cable System shall be constructed and maintained in such manner as not to interfere with sewers, water pipes or any other property of the City, or with any other pipes, wires, conduits, pedestals, structures or other facilities that may have been laid in the Rights-of-Way by, or under, the City's authority. The Grantee's Cable System shall be located, erected and maintained so as not to endanger or interfere with the lives of persons, or to unreasonably interfere with new improvements the City may deem proper to make or to unnecessarily hinder or obstruct the free use of the Rights-of-Way or other public property, and shall not interfere with travel and use of public places by persons during the construction, repair, operation or removal thereof, and shall not obstruct or impede traffic. In the event of such unreasonable interference, the City may require the removal or relocation of Grantee's lines, cables, equipment and other appurtenances from the property in question at Grantee's expense.

10.12 Prevent Injury/Safety

Grantee shall provide and use any equipment and facilities necessary to control and carry Grantee's signals so as to prevent injury to the City's property or property belonging to any Person. Grantee, at its own expense, shall repair, renew, change and improve its facilities to keep them in good repair, and safe and presentable condition. All excavations made by Grantee in the Rights-of-Way shall be properly safeguarded for the prevention of accidents.

10.13 Notice to Private Property Owners

Except in the case of an emergency involving public safety or an outage, or service interruption to a large number of Subscribers, Grantee shall give reasonable advance notice to private property owners or tenants of work on or adjacent to such private property.

10.14 Underground Construction and Use of Poles

(A) The Grantee shall utilize existing poles and conduit wherever possible.

(B) In areas where either electric or telephone utility wiring is aerial, the Grantee may install aerial cable, except when a property owner or resident requests underground installation and agrees to bear the additional cost in excess of aerial installation.

(C) Where electric and telephone lines are underground at the time of Cable System construction or Upgrade, or when such wiring is subsequently placed underground, all Cable System lines shall also be placed underground with other wireline service at no expense to the City or Subscribers. Related Cable System equipment, such as pedestals or power supplies, must be placed in accordance with the City's applicable code and permit requirements and rules.

(D) This Franchise does not grant, give or convey to the Grantee the right or privilege to install its facilities in any manner on specific utility poles or equipment of the City or of any other Person.

(E) The Grantee and the City recognize that situations may occur in the future where the City may desire to place its own fiber optic cable in trenches or bores opened by the Grantee. The Grantee agrees to cooperate with the City in any construction that involves trenching or boring, provided that the City has first provided reasonable notice to the Grantee in some manner that it is interested in sharing the trenches or bores in the area where the Grantee's construction is occurring. The Grantee shall allow the City to lay City conduit and fiber optic cable in the Grantee's trenches and bores, provided the City shares pro rata in the cost of the trenching and boring with Grantee. The City shall be responsible for maintaining its respective conduit and fiber optic cable, which is buried in the Grantee's trenches and bores.

10.15 Repair and Restoration of Property

(A) The Grantee shall protect public and private property from damage. If damage occurs, the Grantee shall promptly notify the property owner within twenty-four (24) hours.

(B) Whenever Grantee disturbs or damages any Right-of-Way, other public property or any private property, Grantee shall promptly restore the Right-of-Way or property to at least its prior condition, normal wear and tear excepted, at its own expense.

(C) Rights-of-Way and Other Public Property. Grantee shall warrant any restoration work performed by or for Grantee in the Right-of-Way or on other public property or private property for one (1) year, unless a longer period is required by the City Code or any generally applicable ordinance or resolution of the City. If restoration is not satisfactorily performed by the Grantee within a reasonable time, the City may, after prior notice to the Grantee, or without notice where the disturbance or damage may create a risk to public health or safety, cause the repairs to be made and recover the reasonable cost of those repairs from the Grantee. Within thirty (30) days of receipt of an itemized list of those costs, including the costs of labor, materials and equipment, the Grantee shall pay the City.

(D) Private Property. Upon completion of the work that caused any disturbance or damage, Grantee shall promptly commence restoration of private property, and will use its best efforts to complete the restoration within twenty-four (24) hours, considering the nature of the work that must be performed.

10.16 Discontinuing Use

Whenever Grantee intends to discontinue using any facility within the Rights-of-Way, Grantee shall notify the City of its intention. Grantee may remove the facility or request that the City permit it to remain in place. Notwithstanding Grantee's request that any such facility remain in place, the City may require Grantee to remove the facility from the Right-of-Way or modify the facility to protect the public health, welfare, safety, or convenience, or otherwise serve the public interest. The City may require Grantee to perform a reasonable combination of modification and removal of the facility. Grantee shall complete such removal and/or modification respectively in accordance with

a schedule reasonably set by the City. Until such time as Grantee removes or modifies the facility as reasonably directed by the City, or until the rights to and responsibility for the facility are accepted by another Person having authority to use, construct and/or maintain such facility, Grantee shall retain all liability for such facility and be responsible for all necessary repairs and relocations of the facility, as well as maintenance of the Right-of-Way, in the same manner and degree as if the facility were in active use.

10.17 Movement of Cable System Facilities For City Purposes

The City shall have the right to require Grantee to relocate, remove, replace, modify or disconnect Grantee's facilities and equipment located in the Rights-of-Way or on any other property of the City in the event of an emergency or when necessary to protect or further the health, safety or welfare of the general public, and such work shall be performed at Grantee's expense. Except during an emergency, the City shall provide reasonable notice to Grantee, not to be less than ten (10) business days, and allow Grantee with the opportunity to perform such action. In the event of any capital improvement project exceeding \$150,000 in expenditures by the City which requires the removal, replacement, modification or disconnection of Grantee's facilities or equipment, the City shall provide at least sixty (60) days written notice to Grantee. Following notice by the City, Grantee shall relocate, remove, replace, modify or disconnect any of its facilities or equipment within any Right-of-Way, or on any other property of the City. If the City requires Grantee to relocate its facilities located within the Rights-of-Way, the City shall make a reasonable effort to provide Grantee with an alternate location within the Rights-of-Way. If funds are generally made available to users of the Rights-of-Way for such relocation, Grantee shall be entitled to its pro-rata share of such funds.

If the Grantee fails to complete the above work within the time prescribed and to the City's reasonable satisfaction, the City may cause such work to be done and bill the reasonable cost of the work to the Grantee, including all reasonable costs and expenses incurred by the City due to Grantee's delay. In such event, the City shall not be liable for any damage to any portion of Grantee's Cable System. Within thirty (30) days of receipt of an itemized list of those costs, the Grantee shall pay the City.

10.18 Movement of Cable System Facilities for Other Franchise Holders

If any removal, replacement, modification or disconnection of the Cable System is required to accommodate the construction, operation or repair of the facilities or equipment of another City franchise holder, Grantee shall, after at least thirty (30) days advance written notice, take action to effect the necessary changes requested by the responsible entity. Grantee may require that the costs associated with the removal, replacement, modification or disconnection of the Cable System be paid by the benefited party, and Grantee may require a reasonable deposit of the estimated payment in advance.

10.19 Temporary Changes for Other Permittees

At the request of any Person holding a valid permit and upon reasonable advance notice, Grantee shall temporarily raise, lower or remove its wires as necessary to permit the moving of a building, vehicle, equipment or other item. The expense of such temporary changes must be paid by the permit holder, and Grantee may require a reasonable deposit of the estimated payment in advance.

10.20 Reservation of City Use of Right-of-Way

Nothing in this Franchise shall prevent the City from constructing sewers; grading, paving, repairing or altering any Right-of-Way; laying down, repairing or removing water mains; or constructing or establishing any other public work or improvement. All such work shall be done, insofar as practicable, so as not to obstruct, injure or prevent the use and operation of Grantee's Cable System.

10.21 Tree Trimming

Grantee may prune or cause to be pruned, using proper pruning practices, any tree in the Rights-of-Way which interferes with Grantee's Cable System. Grantee shall comply with any general ordinance or regulations of the City regarding tree trimming. Except in emergencies, Grantee may not prune trees at a point below thirty (30) feet above sidewalk grade until one (1) week written notice has been given to the owner or occupant of the premises abutting the Right-of-Way in or over which the tree is growing. The owner or occupant of the abutting premises may prune such tree at his or her own expense during this one (1) week period. If the owner or occupant fails to do so, Grantee may prune such tree at its own expense. For purposes of this subsection, emergencies exist when it is necessary to prune to protect the public or Grantee's facilities from imminent danger only.

10.22 Inspection of Construction and Facilities

The City may inspect any of Grantee's facilities, equipment or construction within the Rights-of-Way and on other public property upon at least twenty-four (24) hours notice, or, in case of an emergency, upon demand without prior notice. If an unsafe condition is found to exist, the City, in addition to taking any other action permitted under applicable law, may order Grantee, in writing, to make the necessary repairs and alterations specified therein forthwith to correct the unsafe condition by a time the City establishes. The City has the right to inspect, repair and correct the unsafe condition if Grantee fails to do so, and to reasonably charge Grantee therefor.

10.23 Stop Work

(A) On notice from the City that any work is being performed contrary to the provisions of this Franchise, or in an unsafe or dangerous manner as reasonably determined by the City, or in violation of the terms of any applicable permit, laws, regulations, ordinances or standards, the work may immediately be stopped by the City.

(B) The stop work order shall:

- (1) Be in writing;
- (2) Be given to the person doing the work, or be posted on the work site;
- (3) Be sent to Grantee by overnight delivery at the address given herein;
- (4) Indicate the nature of the alleged violation or unsafe condition; and

- (5) Establish conditions under which work may be resumed.

10.24 Work of Contractors and Subcontractors

Grantee's contractors and subcontractors shall be licensed and bonded in accordance with the City's generally applicable ordinances, regulations and requirements. Work by contractors and subcontractors is subject to the same restrictions, limitations and conditions as if the work were performed by Grantee. Grantee shall be responsible for all work performed by its contractors and subcontractors and others performing work on its behalf as if the work were performed by it, and shall ensure that all such work is performed in compliance with this Franchise and other applicable laws, and shall be jointly and severally liable for all damages and correcting all damage caused by them. It is Grantee's responsibility to ensure that contractors, subcontractors or other Persons performing work on Grantee's behalf are familiar with the requirements of this Franchise and other applicable laws governing the work performed by them.

SECTION 11. SYSTEM UPGRADE/TECHNICAL STANDARDS

11.1 Subscriber Network

(A) Grantee shall connect, combine and upgrade its current Cable Systems into one operational hybrid fiber coaxial Cable System with a minimum capacity of two hundred (200) Channels of Video Programming, and the Cable System shall have two-way capability throughout the City, no later than thirty-six (36) months from the effective date of this Franchise. Grantee may provide for phased activation launches of applicable portions of the upgraded Cable System as nodes are completed. The Cable System shall be capable of supporting the full range of Cable Services offered by Grantee.

When Grantee has completed the upgrade of the Cable System throughout the City, Grantee shall send written notice to the City. The City shall have sixty (60) days from receipt of such notice to verify the records kept by the Grantee regarding the completion of the Cable System bandwidth expansion, and to complete such technical inspections as may be reasonably necessary to verify that the other components of the upgrade have been completed. The City may require the Grantee to provide additional facts and information, if necessary to verify the completion of the upgrade. Upon its completion of this review and inspection, the City shall notify the Grantee in writing of the City's position concerning the completion of the upgrade.

(B) Term Extension. Grantee shall receive a three (3) year term extension if the Cable System upgrade specified above is timely completed within twelve (12) months of the effective date, or a two (2) year term extension if the Cable System upgrade is completed within eighteen (18) months of the effective date. The City shall grant the term extension contingent upon its verification of the upgrade completion as provided above.

(C) Initial Term Reduction. If Grantee does not complete the upgrade of the Cable System specified herein within thirty-six (36) months of the effective date, then the initial eight (8) year term may be reduced, at the discretion of the City, by up to two (2) years. The City shall provide Grantee with written notice of its decision regarding an initial term reduction, if applicable.

(D) Upon request of the City, Grantee and the City will meet to discuss the progress of the upgrade and will work cooperatively to speed the construction process and to minimize the impact upon Subscribers. At each meeting, Grantee will provide a report on the upgrade, detailing Grantee's progress in satisfying the requirements of this Section.

(E) Equipment must be installed so that all closed captioned programming received by the Cable System shall include the closed caption signal, so long as the closed caption signal is provided consistent with FCC standards. Equipment must also be installed so that all signals received in stereo are retransmitted in stereo.

(F) All upgrade construction shall be subject to the City's policies and procedures for permitting.

(G) Grantee will take prompt corrective action if it finds that any facilities or equipment on the Cable System are not operating as expected, or if it finds that facilities and equipment do not comply with the requirements of this Franchise or applicable law.

(H) Grantee's construction decisions shall be based solely upon legitimate engineering decisions and shall not take into consideration the income level of any particular community within the Franchise Area.

11.2 Cable Services in Comparable Communities

Upon request, Grantee shall, every two (2) years following the effective date of this Franchise, provide detailed information to the City about Cable Services offered on a non-test basis in "similarly situated" cable systems in the region. If such Cable Services are not also being offered on Grantee's Cable System in the City, Grantee shall provide information on why such Cable Services are not being offered in the City and an estimated cost to supply such Cable Services. If economically feasible and technically available, Grantee shall deploy such services in a reasonable timeframe, provided that Grantee shall have the capability to recover its capital expenditures related thereto during the remaining time period left on this Franchise.

11.3 Standby Power

Grantee shall provide standby power generating capacity at the Cable System headend capable of providing twelve (12) hours of emergency operation. Grantee shall maintain standby power system supplies that will supply back-up power of at least two (2) hours duration throughout the trunk and distribution networks, and four (4) hours duration at all nodes and hubs. In addition, throughout the term of this Franchise, Grantee shall have a plan in place, along with all resources necessary for implementing such plan, for dealing with outages of more than two (2) hours. This outage plan and evidence of requisite implementation resources shall be presented to the City no later than thirty (30) days following receipt of a request therefor.

11.4 Emergency Alert Capability

(A) In accordance with the provisions of applicable law, as such provisions may be amended from time to time, EAS activation will be accomplished in compliance with all federal, state and local laws.

(B) The City shall allow only appropriately trained and authorized persons to operate the EAS equipment provided pursuant to this subsection and shall take reasonable precautions to prevent any use of the Grantee's Cable System that in any manner results in an inappropriate use thereof. To the extent allowed by law, the City shall hold the Grantee, its employees and officers harmless from any claims arising out of the emergency use of the EAS facilities by the City, including, but not limited to, reasonable attorneys' fees and costs.

(C) Grantee shall ensure that the EAS is functioning properly at all times. It will test the EAS periodically, in accordance with applicable law. Upon request, Grantee will advise the City of the testing schedule so that the City may be present for the tests.

11.5 Technical Performance

The technical performance of the Cable System shall meet or exceed all applicable federal technical standards, as they may be amended from time to time, regardless of the transmission technology utilized. The City shall have the full authority permitted by applicable law to enforce compliance with these technical standards.

11.6 Cable System Performance Testing

(A) Grantee shall, at Grantee's expense, perform the following tests on its Cable System:

- (1) All tests required by the FCC;
- (2) All other tests reasonably necessary to determine compliance with technical standards adopted by the FCC at any time during the term of this Franchise; and
- (3) All other tests as otherwise specified in this Franchise.

(B) At a minimum, Grantee's tests shall include:

- (1) Cumulative leakage index testing;
- (2) Semi-annual compliance and proof of performance tests in conformance with generally accepted industry guidelines;
- (3) Tests in response to Subscriber complaints; and
- (4) Periodic monitoring tests, at intervals not to exceed six (6) months, of Subscriber (field) test points, the headend, and the condition of standby power supplies.

Upon request, all required technical performance tests may be witnessed by representatives of the City.

(C) Grantee shall maintain written records of all results of its Cable System tests, performed by or for Grantee. Copies of such test results will be provided to the City upon request.

(D) Grantee shall promptly take such corrective measures as are necessary to correct any performance deficiencies fully and to prevent their recurrence as far as possible. Grantee's failure to correct deficiencies identified through this testing process shall be a violation of this Franchise. Sites shall be re-tested following correction.

11.7 Additional Tests

Where there exists other evidence which in the judgment of the City casts doubt upon the reliability or technical quality of the Cable System, the City shall have the right and authority, upon thirty (30) days notice, to require Grantee to test, analyze and report on the performance of the Cable System. Grantee shall fully cooperate with the City in performing such testing and shall prepare a report, if requested, within thirty (30) days after testing. Such report shall include the following information:

- (A) the nature of the complaint or problem which precipitated the special tests;
- (B) the Cable System component tested;
- (C) the equipment used and procedures employed in testing;
- (D) the method, if any, in which such complaint or problem was resolved; and
- (E) any other information pertinent to said tests and analysis, which may be required.

SECTION 12. INSTITUTIONAL NETWORK

12.1 Private Network

The I-Net is a private communications network governed by this Franchise and the Cable Act. The I-Net may be used by the City and any other qualified I-Net user to provide any technically and legally compatible, non-commercial service. The City agrees to require all qualified I-Net users to stipulate and agree to the requirements specified herein. "Technically compatible" includes, but is not limited to the understanding that the I-Net will not be used in any way that will interfere with the signal quality and the normal operation of Grantee's Cable System. "Legally compatible" includes, but is not limited to, the understanding that the I-Net may not be used for the provision of Telecommunications Services unless by separate agreement between the Grantee and the City, and that the City will not lease, sublease, or resell access to the I-Net. In addition, the Grantee and the City shall at all times provide such management of the I-Net as applicable to ensure the necessary protection of proprietary I-Net signals.

12.2 Qualified I-Net Users

The I-Net will be for the use of the City and any Qualified I-Net user, which shall include: the City, schools, fire stations and other public safety facilities, the library, other municipal facilities, and other public entities or locations that Grantee and the City agree in the future may use the I-Net provided that they are located within the Franchise Area.

12.3 I-Net Use

(A) Continued Use of the I-Net. The City and other Qualified I-Net Users shall have an exclusive and indefatigable right of use of the I-Net infrastructure for non-commercial private network communications, which right cannot be revoked by the Grantee, or successor companies or entities, if any, throughout the term of this Franchise or any renewal(s), extension(s) or transfer(s) thereof, so long as the City has met its financial obligations to Grantee. However, the Grantee shall at all times own in fee and maintain, in accordance with a signed Institutional Network Maintenance Agreement which is attached hereto as Exhibit A and incorporated herein by reference, the aerial and underground fiber optic cable and associated facilities and equipment up to the termination points where physically connected to City-owned optronics.

(B) Appropriate uses of the I-Net include, by way of example and not limitation:

(1) High-speed two-way transmission of GIS and other data to and from City departments and to and from the facilities of other Qualified I-Net Users;

(2) Transmitting live and stored instructional materials (whether in the form of data, video or otherwise) for distance learning and staff training purposes to and from Qualified I-Net Users;

(3) Providing videoconferencing among municipal and educational locations and to other locations for municipal and educational purposes;

(4) Linking the public library and providing terminals at library locations that allow members of the public to access library databases and other remote databases for noncommercial purposes;

(5) Providing for remote origination of Access programming;

(6) Facilitating connections for telephone systems, security systems and other critical public entity communications applications, so long as such systems are not providing Telecommunications Service;

(7) Providing videoconferencing and data transmissions between public health care facilities; and

(8) Providing other services such as remote permitting, arraignments; and voice traffic to and from City and educational facilities.

12.4 I-Net Components

The City shall provide to Grantee a document which specifies certain initial sites to be served by the I-Net. The following I-Net components will be made available and selected by the City in cooperation with the Grantee in order to ensure the most efficient and cost-effective I-Net options. The parties intend that construction of the I-Net will be performed concurrently with the Upgrade of

Grantee's Cable System to the greatest extent possible in order to provide the most cost-effective I-Net construction.

(A) Backbone. An "I-Net Backbone" means those optical fibers that are integrated into the optical fiber portion of Grantee's Cable System, as well as those optical fibers that will extend from the integrated portion of Grantee's Cable system to the termination panel at the City's designated I-Net sites. The number of optical fiber strands constructed from the City's I-Net hub to each designated I-Net site shall be dependent upon the I-Net locations and uses selected by the City.

(B) Route. The City or the Qualified I-Net User will provide the route, including conduit where mutually agreed to, and the access rights from the property line of the I-Net site into the facility's termination panel location. Efforts will be made by Grantee and the City to ensure that the I-Net distribution system and drops share common paths with the Grantee's Cable System where it is possible to do so, in order to minimize costs to the Qualified I-Net Users. This portion of the I-Net will be owned and maintained by Grantee.

(C) Network Equipment. Grantee shall not install or be responsible for any I-Net end user equipment past the Demarcation Point on the termination panel at each I-Net site, unless through a separate agreement with the City or other Qualified I-Net User.

12.5 Determination of I-Net Costs

The City shall fund the following in return for Grantee's construction of the I-Net, and may use the Capital Advances and Capital Contribution referenced in Sections 9.6 and 9.7 of this Franchise:

(A) Base Construction Cost. The "Base Construction Cost" is the direct incremental cost of labor and materials that Grantee incurs in the construction, installation, and initial testing of the I-Net, as specified below:

(1) Costs of necessary materials to construct the I-Net from the City's hub to each I-Net site Demarcation Point. Grantee will use the same procurement process for obtaining separate I-Net fiber optics and related components as it uses to acquire similar materials for its Cable System, in order to provide the materials to the City in the most cost-effective manner; and

(2) The allocated portion of any additional fiber optics and related materials installed on an Incremental I-Net Backbone; and

(3) Reasonable and verifiable payments made by Grantee to contractors specifically for I-Net construction; and

(4) Actual wages and salaries of Grantee's employees performing construction of the I-Net, for such part of their time as is employed specifically on the I-Net; and

(5) Other costs incurred on the relevant portion of the I-Net in the performance of the work if and to the extent approved in advance in writing by the City.

The City shall not be charged for any indirect costs, except that twelve and a half percent (12.5%) will be added to the total of the costs specified in subsections 12.5 (A) (3)-(4) to cover the compensation of Grantee's employees and contractors who are involved in the design of the I-Net and other I-Net work whose time cannot be directly measured against the project, as well as to cover those miscellaneous expenses items which are not directly quantifiable. This twelve and a half percent (12.5%) figure shall be part of the "Base Construction Cost."

The Base Construction Cost shall not exceed the I-Net site costs as described in the Attachment to Exhibit A.

(B) Any unpaid balance shall bear interest at the prime rate plus two percent (2%) per annum. In order to reduce or eliminate interest payments owed to Grantee, the City may pay at any time any portion of the costs without penalty.

12.6 I-Net Construction

(A) Grantee shall, in consultation with the City, incorporate the I-Net optical fiber strands into its existing network where feasible, its upgrade design and the design of other major construction activity. The initial I-Net design shall be completed by Grantee and provided to the City on or before the Franchise acceptance date. As part of the completed design, Grantee shall provide the City with cost estimates pursuant to subsection 12.5, and maps showing the proposed design routing, for each identified I-Net site. The City shall have thirty (30) days from receiving the preliminary cost estimates and maps to give final approval thereof to Grantee. The City may require Grantee to make changes to ensure that the design is consistent with the City's requirements. All of Grantee's design engineering costs associated with cost estimates will be paid by the City. If the City does not act within the thirty (30) day period, Grantee may proceed with the upgrade or other major construction of the Cable System that encompasses the I-Net sites in question and shall not construct the I-Net design submitted. The City may later direct the Grantee to construct that portion of the I-Net in accordance with subsection 12.7. If the City orders changes to the design, the City shall have fifteen (15) days from receiving the modified cost estimates and design to approve the same. If the City does not act within the fifteen (15) day period, Grantee may proceed with the upgrade or other major construction of the Cable System for that phase and shall not construct the modified I-Net design submitted. The City may again later direct the Grantee to construct that portion of the I-Net in accordance with subsection 12.7. The City shall act at all times in an expeditious manner so as not to delay the upgrade or other major construction to the Cable System.

(B) The City may direct Grantee to construct or not construct any specific portions or segments of the I-Net up to the point where Grantee begins construction of the area where such I-Net portion is located. If the City wishes to add or delete sites after construction has commenced, the City shall submit its change order requests in writing to Grantee, and Grantee will make the changes and complete them as part of the construction of the Cable System. The City shall pay any additional costs caused by the change order, in addition to incremental costs. After receiving a request for a change order, Grantee promptly will provide the City with an estimate of the costs

including the requested changes. If the City then directs Grantee to proceed with the change, Grantee will make the change.

(C) Completion. The construction of the I-Net shall be substantially completed concurrent with Grantee's completion of the Cable System upgrade or other applicable major construction project.

(D) I-Net Fiber Optic Testing/Certification/Acceptance. All I-Net optical fibers installed either on an incremental build or separate build will be tested in accordance with Comcast's standards. OTDR and OLT (attenuation) bidirectional testing will be performed, and the results will be provided in the final documentation package. Tests will be conducted from demarcation point to demarcation point, which is typically from the City hub to the I-Net site. Industry standards for loss and attenuation will determine the acceptable loss of a given link (.25dB/connector; .1dB/splice; .35dB/km-1310nm; .25dB/km-1550nm). A copy of the documentation shall be provided in an electronic format that may be viewed or printed with standard office applications or software provided by Grantee.

Grantee shall notify the City at least ten (10) days prior to the date at which Grantee plans to certify and document the integrity of the I-Net fiber backbone through testing and verification. The City or its designee, shall have the option of attending any test conducted pursuant to this subsection. The City shall also have the option of conducting a physical inspection of the construction taking place in the Right of Way or on City property or other property used by the City, provided that this inspection should not include touching, moving or manipulating the fiber or the bulkhead, and provided further, that this inspection is conducted prior to the date of the Grantee's planned testing. A copy of the test results and documentation shall be provided to the City. If the test results or physical inspection do not/does not indicate compliance with the standards provided for herein, Grantee shall perform repairs and retesting and take any other action necessary until the I-Net meets such standards and is accepted as completed by the City. Acceptance shall be in the form of a letter from the City to Grantee.

(E) Nothing in this Franchise shall be read to prevent the parties from agreeing to different procedures for I-Net construction as long as those procedures permit the I-Net to be constructed efficiently and cost-effectively, so long as agreed upon changes and procedures are documented and approved by both parties. Consistent with this goal, it is the intent of the parties to cooperate to minimize any delay in the Cable System upgrade or other major construction while providing sufficient time to permit the City to review and approve design plans and cost estimates.

12.7 Future I-Net Construction

Grantee and the City shall cooperate in investigating and considering options for expansion of the I-Net. The City may direct Grantee to investigate and provide cost estimates regarding expansion of the I-Net plant at any time throughout the term of this Franchise and any extension(s), transfer(s) or renewal(s) thereof. After receiving a request for additional I-Net work, Grantee shall provide the City with an estimate of the costs associated with the additional fiber I-Net work within forty-five (45) days. All of Grantee's design engineering costs associated with cost estimates will be paid by the City. If the City then directs Grantee to perform the work, Grantee will perform it. After the

completion of the initial I-Net construction, any additional I-Net construction shall be performed and completed within six (6) months after the City directs that the work be performed, unless the parties agree in writing to a different completion date prior to commencement of the work.

12.8 Warranties/Acceptance

The acceptance of any component of the I-Net, or reimbursement therefore, shall not waive any defect in the work or constitute acceptance of workmanship or materials not in compliance with the applicable design and specification requirements. Grantee shall provide in its contracts for warranties of the workmanship and materials which are satisfactory to the City and will provide for the enforcement of such warranties and for the correction of workmanship or materials which is not provided in accordance with applicable design and specification requirements or which is otherwise defective.

12.9 Payment

(A) Form of Invoice. Grantee shall prepare and submit a payment schedule for the costs, including details on the Base Construction Costs and interest charges, if any, pursuant to subsection 12.5. The City shall determine the method of funding, and the cost may be paid on either a one-time, monthly or an annual basis.

(B) Payment. At its discretion, the City may use the capital advances and Capital Contribution specified in subsections 9.6 and 9.7 of this Franchise for payment of the I-Net costs.

12.10 I-Net Service Standards.

Grantee shall be responsible for meeting the I-Net service and maintenance standards described in the Institutional Network Maintenance Agreement. Grantee shall maintain the I-Net fiber plant at a high level of reliability.

(A) The I-Net shall be considered as experiencing an "outage" when the City or another Qualified I-Net User cannot, because of a problem resulting from the failure of any Grantee-provided fiber optic cable or an associated component, transmit video, voice and/or data communications to, from and/or on the I-Net.

(B) "Outage" conditions shall not include (i) service problems resulting from City-owned or Qualified I-Net User owned or installed equipment or facilities; (ii) infrequent scheduled preventive maintenance as long as the City and other Qualified I-Net Users are notified at least five (5) business days in advance; or (ii) *force majeure*.

12.11 No Other I-Net Costs.

The parties agree that there shall be no charges for the I-Net provided by Grantee, other than those charges specified in this Section 12 and in the Institutional Network Maintenance Agreement. The parties also agree that any costs to the Grantee associated with the I-Net are not Franchise Fees.

SECTION 13. SCRAMBLED CHANNEL

Within six (6) months of receipt of a written request from the City, Grantee, at its expense, shall make available a closed circuit, scrambled, encoded digital channel (the "Scrambled Channel") to be used for City training purposes. The scrambled channel shall be made available at the locations to be reasonably agreed upon by the parties. Each site shall receive one complimentary drop with a standard installation and one complimentary converter. The cost of additional converters, additional wiring and video monitors or television sets shall be borne by the City. Any aerial drop longer than one hundred twenty-five (125) feet, or sixty (60) feet underground (a "non-standard drop"), or system extension, that is required to provide the Scrambled Channel to a site will not be installed without prior written approval from the City, and the City shall be responsible for any additional costs resulting from the non-standard drop or system extension.

The Scrambled Channel shall be at a signal quality level consistent with other digital channels on Grantee's digital tier that carries the Scrambled Channel. If the signal quality of the Scrambled Channel does not appear to be of the same quality as other digital channels on Grantee's digital tier that carries the Scrambled Channel, Grantee shall use its best efforts to identify the cause of the problem, and promptly rectify the signal quality problem if it resides within Grantee's control. The City shall be responsible for rectifying any problem residing on its side of the termination panel at its programming origination site at City Hall.

Beyond the complimentary converters to be provided at Grantee's expense as identified in Section 13 (A), additional programmed converters shall be made available to the City, or other institutions authorized by the City, at the advertised retail rate upon the express written request of the City. The converters themselves shall be digital, and the signal(s) shall be addressable and scrambled such that residential and commercial Subscribers will not be able to see, hear or interpret the video or audio signal(s). Members of the public shall not be able to discern the programming provided over the Scrambled Channel. Programming provided over the Scrambled Channel shall be transported upstream over the PEG designated fiber optic connection from City Hall to Grantee's headend or hub for subsequent distribution via the downstream Scrambled Channel. All signal generation and transmission equipment located on the City side of the fiber termination panel at City Hall shall be the sole responsibility and expense of the City.

SECTION 14. SERVICE EXTENSION AND SERVICE TO PUBLIC BUILDINGS

14.1 Service Availability

(A) In General. Subject to the density provisions described in Section 14.1(D) below, Grantee shall provide Cable Service within seven (7) days of a request by any potential Residential Subscriber within the City. For purposes of this subsection, a request shall be deemed made on the date of signing a service agreement, receipt of funds by Grantee, receipt of a written request by Grantee or receipt by Grantee of a verified verbal request. Grantee shall provide such service:

- (1) With no line extension charge except as specifically authorized elsewhere in this Section.

(2) At a nondiscriminatory installation charge for a standard installation, consisting of a one hundred twenty-five (125) foot aerial drop connecting to the exterior demarcation point for Residential Subscribers, with additional charges for non-standard installations computed according to a nondiscriminatory methodology for such installations.

(3) At nondiscriminatory monthly rates in accordance with applicable laws.

(B) Provision of Cable Service. Grantee shall not arbitrarily refuse to provide Cable Service to any Person within its Franchise Area. Notwithstanding the foregoing, Grantee may introduce new or expanded Cable Services on a geographically phased basis, where such services require an upgrade of the Cable System.

(C) Service to Multiple Dwelling Units. The Grantee shall provide cable service to Multiple Dwelling Units in accordance with an agreement with the property owner or owners, this Franchise and all applicable laws.

(D) Customer Charges for Extensions of Service. For unusual circumstances, such as the existence of more than one hundred twenty-five (125) feet of aerial distance from distribution cable to connection of service to customers, or a density of less than twenty-five (25) residences per 5280 cable-bearing strand feet of trunk or distribution cable, service may be made available on the basis of a capital contribution in aid of construction, including cost of material, labor and easements. For the purpose of determining the amount of capital contribution in aid of construction to be borne by the Grantee and customers in the area in which service may be expanded, the Grantee will contribute an amount equal to the construction and other costs per mile, multiplied by a fraction whose numerator equals the actual number of residences per 5280 cable-bearing strand feet of its trunk or distribution cable and whose denominator equals twenty-five (25). Potential customers who request service hereunder will bear the remainder of the construction and other costs on a pro rata basis. The Grantee may require that the payment of the capital contribution in aid of construction borne by such potential customers be paid in advance.

14.2 Connection of Public Facilities

Grantee shall, without charge, provide a standard installation and one outlet of Basic Service and Expanded Basic Service to all City owned (or leased) and occupied buildings, including, but not limited to, the current and former City Hall, fire stations and police stations, schools and public libraries in the City that are passed by the Cable System. In addition, Grantee shall provide, at no cost to the City or other entity, a standard installation and one outlet of Basic Service and Expanded Basic Service to future owned (or leased) and occupied City buildings, fire stations and police stations, schools and public libraries upon request, provided that the drop line from the feeder cable to such building does not exceed one hundred twenty-five (125) aerial feet unless the City or other entity agrees to pay the incremental cost of such drop line in excess of one hundred twenty-five (125) aerial feet, including the cost of excess labor and materials. The Cable Service provided herein shall not be distributed beyond each originally installed outlet without authorization from Grantee. Such Cable Service shall not be used for commercial purposes nor shall it be extended to areas of City buildings where the Grantee would normally enter into a commercial contract to provide such Cable Service (i.e., a golf course).

If additional outlets are provided by Grantee pursuant to this subsection, the building owner and/or occupant shall pay the usual installation fees associated therewith; however, there shall be no additional charge for the Cable Service. Outlets of Basic and Expanded Basic Service provided in accordance with this subsection may be used to distribute Cable Services throughout such buildings, provided such distribution can be accomplished without causing Cable System disruption and general technical standards are maintained. Such outlets may only be used for lawful purposes.

The City shall take reasonable precautions to prevent any use of Grantee's Cable System in City buildings that may result in an inappropriate use thereof. The standard installations and Cable Service provided pursuant to this subsection are voluntary initiatives of Grantee and will be continued throughout the term of this Franchise.

SECTION 15. FRANCHISE VIOLATIONS

15.1 Procedure for Remedying Non-Material Franchise Violations

(A) If the City believes that Grantee has failed to perform any non-material obligation under this Franchise, the City shall notify Grantee in writing, stating with reasonable specificity the nature of the alleged default. Grantee shall have thirty (30) days from the receipt of such notice to:

(1) respond to the City, contesting the City's assertion that a default has occurred, and requesting a meeting in accordance with subsection (B), below; or

(2) cure the default; or

(3) notify the City that Grantee cannot cure the default within thirty (30) days, because of the nature of the default. In the event the default cannot be cured within thirty (30) days, Grantee shall promptly take all reasonable steps to cure the default and notify the City in writing and in detail as to the exact steps that will be taken and the projected completion date. In such case, the City may set a meeting in accordance with subsection (B) below to determine whether additional time beyond the thirty (30) days specified above is indeed needed, and whether Grantee's proposed completion schedule and steps are reasonable.

(B) If Grantee does not cure the alleged default within the cure period stated above, or denies the default and requests a meeting in accordance with subsection (A)(1), or the City orders a meeting in accordance with subsection (A)(3), the City shall set a meeting to investigate said issues and the existence of the alleged default. The City shall notify Grantee of the meeting in writing and such meeting shall take place no less than thirty (30) days after Grantee's receipt of notice of the meeting. At the meeting, Grantee shall be provided an opportunity to be heard and to present evidence in its defense.

(C) If, after the meeting, the City determines that a default exists, Grantee and the City may agree on a plan and schedule to cure the default. Absent such agreement, the City shall order Grantee to correct or remedy the default or breach within fifteen (15) days or within such other

reasonable timeframe as the City shall determine. In the event Grantee does not cure the default within such time to the City's reasonable satisfaction, the City may:

(1) Recommend the revocation of this Franchise pursuant to the procedures in subsection 15.2; or

(2) Recommend any other legal or equitable remedy available under this Franchise or any applicable law.

(D) The determination as to whether a non-material violation of this Franchise has occurred shall be within the discretion of the City, provided that any such determination may be subject to appeal to the City Council or review by a court of competent jurisdiction under applicable law.

15.2 Revocation

(A) The City may revoke this Franchise and rescind all rights and privileges associated with this Franchise in the following circumstances:

(1) If Grantee fails to perform any material obligation under this Franchise (including, but not limited to, completion of the Cable System Upgrade within thirty-six (36) months of the effective date) or under any other agreement, ordinance or document regarding the City and Grantee;

(2) If Grantee willfully fails for more than three (3) days to provide continuous and uninterrupted Cable Service;

(3) If Grantee attempts to evade any material provision of this Franchise or to practice any fraud or deceit upon the City or Subscribers;

(4) If Grantee becomes insolvent, or if there is an assignment for the benefit of Grantee's creditors;

(5) If Grantee makes a material misrepresentation of fact in the application for or negotiation of this Franchise; or

(6) If Grantee breaches a material provision of the Customer Service Standards.

(B) Prior to forfeiture or termination of the Franchise, the City shall give written notice to the Grantee of its intent to revoke the Franchise. The notice shall set forth the exact nature of the noncompliance. Grantee shall have thirty (30) days from such notice to object in writing and to state its reasons for such objection and provide any explanation. In the event the City has not received a satisfactory response from Grantee, it may then seek a termination of the Franchise by the City Council in accordance with this subsection.

(C) Any proceeding regarding revocation shall be conducted by the City Council and open to the public. Grantee shall be afforded at least forty-five (45) days prior written notice of such proceeding.

(1) At such proceeding, Grantee shall be provided a fair opportunity for full participation, including the right to be represented by legal counsel, to introduce evidence, and to question witnesses. A complete verbatim record and transcript shall be made of such proceeding and the cost shall be shared equally between the parties. The City Council shall hear any persons interested in the revocation, and shall allow Grantee, in particular, an opportunity to state its position on the matter.

(2) Within ninety (90) days after the hearing, the City Council shall determine whether to revoke the Franchise; or if the breach at issue is capable of being cured by Grantee, the City Council shall direct Grantee to take appropriate remedial action within the time and in the manner and on the terms and conditions that the City Council determines are reasonable under the circumstances. If the City Council determines that the Franchise is to be revoked, the City Council shall set forth the reasons for such a decision and shall transmit a copy of the decision to the Grantee. Grantee shall be bound by the City Council's decision to revoke the Franchise unless it appeals the decision to a court of competent jurisdiction within thirty (30) days of the date of the decision.

(3) Grantee shall be entitled to such relief as the court may deem appropriate.

(4) The City Council may in its sole discretion take any lawful action that it deems appropriate to enforce the City's rights under the Franchise in lieu of revocation of the Franchise.

15.3 Procedures in the Event of Termination

(A) If this Franchise expires without renewal or is otherwise lawfully terminated or revoked, the City may, subject to applicable law:

(1) Require Grantee to maintain and operate its Cable System and I-Net on a month-to-month basis until a new Cable Operator is selected; or

(2) Purchase Grantee's Cable System in accordance with the procedures set forth in subsection 15.4, below.

(B) The City may order the removal of the above-ground Cable System facilities and such underground facilities from the City at Grantee's sole expense within a reasonable period of time as determined by the City. In removing its plant, structures and equipment, Grantee shall refill, at its own expense, any excavation that is made by it and shall leave all Rights-of-Way, public places and private property in as good a condition as that prevailing prior to Grantee's removal of its equipment and without affecting electrical or telephone wires or attachments. The indemnification and insurance provisions and the letter of credit, if any, shall remain in full force

and effect during the period of removal, and Grantee shall not be entitled to, and agrees not to request, compensation of any sort therefor.

(C) If Grantee fails to complete any removal required by subsection 15.3 (B) to the City's satisfaction, after written notice to Grantee, the City may cause the work to be done and Grantee shall reimburse the City for the costs incurred within thirty (30) days after receipt of an itemized list of the costs, or the City may recover the costs through the letter of credit, if any, if Grantee has not paid such amount within the foregoing thirty (30) day time period.

(D) The City may seek legal and equitable relief to enforce the provisions of this Franchise.

15.4 Purchase of Cable System

(A) If at any time this Franchise is lawfully revoked, terminated or not renewed (in accordance with federal law), the City shall have the option to purchase the Cable System.

(B) The City may, at any time after Franchise revocation, termination or non-renewal, offer in writing to purchase Grantee's Cable System. In any case where the City elects to purchase the Cable System, the purchase shall be closed within one hundred twenty (120) days of the date of the City's audit of a balance sheet and current profit and loss statement of Grantee's Cable System. The City shall, as applicable, pay for the Cable System in cash or certified funds, and Grantee shall deliver appropriate bills of sale and other instruments of conveyance.

(C) For the purposes of this subsection, the price for the Cable System shall be determined as follows:

(1) In the case of the expiration of the Franchise without renewal, at fair market value determined on the basis of Grantee's Cable System valued as a going concern, but with no value allocated to the Franchise itself. In order to obtain the fair market value, this valuation shall be reduced by the amount of any lien, encumbrance, or other obligation of Grantee which the City may assume.

(2) In the case of revocation for cause, the equitable price of Grantee's Cable System.

15.5 Receivership and Foreclosure

(A) At the option of the City, subject to applicable law, this Franchise may be revoked after the appointment of a receiver or trustee to take over and conduct the business of Grantee whether in a receivership, reorganization, bankruptcy or other action or proceeding, unless:

(1) The receivership or trusteeship is timely vacated; or

(2) The receivers or trustees have timely and fully complied with all the terms and provisions of this Franchise, and have remedied all defaults under the Franchise. Additionally, the receivers or trustees shall have executed an agreement duly approved by

the court having jurisdiction, by which the receivers or trustees assume and agree to be bound by each and every term, provision and limitation of this Franchise.

(B) If there is a foreclosure or other involuntary sale of the whole or any part of the plant, property and equipment of Grantee, the City may serve notice of revocation on Grantee and to the purchaser at the sale, and the rights and privileges of Grantee under this Franchise shall be revoked thirty (30) days after service of such notice, unless:

(1) The City has approved the transfer of the Franchise, in accordance with the procedures set forth in this Franchise and as provided by law; and

(2) The purchaser has covenanted and agreed with the City to assume and be bound by all of the terms and conditions of this Franchise.

15.6 Alternative Remedies

No provision of this Franchise shall be deemed to bar the City or the Grantee from seeking appropriate judicial relief. Neither the existence of other remedies identified in this Franchise nor the exercise thereof shall be deemed to bar or otherwise limit the right of the City to recover monetary damages for violations by Grantee, or to seek and obtain judicial enforcement of Grantee's obligations by means of specific performance, injunctive relief or mandate, or any other remedy at law or in equity. The City specifically does not, by any provision of this Franchise, waive any right, immunity, limitation or protection (including complete damage immunity) otherwise available to the City, its officers, officials, City Council, Boards, commissions, agents, or employees under federal, State, or local law (including, for example, Section 635A of the Cable Act).

15.7 Assessment of Monetary Damages

The City and Grantee recognize the delays, expense and unique difficulties involved in proving in a legal proceeding the actual loss suffered by the City as a result of Grantee's breach of certain provisions of this Franchise. Accordingly, instead of requiring such proof, the City and Grantee agree that Grantee shall pay to the City the sums set forth below for each day or part thereof that Grantee shall be in breach of specific provisions of this Franchise. Such amounts are agreed to by both parties as a reasonable estimate of the actual damages the City would suffer in the event of Grantee's breach of such provisions of this Franchise.

Subject to the City's giving written notice to the Grantee and a thirty (30) day right to cure period, the City may assess against Grantee monetary damages up to one thousand dollars (\$1,000.00) per day for failure to timely complete the Cable System Upgrade (including the I-Net) within thirty-six (36) months of the effective date; two hundred fifty dollars (\$250.00) per day for material departure from the FCC technical performance standards; one hundred dollars (\$100.00) per day for failure to provide the Access Channels or any equipment related thereto which is required hereunder; one hundred dollars (\$100.00) per day for each material violation of the Customer Service Standards; fifty dollars (\$50.00) per day for failure to provide reports or notices as required by this Franchise; and up to one hundred dollars (\$100.00) per day for any other material breaches or defaults under the Franchise.

15.8 Effect of Abandonment

If the Grantee abandons its Cable System or I-Net during the Franchise term, or fails to operate its Cable System or I-Net in accordance with its duty to provide continuous service, the City, at its option, may obtain an injunction, or operate the Cable System and I-Net, or designate another entity to operate the Cable System and I-Net temporarily until the Grantee restores service under conditions acceptable to the City, or until the Franchise is revoked and a new franchisee is selected by the City. If the City operates the Cable System or I-Net, or designates another entity to operate the Cable System or I-Net, the Grantee shall reimburse the City or the City's designee, as applicable, for all reasonable costs, expenses and damages incurred. If Grantee permanently abandons any of its facilities then, at the City's sole discretion, such facilities may become the property of the City.

SECTION 16. FRANCHISE RENEWAL

(A) The City and Grantee agree that any proceedings undertaken by the City that relate to the renewal of the Franchise shall be governed by and comply with the provisions of Section 626 of the Cable Act, unless the procedures or substantive protections set forth therein shall be deemed to be preempted and/or superseded by the provisions of any subsequent provision of federal or State law.

(B) In addition to the procedures set forth in said Section 626(a), the City agrees to notify Grantee of the completion of its assessments regarding the identification of future cable-related community needs and interests, as well as the past performance of Grantee under the then current Franchise term. Notwithstanding anything to the contrary set forth herein, Grantee and the City agree that at any time during the term of the then current Franchise, while affording the public adequate notice and opportunity for comment, the City and Grantee may agree to undertake and finalize negotiations regarding renewal of the then current Franchise and the City may grant a renewal thereof. Grantee and the City consider the terms set forth in this subsection to be consistent with the express provisions of Section 626 of the Cable Act.

SECTION 17. FRANCHISE TRANSFER

(A) The Cable System and this Franchise shall not be sold, assigned, transferred, leased or disposed of, either in whole or in part, either by involuntary sale or by voluntary sale, merger or consolidation; nor shall title thereto, either legal or equitable, or any right, interest or property therein pass to or vest in any Person without the prior written consent of the City, which consent shall not be unreasonably withheld.

(B) The Grantee shall promptly notify the City of any actual or proposed change in, or transfer of, or acquisition by any other party of control of the Grantee. The word "control" as used herein is not limited to majority stock ownership but includes actual working control in whatever manner exercised. Every change, transfer or acquisition of control of the Grantee shall make this Franchise subject to cancellation unless and until the City shall have consented thereto.

(C) The parties to the sale, transfer or change of control shall make a written request to the City for its approval of a sale, transfer or change of control and shall furnish all information required by law.

(D) In seeking the City's consent to any change in ownership or control, the proposed transferee or controlling party shall indicate whether, as applicable, it:

(1) Has ever been convicted or held liable for acts involving deceit including any violation of federal, State or local law or regulations, or is currently under an indictment, investigation or complaint charging such acts;

(2) Has ever had a judgment in an action for fraud, deceit, or misrepresentation entered against it by any court of competent jurisdiction;

(3) Has pending any material legal claim, lawsuit, or administrative proceeding arising out of or involving a cable system;

(4) Is financially solvent, by submitting financial data, including financial statements, that are audited by an independent certified public accountant, along with any other data that the City may reasonably require; and

(5) Has the legal, financial and technical capability to enable it to maintain and operate the Cable System for the remaining term of the Franchise.

(E) In reviewing a request for sale, transfer or change of control, the City may inquire into the legal, technical and financial qualifications of the prospective controlling party or transferee, and Grantee shall assist the City in so inquiring. The City may condition said sale, transfer or change of control upon such terms and conditions as it deems reasonably appropriate, provided, however, any such terms and conditions so attached shall be related to the legal, technical and financial qualifications of the prospective controlling party or transferee. Additionally, such Person shall effect changes as promptly as practicable in the operation of the Cable System, if any changes are necessary to cure any violations or defaults presently in effect or ongoing.

(F) The City shall act by ordinance or resolution on the request within one hundred twenty (120) days of the request, provided it has received all information required by law, such as a complete FCC Form 394. Subject to the foregoing, if the City fails to render a final decision on the request within one hundred twenty (120) days, such request shall be deemed granted unless the requesting party and the City agree to an extension of time.

(G) Within thirty (30) days of any transfer, sale or change of control, if approved or deemed granted by the City, Grantee shall file with the City a copy of the deed, agreement, lease or other written instrument evidencing such sale or transfer of ownership or control, certified and sworn to as correct by Grantee and the transferee or new controlling entity. In the case of a sale or transfer of ownership or change of control, the transferee or the new controlling entity shall file its written acceptance agreeing to be bound by all of the provisions of this Franchise, subject to

applicable law. In the event of a change in control, in which the Grantee is not replaced by another entity, the Grantee will continue to be bound by all of the provisions of the Franchise and will not be required to file an additional written acceptance.

(H) Notwithstanding anything to the contrary in this subsection, the prior approval of the City shall not be required for any sale, assignment or transfer of the Franchise or Cable System to an intra-company Affiliate; provided that the proposed assignee or transferee must show legal, technical and financial responsibility as may be determined necessary by the City and must agree in writing to comply with all of the provisions of the Franchise, subject to applicable law. Further, Grantee may pledge the assets of the Cable System for the purpose of financing without the consent of the City; provided that such pledge of assets shall not impair or mitigate Grantee's responsibilities and capabilities to meet all of its obligations under the provisions of this Franchise.

SECTION 18. MISCELLANEOUS PROVISIONS

18.1 Discriminatory Practices Prohibited

Throughout the term of this Franchise, Grantee shall fully comply with all equal employment and nondiscrimination provisions and requirements of federal, State and local laws, and rules and regulations relating thereto.

18.2 Local Employment Efforts

Grantee shall use reasonable efforts to utilize qualified local contractors, including minority business enterprises and woman business enterprises, whenever the Grantee employs contractors to perform work under this Franchise.

18.3 Notices

Throughout the term of this Franchise, each party shall maintain and file with the other a local address for the service of notices by mail. All notices shall be sent to such respective address, and such notices shall be effective upon the date of mailing. At the effective date of this Franchise:

Grantee's address shall be:

Comcast of California/Colorado/Texas/Washington, Inc. and
Comcast of Washington, IV, Inc.
1525 75th St. S.W.
Everett, WA 98203
Attention: General Manager

With a copy to:

Comcast of California/Colorado/Texas/Washington, Inc. and
Comcast of Washington, IV, Inc.
22025 30th Avenue S.E.
Bothell, WA 98021
Attention: Franchising Department

City's address shall be:

City of Marysville
1049 State Avenue
Marysville, Washington 98270
Attention: City Attorney

18.4 Cumulative Rights

Subject to applicable law, all rights and remedies given to the City by this Franchise or retained by the City herein shall be in addition to and cumulative with any and all other rights and remedies, existing or implied, now or hereafter available to the City, at law or in equity.

18.5 Costs to be Borne by Grantee

Grantee shall reimburse the City for all costs of publication of this Franchise, and any notices prior to any public hearing regarding this Franchise, contemporaneous with its acceptance of this Franchise. Grantee agrees that the additional commitments herein are not Franchise Fees, nor are they to be offset or credited against any Franchise Fee payments due to the City.

18.6 Binding Effect

This Franchise shall be binding upon the parties hereto, their permitted successors and assigns.

18.7 Authority to Amend

In addition to certain mandatory amendment provisions of Section 3.9, this Franchise may also be amended at any time by mutual written agreement between the parties.

18.8 Venue

Venue for any dispute related to this Franchise shall be in Snohomish County Superior Court in Everett, Washington.

18.9 Governing Laws

This Franchise shall be governed, construed and enforced in accordance with the laws of the State of Washington (as amended), the Cable Act as amended, any applicable rules, regulations and orders of the FCC, and any other applicable local, State and federal laws, rules, regulations, legislation or orders (as such now exist, are later amended or subsequently adopted).

18.10 Guarantee

The performance of the Grantee shall be guaranteed in all respects by TCI West, Inc. A signed guarantee shall be filed with the City contemporaneous with Grantee's acceptance of this Franchise.

18.11 Captions

The captions and headings of this Franchise are for convenience and reference purposes only and shall not affect in any way the meaning or interpretation of any provision of this Franchise.

18.12 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.

18.13 Waiver

The failure of the City at any time to require performance by Grantee of any provision hereof shall in no way affect the right of the City hereafter to enforce the same, nor shall the waiver by the City of any breach of any provision hereof be taken or held to be a waiver of any succeeding breach of such provision, or as a waiver of the provision itself or any other provision.

18.14 Severability

If any Section, subsection, paragraph or provision of this Franchise is determined to be illegal, invalid or unconstitutional by any court or agency of competent jurisdiction, such determination shall have no effect on the validity of any other Section, subsection, paragraph or provision of this Franchise, all of which will remain in full force and effect for the term of the Franchise.

18.15 Entire Agreement

This Franchise and Exhibit represent the entire understanding and agreement between the parties hereto with respect to the subject matter hereof and supersede all prior oral and written negotiations between the parties.

18.16 Force Majeure

In the event Grantee is prevented or delayed in the performance of any of its obligations under this Franchise by a reason beyond the control of Grantee, Grantee shall have a reasonable time, under the circumstances, to perform the affected obligation under this Franchise or to procure a substitute for such obligation which is satisfactory to the City. Those conditions which are not within the control of Grantee include, but are not limited to, natural disasters, civil disturbances, power outages, telephone network outages, severe or unusual weather conditions which have a direct and substantial impact on the Grantee's ability to provide Cable Services in the City and which could not have been avoided by the Grantee which used its best efforts in its operations to avoid such problems, work delays caused by waiting for utility providers to service or perform make-ready services on their utility poles or other facilities to which the Grantee's Cable System is attached, and Grantee's inability to obtain federal, State or railroad permits despite Grantee's best efforts to do so.

If Grantee believes that a reason beyond its control has prevented or delayed its compliance with the provisions of this Franchise, Grantee shall provide documentation as reasonably required by the City to substantiate the Grantee's claim. If Grantee has not yet cured the deficiency, Grantee shall also provide the City with its proposed plan for remediation, including the timing for such cure.

18.17 Attorneys' Fees

If any action or suit arises in connection with this Franchise, the prevailing or substantially prevailing party (either the City or Grantee, as the case may be) shall be entitled to recover all of its reasonable attorneys' fees, costs and expenses in connection therewith, in addition to such other relief as the court may deem proper.

18.18 Actions of the City or Grantee

In any action by the City or Grantee mandated or permitted under the terms hereof, it 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.

18.19 Acceptance

Within forty-five (45) days after the passage and approval of this Franchise by Ordinance by the City Council, this Franchise shall be accepted by Grantee by filing with the City Clerk an unconditional, written acceptance of all of the terms and conditions of this Franchise. Failure of Grantee to file such an acceptance shall be deemed a rejection by Grantee, and the rights and privileges herein granted shall cease after expiration of the forty-five (45) day period, unless such timeframe is extended by ordinance duly passed for that purpose.

IN WITNESS WHEREOF, this Franchise is signed in the name of the City of Marysville, Washington, this 10th day of November, 2003.

CITY OF MARYSVILLE

By David Weiser
DAVID A. WEISER, Mayor

ATTEST:

Gerry Becker
GERRY BECKER, City Clerk

APPROVED AS TO FORM

Grant K. Weed
GRANT K. WEED, City Attorney

Accepted and approved this 24th day of Nov, 2003.

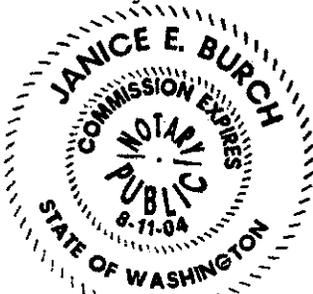
Comcast of California/Colorado/Texas/Washington, Inc.

By [Signature]
Its Regional Vice President - Finance

STATE OF WASHINGTON)
) SS
COUNTY OF SNOHOMISH)

On November 24, 2003, before me, a Notary Public in and for said State, personally appeared Steve Croney, know to me to be the Regional Vice President of Finance of the corporation that executed the within Instrument, known to me to be the person who executed the within Instrument on behalf of the corporation therein named as Grantee and acknowledged to me that such corporation executed the within Instrument pursuant to its by-laws or a resolution of its board of directors.

WITNESS My hand and official seal.



Janice E. Burch
Janice E. Burch, Notary Public
In and for the State of Washington
Residing in Mukilteo, WA
My Commission expires August 11, 2004.

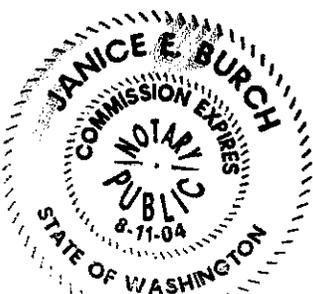
Comcast of Washington, IV, Inc.

By [Signature]
Its Regional Vice President - Finance

STATE OF WASHINGTON)
) SS
COUNTY OF SNOHOMISH)

On November 24, 2003, before me, a Notary Public in and for said State, personally appeared Steve Croney, know to me to be the Regional Vice President of Finance of the corporation that executed the within Instrument, known to me to be the person who executed the within Instrument on behalf of the corporation therein named as Grantee and acknowledged to me that such corporation executed the within Instrument pursuant to its by-laws or a resolution of its board of directors.

WITNESS My hand and official seal.



Janice E. Burch
Janice E. Burch, Notary Public
In and for the State of Washington
Residing in Mukilteo, WA
My Commission expires August 11, 2004.

EXHIBIT A**INSTITUTIONAL NETWORK MAINTENANCE AGREEMENT
BETWEEN****Comcast of California/Colorado/Texas/Washington, Inc. and Comcast of
Washington, IV, Inc.****AND****The City of Marysville**

THIS INSTITUTIONAL NETWORK MAINTENANCE AGREEMENT (the "Agreement") is between the City of Marysville, a Washington municipal corporation, hereinafter the "City," and Comcast of California/Colorado/Texas/Washington, Inc. and Comcast of Washington IV, Inc., collectively referred to hereinafter as "Comcast". The parties intend to set forth in this Agreement the terms and conditions for provision of Institutional Network ("I-Net") maintenance by Comcast.

RECITALS

WHEREAS, the City is requiring provision of an I-Net as part of the attached franchise agreement with Comcast;

WHEREAS, Section 12 of the attached Franchise includes provisions for the manner in which the I-Net is constructed and used; and

WHEREAS, the parties have determined that I-Net maintenance should be addressed in the form of a separate document, which is provided for herein;

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

Section 1. City I-Net Fiber Connections To Public Buildings. Comcast will provide I-Net connections to the public buildings as designated in Exhibit 1, with each building connecting to the City's I-Net Hub. The City and all other Qualified I-Net Users (as referenced in the Franchise) shall have an indefatigable, exclusive right of use thereof for non-commercial private network communications, which right cannot be revoked by Comcast, or successor companies, if any, during the term of the Franchise or any extension(s) or renewal(s) or transfer(s) thereof. However, notwithstanding anything in this Agreement to the contrary, Comcast shall at all times own in fee and maintain the outside aerial and underground fiber optic cable and associated facilities and equipment up to said fiber termination points where physically connected to City-owned optronics.

Section 2. Fiber Construction and Termination. Fiber will be constructed and terminated in accordance with Comcast standard practices, including but not limited to practices concerning connectorization. Comcast is allowed to utilize, during the term of the Franchise and any extension(s) or renewal(s) thereof, City-owned conduit with available capacity, at no charge, for fiber construction (of the City I-Net and/or for Public, Educational and Governmental ["PEG"] Access purposes only) on City property and in

the Right-of-Ways, and the City has agreed to grant Comcast all necessary rights of entry, easements and licenses to accomplish construction to mutually agreed-upon sites. Each fiber connection has been terminated at an internal point of demarcation in a Comcast standard fiber termination panel, unless the City provided another means of termination, in which case the City has provided, at its expense, all necessary fiber termination equipment. At each fiber termination location the City has provided wall mount backboards and a power source for the basic termination, or such equipment as chosen by the City as a replacement.

Section 3. Maintenance of Fiber. Routine maintenance on the fiber used for City I-Net purposes and including associated facilities and equipment used exclusively by the City for I-Net communications will be conducted on the same schedule as routine maintenance of Comcast's Cable System. Any repairs effected upon the fiber and associated I-Net facilities and equipment shall be performed by Comcast, with prior notice of at least five (5) business days to the City when practicable. In emergency conditions, such as a natural emergency resulting from a windstorm, Comcast will effect emergency repair work on the Comcast utilized fiber and City utilized I-Net fiber, if any, in the course of conducting its own emergency repair work on its cable system, excepting where City utilized I-Net fiber may not be co-located with Comcast system plant on a strand or in conduit in which case Comcast fiber shall be repaired as a first priority and City utilized fiber shall be repaired as a second priority in a continuous repair window. In such event, Comcast shall have no liability to City for a delay in I-Net service restoration. Comcast shall levy an annual maintenance fee (as hereinafter described) for all routine maintenance upon the I-Net fiber and associated facilities and equipment from the Comcast side of the I-Net fiber termination panel located at each site out to and including the backbone fiber.

Section 4. Service Trouble Calls and Escalation. The City acknowledges that Comcast does not actively monitor the signal transmission upon City utilized I-Net fiber, and may have no notice of a service outage but for City-initiated notification. For any outages of City utilized I-Net fiber as determined by the City, the City shall notify its information technology ("IT") representative, who shall in turn, contact the Broadband Service Assurance Center ("BSAC"). Comcast shall respond on-site to any routine trouble calls within four (4) hours of receipt of notification at the BSAC and shall actively begin working on the problem until it is resolved. In order to document its work on the City-utilized I-Net fiber, Comcast will use its normal trouble ticket processes. In the event of an inability to initially resolve I-Net problems, Comcast shall follow its normal escalation procedures for correcting fiber outages. At the City's request, Comcast shall also notify the City and provide documentation of the I-Net problem resolution. Such documentation shall include, among other things, a description of the cause and resolution of the problem for each I-Net trouble ticket.

Section 5. Administration, Maintenance and Management of the I-Net. The City shall be responsible for the ongoing administration, maintenance and management of the non-backbone I-Net facilities and equipment located on the City side of the I-Net fiber termination panel located at each site, and the internal site network itself, unless it contracts with Comcast separately for a managed network. All such maintenance

conducted by the City shall be performed in accordance with industry standards, and any equipment owned and used by the City shall comply in all respects with applicable governmental codes, laws, ordinances or regulations.

Section 6. City I-Net Users to Provide Certain Electronics. Comcast shall be responsible for supplying and installing the specified fiber optic cable, for the City's use, to the specified fiber termination panel locations only, thereby providing a pathway for I-Net communications between sites.

COMCAST DISCLAIMS ANY WARRANTY OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE WITH RESPECT TO THE MATERIALS SUPPLIED HEREIN, TO THE EXTENT PERMITTED BY LAW. COMCAST SHALL PURCHASE MATERIALS FOR THE I-NET FROM ITS CUSTOMARY SUPPLIERS, AND ALL MANUFACTURER AND SUPPLIER WARRANTIES SHALL CONTINUE TO APPLY. IN NO EVENT SHALL COMCAST BE LIABLE FOR DEFICIENCIES OR DEFECTS IN THE FIBER FACILITIES CAUSED BY THE CITY OR THE CITY'S AGENTS' OR EMPLOYEES' MISUSE, UNREASONABLE USE, NEGLIGENCE, ALTERATIONS OR IMPROPER REPAIR. COMCAST MAKES NO WARRANTIES EXPRESS OR IMPLIED, ARISING BY CUSTOM OR TRADE USAGE OR OTHERWISE CONCERNING THE FIBER FACILITIES AND/OR EQUIPMENT INSTALLED UNDER THIS AGREEMENT. IN NO EVENT SHALL COMCAST BE LIABLE TO THE CITY FOR ANY DIRECT, INDIRECT OR CONSEQUENTIAL LOSSES OR DAMAGES ARISING IN ANY MANNER FROM THE CONTENT OR SERVICES THAT THE CITY CHOOSES TO PROVIDE OVER COMCAST'S FACILITIES.

Any "active" equipment or components, including but not limited to computers, network cards, optronics, electronics, and equipment racks, required for I-Net use shall be provided at the City's sole expense, unless the City has entered into a separate agreement with Comcast for a managed network, in which case the terms of such agreement shall govern equipment ownership.

Section 7. Equipment or Modifications. The City will not attach any equipment or otherwise modify the I-Net in any way that will interfere with the signal quality and the normal operation of Comcast's Cable System. The City may not access any part of the backbone fiber and associated facilities and equipment outside the actual I-Net site fiber termination panel, and the City's permitted access shall in no event extend beyond the City's side of the fiber termination panel.

Section 8. Undergrounding. When electric and telephone utility wiring in an area of the City are relocated underground, Comcast shall, in accordance with the Franchise, place its cable system underground at the same time. Comcast shall be responsible for relocating City I-Net utilized fiber when Comcast's system fiber is placed underground at the same time. Notwithstanding the foregoing, should an increased cost differential arise because of Comcast's having to do additional splicing, increase the size of its conduit, vaults, or fiber sheath (because of the undergrounding), then the City shall pay the reasonable, incremental cost differential pertaining to the City I-Net utilized fiber only.

Section 9. Cost of I-Net Maintenance; Annual Maintenance Fee. The ongoing maintenance and repair of the City utilized I-Net fiber, whether or not scheduled or prompted by an emergency, shall be performed by Comcast as part of an annual maintenance program. The maintenance shall be paid for by the City at the beginning of the City's next fiscal year following execution of this Agreement and each anniversary thereafter. The maintenance fee shall initially be Five Hundred Dollars (\$500.00) per strand (route) mile per year. Such fee shall apply without regard to the number of necessary non-emergency or emergency repair incidents, and shall cover, without limitation, restoration of outages caused by third-party plant damage, damage wrought by inclement weather, quarterly system drive-outs for preventive maintenance, code compliance inspections, fiber functionality testing and re-documentation, pole change-outs and pole relocations, strand replacement, strand/facilities re-tensioning, anchoring, all labor, materials and equipment charges and associated engineering costs. The City shall make payment within ninety (90) days of receipt of an invoice. Should the City fail to make payment within such period, the City shall be assessed an interest charge from the date payment was due at an annual rate at the then current prime rate plus two percent (2%).

Section 10. Annual Maintenance Fee Increase. Effective on the first anniversary of the initial invoicing of the City for the annual maintenance fee (the "Adjustment Date"), and on each succeeding anniversary during the term of the Franchise, the annual maintenance fee payable by City to Comcast shall be increased by an amount equal to the increase in the Consumer Price Index (the "Index") for the greater Seattle metropolitan area published most immediately preceding that date which is twelve (12) months prior to the Adjustment Date; provided, however, that in no event shall the annual maintenance fee payable after the Adjustment Date be less than the annual maintenance fee payable before the Adjustment Date. Comcast shall not be obligated to make any adjustments or re-computations, retroactive or otherwise, by reason of any revision which later may be made in the Index figures first published for any period. If the Index is discontinued, the parties shall follow any official consumer price index, whether so named or designated or not, issued by any authorized agency of the United States which supplants the Index; otherwise, the parties shall use any comparable general wholesale or retail price index for the United States jointly selected by City and Comcast.

Section 11. Entire Agreement. This Agreement represents the entire agreement between the parties hereto with respect to the subject matter hereof and supersedes all prior oral negotiations and agreements between them except that all provisions of the Franchise shall remain in full force and effect.

AGREED TO BETWEEN THE PARTIES on the last date written below.

Comcast of California/Colorado/Texas/Washington, Inc. and Comcast of Washington IV, Inc.

[Signature]
By: Steve Crony
its: Regional Vice President - Finance
Date: _____

CITY OF MARYSVILLE

[Signature]
By: David Weiser
its: Mayor
Date: November 10, 2003

ATTEST:

[Signature]
CITY CLERK

MARYSVILLE I-NET SITE LIST AND COST

1. Marysville Public Safety Center - 1635 Grove Street
2. Marysville City Hall - 1049 State Avenue
3. Public Works Building - 80 Columbia Avenue
4. Parks and Recreation Office - 6915 Armar Road
5. Marysville Public Library - 6120 Grove Street
6. Ken Baxter Senior/Community Center - 514 Delta Avenue
7. Cedarcrest Municipal Golf Course - 6810 68th Avenue NE
8. Marysville School District Service Center - 4220 80th Street NE
9. Fire Station 63 - 14716 Smokey Point Boulevard
10. Fire Station 62 - 5100 108th Street NE

Inside Plant (ISP) costs	\$ 98,561.99*
Outside Plant (OSP) costs	\$ 55,046.02
Total Cost to construct	\$153,608.01

* These costs are NOT based on "prevailing wage" environment; if "prevailing wage" requirements exist, costs will have to be adjusted appropriately.

Index #7

CITY OF MARYSVILLE
EXECUTIVE SUMMARY FOR ACTION

CITY COUNCIL MEETING DATE: November 24, 2014

AGENDA ITEM: Resolution Adopting Public Defense Standards	AGENDA SECTION: Legal	
PREPARED BY: Gloria Hirashima, Chief Administrative Officer	AGENDA NUMBER:	
ATTACHMENTS: 1. Resolution establishing standards for indigent defense services.	APPROVED BY:	
	MAYOR	CAO
BUDGET CODE:	AMOUNT:	

RCW 10.101.030 requires the City of Marysville ("City") to adopt standards for the delivery of public defense services. The Washington State Bar Association Board of Governors approved standards for indigent defense services on June 11, 2011 and the Washington State Supreme Court issued New Standards for Indigent Defense by Order dated June 15, 2012, which were effective upon adoption except Standard 3.4 which includes mandated caseload limits that have a scheduled effective date of January 1, 2015.

The City adopted public defense standards by Resolution 2363 on July 28, 2014. Following additional review of the standards several revisions have been identified to reflect current or proposed practices and procedures utilized by the public defense service firm if consistent with the Washington State Supreme Court and other recommended best practices. These revisions are reflected in the attached resolution.

RECOMMENDED ACTION: Approve resolution establishing standards for indigent defense services.
--

COUNCIL ACTION:

RESOLUTION NO. _____

**A RESOLUTION OF THE CITY OF MARYSVILLE, WASHINGTON
AMENDING NEW STANDARDS FOR THE DELIVERY OF PUBLIC
DEFENDER SERVICES PURSUANT TO RCW 10.101.030 ADOPTED
BY RESOLUTION 2363**

WHEREAS, RCW 10.101.030 requires the City of Marysville ("City") to adopt standards for the delivery of public defense services, specifies the topics to be addressed in such standards, and urges local legislative bodies to use the standards endorsed by the Washington State Bar Association for indigent defense as guidelines; and

WHEREAS, the City adopted new standards for the delivery of public defender services by Resolution 2362 adopted _____; and

WHEREAS, after review, consultation with the City's public defender and further consideration, City Council finds it would promote the public interest to make certain amendments to the standards as set forth in Exhibit A,

NOW, THEREFORE

THE CITY COUNCIL OF THE CITY OF MARYSVILLE, WASHINGTON, HEREBY RESOLVES AS FOLLOWS:

Section 1. The City of Marysville Standards for the Delivery of Public Defense Services as set forth in Exhibit A to this resolution are hereby adopted and approved, and supersede the Standards of the Delivery of Public Defense Services as adopted by Resolution 2363.

Section 3. The City Clerk is directed to provide a certified copy of the Standards to the Presiding Judge of the Marysville Municipal Court.

Section 4. **EFFECTIVE DATE.**

The provisions of this resolution shall be effective upon adoption.

Section 3. The City Clerk is directed to provide a certified copy of the Standards to the Presiding Judge of the Marysville Municipal Court.

Section 4. **EFFECTIVE DATE.**

The provisions of this resolution shall be effective upon adoption.

RESOLVED:

CITY OF MARYSVILLE

Jon Nehring, Mayor

ATTEST:

April O'Brien, Deputy City Clerk

APPROVED AS TO FORM:

Grant K. Weed, City Attorney

EXHIBIT A

STATEMENT OF INTENT AND INTERPRETATION: These standards are adopted in order to comply with the requirements of RCW 10.101.030, the rules established by the Washington State Supreme Court, and the requirements of the Sixth Amendment to the U.S. Constitution. The provisions of these standards shall be construed to effectuate their stated purpose, which is to provide standards that afford quality representation in the provision of public defense to indigent criminal defendants. "Quality representation" describes the minimum level of attention, care, and skill that Washington citizens would expect of their State's criminal justice system meeting all legal requirements for the provision of public defense services. These standards may be amended from time to time to reflect changes in the rules established by the Washington State Supreme Court, guidance offered by the Washington State Bar Association, or decisions of Washington State and federal courts.

1. DUTIES AND RESPONSIBILITIES OF COUNSEL.

1.1 Public defense services ("the Services") shall be provided to all clients in a professional, skilled manner consistent with the minimum standards set forth by the American Bar Association, the Washington State Bar Association, the Rules of Professional Conduct, case law and applicable court rules and decisions defining the duties of counsel and the rights of defendants in criminal cases. The Public Defender's primary and most fundamental responsibility is to promote and protect the interests of the client.

1.2 Services shall be provided to indigent clients whose eligibility has been determined by the City of Marysville through an established screening process.

1.3 All Public Defenders providing services by contract shall certify their compliance with the standards for indigent defense by filing a Certification of Compliance quarterly, as required by CrR 3.1, CrRLJ 3.1, and JuCR 9.2. Such forms shall be filed with the Marysville Municipal Court. Copies of each Public Defender's certification shall be provided to the City.

2. QUALIFICATIONS OF ATTORNEYS.

2.1 Every Public Defender performing services under contract with the City (herein "Public Defense" or "Public Defender") or appointed by the Marysville Municipal Court in a particular case shall satisfy the minimum requirements for practicing law in the State of Washington as determined by the Washington State Supreme Court and possess a license to practice law in the State. Interns may assist in the provision of services so long as such interns comply with APR 9, and are trained and supervised by contract Public Defenders.

2.2 In a firm providing public defense services, one attorney shall be designated as the lead attorney. The designated Public Defender or the designated lead attorney in a firm providing public defense services by contract shall have a minimum of five years of experience in a practice emphasizing criminal defense.

2.3 Attorneys and Rule 9 interns performing services under contract shall:

2.2.1 be familiar with the statutes, court rules, constitutional provisions, and case law relevant to the practice area;

2.2.2 be familiar with the Washington Rules of Professional Conduct (WRPC);

2.2.3 be familiar with the Performance Guidelines for Criminal Defense Representation approved by the Washington State Bar Association;

2.2.4 be familiar with the consequences of a conviction or adjudication, including possible immigration consequences and the possibility of civil commitment proceedings based upon a criminal conviction; and

2.2.5 be familiar with mental health issues and be able to identify the need to obtain expert services; and

2.3 The City Attorney, City Prosecutor, Chief of Police and law enforcement personnel shall not participate in the selection and evaluation process leading to the recommendation of a contract for Public Defense Services. Nothing herein shall be interpreted to prohibit the City Attorney, City Prosecutor or Chief of Police from performing the normal functions of his/her office, including by way of illustration, the drafting of contracts, ordinances and resolutions.

3. TRAINING, SUPERVISION, AND EVALUATION OF ATTORNEYS.

3.1 The designated lead attorney in a firm providing public defender services shall be responsible for training, supervising, and evaluating all attorneys in the firm providing public defender services.

3.2 No attorney in a firm providing public defender services shall be assigned sole or primary responsibility for a case unless the lead attorney determines that attorney has the required training, experience, knowledge and skill.

3.3 All attorneys providing public defense services shall participate in a minimum of seven hours of continuing legal education per year in areas relating to criminal defense law and practice.

3.4 In addition to required continuing legal education (CLE) training, in the event that seven (7) or more attorneys perform services to the City by the same contract and in the same entity, the contract for services shall provide for in-house training. Proposals made in response to requests for proposals for pursuit of a contract for Public Defense Services shall provide information regarding in-house training, the development of manuals to inform new attorneys of the rules and procedures of the Marysville Municipal Court and encourage the

opportunity to attend courses that foster trial advocacy skills. The Public Defender is encouraged to obtain and review professional publications and other media relating to criminal defense.

4. COMPENSATION OF COUNSEL.

The City has a constitutional obligation to provide Public Defense Services that ensure that public defense attorneys and staff are compensated at a rate commensurate with their training and experience. For conflict and other assigned counsel, reasonable compensation shall also be provided. Compensation shall reflect the time and labor required to be spent by the attorney and the degree of professional experience demanded by the assigned caseload. Contracted and assigned counsel shall be compensated for reasonable out of pocket expenses.

4.1 The Public Defender may move the court to fix additional compensation in the event that a particular case requires an extraordinary amount of time and preparation, or to approve adjustment of the caseload counting for that case pursuant to Standard 7.7.

4.2 Attorneys with a conflict of interest shall not be required to compensate the new, substituted attorney under the contract.

5. ADMINISTRATIVE EXPENSES AND SUPPORT SERVICES.

5.1 All contracts for Public Defense shall provide sufficient amounts, in addition to reasonable compensation for attorneys, for adequate administrative expenses and supports services to provide for adequate staffing and other costs associated with the day to day management of a law office. Administrative expenses include travel, telephones, law library including electronic legal research, financial accounting, case management systems, computers and software, office space and supplies, training. Support services include secretaries, word processing staff, paralegals, and access to translators, social work staff, mental health professionals, and immigration law advice, as appropriate,

5.2 Private offices and/or conference rooms shall be available which are convenient to defendants charged in the Marysville Municipal Court and allow the maintenance of confidentiality. Public Defenders shall maintain a telephone system, an email address and postal address to enable convenient communications by clients.

6. RESPONSIBILITY FOR EXPERT WITNESS FEES AND OTHER COSTS ASSOCIATED WITH REPRESENTATION

The expenses of expert witnesses and investigative costs in appropriate cases shall be borne by the City.

6.1 The Public Defense Contract shall provide reasonable compensation for an expert of the Public Defender's choosing. No appointment shall be from a pre-approved list designated by the City Attorney, the City Prosecutor, or other City officials.

6.2 The services of expert witnesses will be paid directly by the City when approved by the Court through ex parte motion.

6.3 Investigative services shall be employed as appropriate. The investigator shall have appropriate training and experience in the area of criminal defense and investigations relating to criminal matters. Contracts for Public Defense Services may include investigative services as a part of reimbursed overhead included in the contract compensation for investigators employed by a firm.

7. CASELOAD LIMITS AND TYPES OF CASES.

7.1 The Public Defender shall provide Services to all eligible person charged in the Marysville Municipal Court with violation of the City's ordinances defining misdemeanor and gross misdemeanor crimes for which incarceration is a possible consequence upon conviction, and RALJ appeals of convictions to Superior Court. A case is defined as the filing of a document with the Court naming a person as a defendant or respondent, to which an attorney is appointed in order to provide representation.

7.2 The caseload of a full time public defender or assigned counsel shall not exceed four hundred cases per year.

7.3 If a Public Defender or assigned counsel is carrying a caseload consisting of cases performed under contract with the City, as well as other criminal cases from other jurisdictions, including a mixed caseload of felonies and misdemeanors, these standards shall be adjusted proportionally to determine a full caseload. If the contract or assigned counsel also maintains a private law practice, the caseload shall be based upon the percentage of time that the lawyer devotes to public defense with the City.

7.4 The caseload of a Public Defender who also maintains a private practice shall not exceed the number of cases resulting from multiplying 400 cases by the percentage of his or her time the public defender devotes to providing public defense services under all contracts for public defense services.

7.5 A case credit is a unit of work computed as follows:

7.5.1 The Public Defender will receive no credit for a misdemeanor case when the court dismisses the case upon the motion of the prosecuting attorney before any legal service has been performed. Any case in which the Public Defender's duty is limited to explaining to the individual defendant the implication of any action by the City Prosecutor to reduce a criminal matter to a civil infraction, bail forfeiture or dismissal, shall not be counted as a case assignment to the Public Defender's office. The Public Defender shall receive no work for credit on cases which are substantively identified as conflicts, with the exception of cases in which, after performing a conflicts check, receiving discovery and having

a a confidential conference with the client, the client obtains a new attorney at his own expense or through a request to the court, or for other extraordinary circumstances approved by the City, including but not limited to, information or evidence which the Public Defender could not have reasonably known or discovered at the time of the initial conflicts check.

7.5.2 Each case assigned to the Public Defender shall only be counted once, irrespective of the number of hearings either prior to disposition or post disposition.

7.5.3 A criminal matter shall be defined as one (1) case for billing purposes no matter how many charges are filed against the individual, so long as all the charges arise out of the same incident. Any additional charges filed against the same defendant, arising out of a separate incident, shall be counted by the Public Defender as a new case.

7.5.4 If the Public Defender is required to attend an arraignment or probation review/failure to comply calendar, each hour of such calendar time shall be counted as 0.17 case credit toward the maximum caseload limit. This shall apply regardless of whether the attorney is appointed to represent a client.

7.5.5 A case in which a jury is empaneled shall be counted as three case credits.

7.5.6 A RALJ appeal to which the Public Defender is assigned shall not count as a case credit if dismissed prior to briefing.

7.6 The request for qualifications process for selection of a Public Defender and Public Defender Counsel shall strive to obtain a Public Defender whose experience and training is sufficient to comport with the caseload assumptions and credits assigned. Attorneys assigned to RALJ appeals shall have a minimum of one year's experience in RALJ appeals or in the event multiple attorneys perform services in the contract, a minimum of one attorney assigned to or supervising RALJ appeals shall have such experience.

7.7 The standards provided herein for caseloads may be adjusted upward depending upon the complexity of a particular case. A Public Defender may request to have the weighting for an unusually complex case not addressed adequately by these standards to be increased depending upon the complexity and requirements of the case. The maximum caseload for a particular attorney shall be adjusted downward when the mix of case assignments becomes weighted toward an unanticipated number of more serious offenses or case types that demand more investigation, legal research and writing, use of experts, and/or social workers or other expenditure of time and resources.

8. LIMITATIONS ON PRIVATE PRACTICE.

Subject to the provisions of Standard Six on Caseload Limits, there is no prohibition on a public defender engaging in private practice, provided, such private practice does not

interfere with performance of Public Defense Services and complies with all requirements of the Rules of Professional Conduct.

9. REPORTS OF ATTORNEY ACTIVITY AND VOUCHERS.

9.1 Public Defense Services shall maintain a case reporting system and information management system. The Public Defender or firm providing public defense services shall provide monthly reports to the City regarding the caseloads generated under the contract for each attorney and intern providing services under the contract.

9.2 The monthly caseload reports to be provided by the Public Defender shall identify the number of cases assigned, the case count year-to-date, and records of the time expended on each case. The monthly caseload report shall also include information relating to calculation of caseload under public defense contracts with other jurisdictions and private practice caseload to permit the City to monitor and evaluate compliance with these Standards. The City may require supplementation of reports if the information provided does not allow evaluation of the Public Defender's compliance with caseload limits.

9.3 The Public Defender shall keep track of the amount of time spent on each case assigned to it. All client consultations, investigations, witness interviews, legal research, and any other time spent on an appointed client will be tracked. An exception to the time tracking rules above is for the amount of time the attorney spends with each individual client while at a pretrial or confirmation hearing. The amount of time an attorney or attorneys spent assisting clients at those hearings maybe calculated as a whole. That time need not be broken down into individual minutes spent per individual case in court. If a motion hearing or trials, hourly time spent will be attributed to the individual client's case.

9.4 Requests for payment shall be made by voucher on a form approved by the City Administrator and supported by the monthly caseload report.

10. DISPOSITION OF CLIENT COMPLAINTS.

10.1 The Chief Administrative Officer shall identify a procedure for complaints regarding the provision of services by the Public Defender.

10.2 Public Defender Service Providers shall first be afforded an opportunity to resolve any complaint.

10.3 Complaints regarding the provision of services under the contract, or regarding a violation of any of these standards shall be investigated by the Chief Administrative Officer provided, however, that any complaint regarding trial strategy or any other matter which could breach confidentiality shall be referred to the Washington State Bar Association or the presiding judge of the Marysville Municipal Court. Nothing in this section or in these standards should be interpreted to require the Public Defender or any indigent defendant to breach any duty of confidentiality, including, but not limited to trial strategy

11. CAUSE FOR TERMINATION OR CONTRACT OR REMOVAL OF ATTORNEY.

11.1 The City may terminate the contract for Public Defense Services either “for cause,” after such notice and opportunity to cure as is warranted in the circumstances, or “for convenience,” on 90 days notice of termination.

11.2 Removal by the Court of counsel from representation normally should not occur over the objection of the attorney and the client.

12. SUBSTITUTION OF ATTORNEYS OR ASSIGNMENT OF CONTRACTS.

12.1 The contract for Public Defense Services shall not be assignable without the express written consent of the City.

12.2 In the event of conflict or removal of the Public Defender, Conflict Counsel shall be assigned, either by separate contract with Conflict Counsel or by court appointment. In the event that alternative or Conflict Counsel is required to be assigned, the Public Defender shall bear no part of the costs associated with the appointment of an alternative or Conflict Counsel. The contract should address the procedures for continuing representation of clients upon conclusion of the agreement.

12.3 Conflict Counsel shall adhere to the standards established by this resolution, including but not limited to, an evaluation of the overall case count annually by Conflict Counsel under the procedures set forth in this agreement.

13. NON-DISCRIMINATION.

Non-Discrimination. The Public Defender shall comply with all federal, state and local non-discrimination laws or ordinances. The duty of nondiscrimination relates not only to the provision of services by the Public Defender to the clients, but also with respect to the hiring and employment practices of the Public Defender Contractor.

Index #8

CITY OF MARYSVILLE AGENDA BILL

EXECUTIVE SUMMARY FOR ACTION

CITY COUNCIL MEETING DATE: 11/24/14

AGENDA ITEM: Professional Services Agreement between City of Marysville and Feldman & Lee, P.S.	
PREPARED BY: Gloria Hirashima, Chief Administrative Officer	DIRECTOR APPROVAL:
DEPARTMENT: Executive	
ATTACHMENTS: Professional Services Agreement for Indigent Defense Services	
BUDGET CODE:	AMOUNT:

SUMMARY:

The proposed agreement establishes a professional services agreement between the City and Feldman & Lee, P.S. for public defender services for all indigent criminal defendants charged under the city of Marysville Municipal Court who qualify for appointed counsel. Feldman & Lee have related matters. Marysville has utilized the services of Feldman & Lee, P.S. since 2010. The firm is contracted to provide qualified personnel and facilities necessary for the work and services identified within the contract. The work must be performed City’s specifications, guidelines and/or rules specified by the State Office of Public Defense, and/or the Washington State Supreme Court.

Our current contract was approved through December 31, 2016, however both parties provided a reopener to address caseload limits established by the Washington State Supreme Court that are effective January 1, 2015. In addition, the Memorandum Decision dated December 4, 2013, in Wilbur v. City of Mount Vernon, United States District Court for the Western District of Washington Case No. C11-1101RSL, provides additional guidance on the delivery of public defense services, including municipal responsibilities for funding, administering and monitoring a constitutionally adequate public defense program under the Sixth Amendment to the U.S. Constitution.

The proposed fee is \$42,000 per month. The current rate is \$20,000 per month, so this represents over a 100% increase in costs of public defense for the city of Marysville.

RECOMMENDED ACTION:
Staff recommends that City Council approve the public defense service agreement with Feldman & Lee, P.S.

**PROFESSIONAL SERVICES AGREEMENT
FOR INDIGENT DEFENSE SERVICES**

WHEREAS, the City of Marysville, Washington, (“the City”) provides indigent defense services to individuals who have been determined to be eligible for representation at public expense for criminal charges before the Marysville Municipal Court (“the Municipal Court”); and

WHEREAS, the Supreme Court has by Order dated June 15, 2012, adopted New Indigent Defense Standards (“the Supreme Court Standards”), which impose a caseload limit of 400 unweighted misdemeanor cases per attorney; and

WHEREAS, the City has adopted Standards for Indigent Defense by Resolution No. 2363 adopted _____ (“the City Standards”); and

WHEREAS, based on current trends, the City anticipates filing approximately 1,600 cases in 2015 for which appointment of a public defender will be required, which will initially require four full time public defenders, and

WHEREAS, Feldman and Lee, P.S., (“the Firm”) is a law firm employing licensed attorneys in good standing in the state of Washington which has been selected by the City to provide representation of indigent defense clients under contract with the City (“the Services”); and represents that is willing and able to provide the required number of full time public defenders to provide the Services; and

WHEREAS, the City and the Firm desire to provide for compensation for the Services based on a flat monthly fee, subject to adjustment annually to reflect actual case filings.

Now, therefore, the City and Firm enter into this Agreement in consideration of the mutual benefits to be derived and the mutual promises contained herein:

1. Scope of Services, Standards and Warranty. The Firm will provide the Services in accordance with this Agreement, the Supreme Court Standards and the City Standards, which will initially require the provision of four (4) full time public defenders.

1.1 The Firm warrants that every attorney and/or intern employed by the Firm to perform services under this contract, has read and is fully familiar with the provisions of the Supreme Court Standards as it has been amended from time to time and the City Standards, which are hereby incorporated in this Agreement by this reference as if set out at length. Compliance with the Supreme Court Standards and the City Standards goes to the essence of this Agreement. Every attorney and/or intern performing services under this Agreement, shall certify compliance quarterly with the Municipal Court on the form established for that purpose by court rule. A copy of each and every such certification shall be provided to the City contemporaneously with filing with the Municipal Court. The Firm further warrants that it has analyzed the cost of providing the Services, and that its proposal,

reflected in Section 2, Compensation, is sufficient to cover all wages and benefits, infrastructure, support and administrative services and systems necessary to comply with the Standards.

1.2 The Firm shall maintain an office within the corporate limits of the City. The Firm shall ensure an attorney is available to each eligible City defendant to ensure that the defendant is provided with effective assistance of counsel. Defendant access to his or her attorney prior to court hearings is paramount. The Firm shall be responsible to use best efforts to ensure its attorneys confer with defendants about cases promptly after appointment and prior to trial or hearings. Defendants shall be provided access to the Firm's attorneys by means of a toll free local call from a Marysville telephone number made available by the Firm, attorney's email address, and attorney's office and postal address. Attorneys shall respond to defendant inquires within a reasonable time to ensure the effective assistance of counsel, whether such inquires are received by letter, telephone, email or otherwise.

1.3 The Firm shall provide an attorney to appear at all Municipal Court arraignment calendars.

1.4 The Firm shall maintain a case reporting and case management information system, and shall submit reports to the City, which shall be submitted in support of monthly invoices, and shall be a condition of payment pursuant to Section 2. The reports shall include the following information:

1.4.1 The number of cases to which the Firm's attorneys were appointed during the month and year to date.

1.4.2 For each appointment, the name of the defendant, the name of the attorney appointed, the date of appointment and the case number.

1.4.3 The charge(s) filed against the defendant.

1.4.4 The disposition of charge(s), including method of disposition, i.e., trial, plea motion, etc.

1.4.5 Such information required by the City Standards to allow the City to determine Attorney's compliance with caseload limits, including information pertaining to Attorney's other municipal public defense contracts and Attorney's private practice, if any.

1.5 The Firm shall employ an investigator to assist the attorneys providing the Services.

2. Compensation. Subject to all the provisions of this section, the City shall pay to the Firm a flat fee of Forty-two Thousand Dollars (\$42,000) per month for the Services, including all proceedings in the Municipal Court and all appeals therefrom. This flat monthly fee is based on Ten Thousand Five Hundred Dollars (\$10,500) per attorney.

2.1 Except as expressly provided in Section 2.2, the cost of all infrastructure, wages and benefits, administrative and support expenses, equipment and systems,

the investigator, and overhead costs necessary to comply with the City Standards is included in the payment provided in the flat monthly fee.

2.2 The City shall pay for the following case expenses in addition to the per case fee when reasonably incurred and approved by the Municipal Court on ex-parte motion:

- 2.2.1 Medical and psychiatric evaluations;
- 2.2.2 Expert witness fees and expenses;
- 2.2.3 Interpreters fees;
- 2.2.4 Polygraph, forensic and other scientific tests;
- 2.2.5 Lay witness fees and mileage incurred in bringing defense witnesses to court, including the cost of service of a subpoena, but not including salary or expenses of law enforcement officers required to accompany incarcerated witnesses; and
- 2.2.6 The cost of obtaining medical, school, birth, DMV, and other similar records, and 911 and emergency communication recordings and logs; and
- 2.2.7 Any other costs or expenses the Municipal Court finds necessary and proper for the investigation, preparation, and presentation of a case.

2.3. For post-conviction relief cases, the City shall pay the cost to obtain copies of the court file, the transcript and original charging documents.

2.4 In January of each year, the City and the Firm shall review the number of City cases to which the Firm's attorneys were appointed during the prior year, and shall adjust the number of attorneys providing the Services and adjust the flat monthly fee proportionately. Such adjustments shall be on the basis of increments of 0.5 full time public defenders at \$10,500 per attorney. By way of example, two hundred cases more than the anticipated 1,600 cases would result in an adjustment of the number of attorney from four to four and an adjustment of the flat monthly fee from \$42,000 to \$47,250. Two hundred fewer cases than the anticipated 1,600 cases would result in an adjustment in the number of attorney from four to three and a half and an adjustment of the flat monthly fee from \$42,000 to \$36,750.

2.5 In the event the Firm has a conflict that prevents it from representing a client for whom one of its attorneys has been appointed, the Firm shall not be required to compensate conflict counsel.

3. Term. The term of this Agreement shall be from the later of the date of mutual execution or January 1, 2015, through December 31, 2017, unless sooner terminated as provided in this Agreement, provided, this Agreement shall be automatically renewed for additional one year terms each year unless terminated as follows:

3.1 This Agreement may be terminated for cause for violation of any material term. "Material term" shall include any violation indicating a failure to provide representation in accordance with the rules of the court and the ethical obligations established by the Washington State Bar Association, a violation of the Standards of the provisions of Section 6 relating to insurance, conviction of a criminal charge, and/or a finding that the license of the Firm, or any attorney providing service under this agreement, has

been suspended or revoked. Any violation of the other provisions of this Contract shall be subject to cure. Written notice of contract violation shall be provided to the Firm which shall have ten (10) business days to correct the violation. Failure to correct the violation will give rise to termination for cause at the City's discretion. In lieu of terminating this contract, the City may agree in writing to alternative corrective measures.

3.2 This Agreement may be terminated at any time without cause by either party giving the other party not less than ninety (90) days written notice.

3.3 The parties may agree in writing to terminate this contract at any time. Unless otherwise agreed to in writing, termination or expiration of this contract does not affect any existing obligation or liability of either party.

4. Nondiscrimination. Neither the Firm nor any person acting on behalf of the Firm, shall, by reason of race, creed, color, national origin, sex, sexual orientation, honorably discharged doctrine or military status, or the presence of any sensory, mental, or physical disability or the use of a trained guide dog or service animal by a person with a disability, discriminate against any person who is qualified and available to perform the work to which the employment relates, or in the provision of services under this Agreement.

5. Indemnification. The Firm agrees to hold harmless and indemnify the City, its officers, officials, agents, employees, and representatives from and against any and all claims, costs, judgments, losses, or suits including Attorney's fees or awards, and including claims by Attorney's own employees to which Attorney might otherwise be immune under Title 51 arising out of or in connection with any willful misconduct or negligent error, or omission of the Firm, its officers or agents. It is specifically and expressly understood that the indemnification provided herein constitutes the waiver of the Firm's waiver of immunity under Title 51 RCW solely for the purposes of this indemnification. The parties have mutually negotiated this waiver. This clause shall survive the termination or expiration of this agreement and shall continue to be in effect for any claims or causes of action arising hereunder.

6. Insurance. The Firm shall procure and maintain for the duration of this agreement insurance against claims for injuries to persons or property which may arise from or in connection with the performance of work hereunder by the attorneys, or agents, representatives, or employees of the Firm.

6.1 The Firm shall obtain insurance of the types described below:

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

6.1.2 Commercial General Liability insurance shall be written on ISO occurrence form CG 00 01 and shall cover liability arising from premises, operations, independent contractors, products-completed operations, personal injury and advertising injury,

and liability assumed under an insured contract. The City shall be named as an insured under the Service Provider's Commercial General Liability insurance policy with respect to the work performed for the City using ISO additional insured endorsement CG 20 10 10 01 and CG 20 37 10 01 or substitute endorsements providing equivalent coverage.

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

6.1.4 Professional Liability insurance appropriate to the Firm's undertakings. This policy shall not contain an exclusion for ineffective assistance of counsel claim, loss or liability.

6.2 The Firm shall maintain the following insurance limits:

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

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

6.2.3 Professional Liability insurance shall be written with limits no less than \$1,000,000 per claim and \$1,000,000 policy aggregate limit. The policy shall contain no exclusion for loss or liability relating to a claim of ineffective assistance of counsel.

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

6.3.1 The Firm's insurance coverage shall be primary insurance as respect to the City. Any insurance, self-insurance, or insurance pool coverage maintained by the City shall be excess of the Service Provider's insurance and shall not contribute with it.

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

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

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

7. Work Performed by the Firm. In addition to compliance with the City Standards, in the performance of work under this Agreement, the Firm shall comply with all federal, state and municipal laws, ordinances, rules and regulations which are applicable to the Firm's

business, equipment, and personnel engaged in operations covered by this Agreement or accruing out of the performance of such operations.

8. Work Performed at the Firm's Risk. The Firm shall be responsible for the safety of its employees, agents, and subcontractors in the performance of work hereunder, and shall take all protections reasonably necessary for that purpose. All work shall be done at the the Firm's own risk, and the Firm shall be responsible for any loss or damage to materials, tools, or other articles used or held in connection with the work. The Firm shall also pay its employees all wages, salaries and benefits required by law and provide for taxes, withholding and all other employment related charges, taxes or fees in accordance with law and IRS regulations.

9. Personal Services, No Subcontracting. This Agreement has been entered into in consideration of the Firm's particular skills, qualifications, experience, and ability to meet the Standards incorporated in this Agreement. This Agreement shall not be subcontracted without the express written consent of the City and refusal to subcontract may be withheld at the City's sole discretion. Any assignment of this Agreement by the Firm without the express written consent of the City shall be void.

10. Modification. No waiver, alteration or modification of any of the provisions of this Agreement shall be binding unless in writing and signed by the duly authorized representatives of the City and the Firm.

11. Entire Agreement. This Agreement contains the entire agreement between the City and the Firm. The provisions of this Agreement shall supersede all prior verbal statements of any officer or other representative of the City, and such statement(s) shall not be effective or construed as entering into or forming a part of, or altering in any manner whatsoever, this Agreement.

12. Written Notice. All communications regarding this Agreement shall be sent to the parties at the addresses listed below, unless notified to the contrary. Any written notice hereunder shall become effective as of the date of mailing by registered or certified mail, and shall be deemed sufficiently given if sent to the addressee at the address stated in the Agreement or such other address as may be hereinafter specified in writing:

TO CITY:

City of Marysville
Attn.: Chief Administrative Officer
1049 State Avenue
Marysville, WA 98207

TO THE FIRM:

James A. Feldman
Feldman and Lee, P.S.
19303 44th Ave. W.
Lynnwood, WA 98036

13. Nonwaiver of Breach. The failure of the City to insist upon strict performance of any of the covenants and agreements contained herein, or to exercise any option herein conferred

in one or more instances shall not be construed to be a waiver or relinquishment of such covenants, agreements, or options, and the same shall be and remain in full force and effect.

14. Resolutions of Disputes, Governing Law. Should any dispute, misunderstanding or conflict arise as to the terms or conditions contained in this Agreement, the matter shall be referred to the Chief Administrative Officer, whose decision shall be final, provided, however, that any complaint regarding any violation of the City Standards or which relate to any manner whatsoever to trial strategy or an ongoing case, or any dispute concerning the City's determination on Attorney's request for higher compensation for a particular case, shall be referred to the Judge of the Municipal Court. Nothing herein shall be construed to obligate, require or permit the City, its officers, agents, or employees to inquire into any privileged communication between an attorney and any indigent defendant. In the event of any litigation arising out of this Agreement, the prevailing party shall be reimbursed for reasonable attorneys' fees from the other party. This Agreement shall be governed by and construed in accordance with the laws of the State of Washington and the rules of the Washington Supreme Court as applicable. Venue for an action arising out of this Agreement shall be in Snohomish County Superior Court.

CITY OF MARYSVILLE

FELDMAN AND LEE, P.S.

Mayor

James A. Feldman

Date signed:_____

Date signed:_____

ATTEST:

City Clerk

APPROVED AS TO FORM:

City Attorney

Index #9

**CITY OF MARYSVILLE AGENDA BILL
EXECUTIVE SUMMARY FOR ACTION**

CITY COUNCIL MEETING DATE: 11/24/14

AGENDA ITEM: Recovery Contract for R & V Enterprises, LLC (Sewer main on 52nd Dr NE for Pinewood Apts)	
PREPARED BY: Deryl Taylor, Development Services Technician	DIRECTOR APPROVAL:
DEPARTMENT: Community Development	
ATTACHMENTS: 1. Sewer Recovery Contract 2. Exhibit A - Vicinity Map 3. Exhibit B - Parcel Map 4. Exhibit C - Cost Comparison	
BUDGET CODE:	AMOUNT:
SUMMARY:	

The Recovery Contract establishes a fair fee for latecomers benefiting from an 8" sewer main in 52nd Drive NE south of 84th Street NE.

The recoverable amount of this Recovery Contract is \$16,947.08.

RECOMMENDED ACTION:

Public Works and Community Development staff recommends Council authorize the Mayor to sign the Recovery Contract.



Preliminary Determination

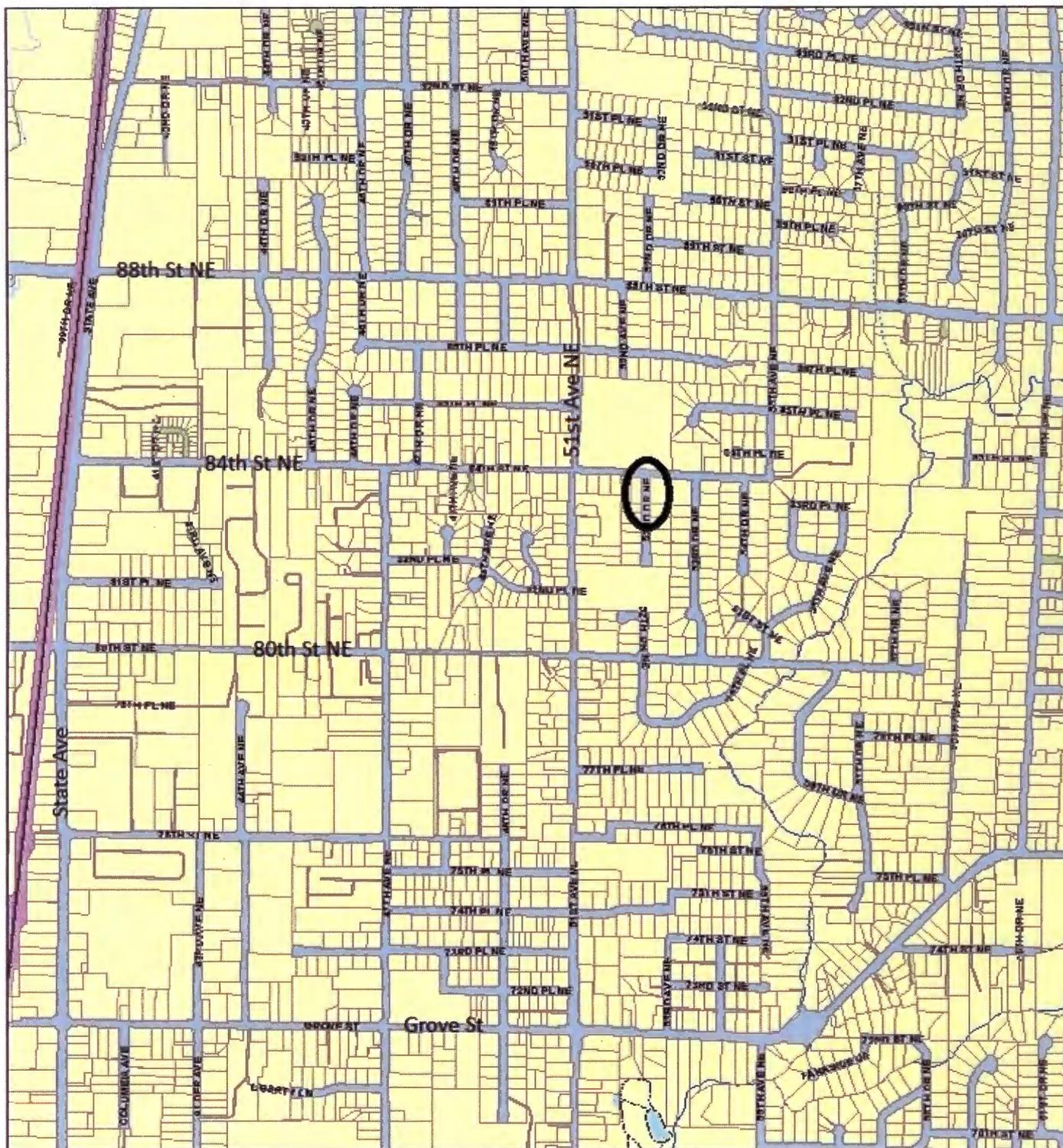
Notice is hereby given that an application was made to the City of Marysville for a Sewer Recovery Contract for a sewer main extension on 52nd Dr NE south of 84th St NE. On October 1, 2014, a preliminary decision was made to recommend approval of the recovery contract.

Project:	Sewer main extension on 52 nd Dr NE
Applicant:	R & V Enterprises, LLC
Property Location:	8321 52 nd Dr NE
Benefiting Properties:	006001-000-001-00
Total Project Cost:	\$101,682.56
Recoverable Portion:	\$16,947.08
Cost per Unit:	\$8,473.54/DU
For Project Information:	Deryl Taylor, Development Services Technician dtaylor@marysvillewa.gov 360-363-8220

A recovery contract may be held by any party having constructed a public water or sewer line at its own expense, providing for partial reimbursement to such party upon connection of benefiting properties to the subject line. The cost per unit would then be applied to the benefiting property at time of connection.

If any benefiting property owner requests a hearing in writing within 20 days of the mailing of this preliminary determination, a hearing shall be held before city council, notice of which shall be given to all affected property owners. The city council's ruling shall be determinative and final. The application and case file are available for review at the City of Marysville Community Development Department located at 80 Columbia Avenue, Marysville, WA.

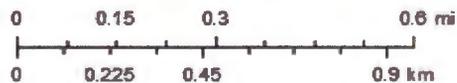
If you have any questions, please call 360-363-8220. Written comments should be forwarded to the City of Marysville Community Development Department, 80 Columbia Avenue, Marysville, WA 98270, **no later than October 22, 2014**. If no written requests for hearing are received, the contract will proceed to city council for final review and approval.



October 8, 2014

1:17,795

- | | |
|---|---|
|  Parcels |  STATE OF WASHINGTON |
|  Railroad |  Streets |
|  MUNICIPALITY |  Trails |
|  PRIVATE |  Arlington airport |
|  RAILROAD |  Water bodies |
|  SNOHOMISH COUNTY | |



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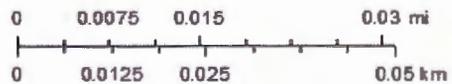
Exhibit B - Parcel Map



October 8, 2014

1:971

- Sewer Cleanouts
- Sewer Lift Stations
- Sewer Manholes
- Sewer Lines
- OPEN
- CLOSED
- UNKNOWN



THE CITY OF MARYSVILLE DISCLAIMS ANY WARRANTY OF MERCHANTABILITY OR WARRANTY OF FITNESS OF THIS DATA FOR ANY PARTICULAR PURPOSE, EITHER EXPRESSED OR IMPLIED

Exhibit C
Cost Comparison
Pinewood Apts – Sewer on 52nd Dr NE

Cost Per Lineal Foot

	Property Address	Parcel #	LF	Cost \$271.15/lf	Date Paid
1	8322 52 nd Dr NE Wells	006001-000-001-00	185	\$50,162.75	
2	8321 52 nd Dr NE Wall (Johnson)	300522-003-016-00	190	\$51,518.50	
	Subtotal - Recoverable			\$50,162.75	
	Developer's Share			\$51,518.50	
	Total Project Cost			\$101,682.56	

Cost Per Square Foot

	Property Address	Parcel #	SF	Cost \$2.51/sf	Date Paid
1	8322 52 nd Dr NE Wells	006001-000-001-00	13,068	\$32,800.68	
2	8321 52 nd Dr NE Wall (Johnson)	300522-003-016-00	27,443	\$68,881.93	
	Subtotal - Recoverable			\$32,800.68	
	Developer's Share			\$68,881.93	
	Total Project Cost			\$101,682.56	

Cost Per Dwelling Unit

	Property Address	Parcel #	DU	Cost \$8,473.54/du	Date Paid
1	8322 52 nd Dr NE Wells	006001-000-001-00	2	\$16,947.08	
2	8321 52 nd Dr NE Wall (Johnson)	300522-003-016-00	10	\$84,735.40	
	Subtotal - Recoverable			\$16,947.08	
	Developer's Share			\$84,735.40	
	Total Project Cost			\$101,682.56	

Note: The School Dist recovery fee for 8322 52nd Dr is \$8,640.72.

COVER SHEET

Return Address:

CITY OF MARYSVILLE
 1049 STATE AVENUE
 MARYSVILLE, WA 98270

(Please print or type information)

Document Title(s): (or transactions contained therein) Pinewood Apts
Recovery Contract for Utility Construction Costs - Sewer

Grantor(s): (Last name first, then first name and initials)
R & V Enterprises, LLC

Grantee(s): (Last name first, then first name and initials)
CITY OF MARYSVILLE

Legal description: (abbreviated - i.e., lot, block, plat or section,
 township, range, qtr./qtr.) 8321 52nd Dr NE

**Tula Vista Terrace Blk 000 D-00 - Lot 1 Less SLY 4.92FT THOF.
 A portion of the NW Qtr of the SW Qtr of Sec 22, T30N, R5E, W.M.,
 Snohomish County, WA.**

Reference Number(s) of Documents assigned or released: N/A

Assessor's Property Tax Parcel/Account Number:
006001-000-001-00

The Auditor/Recorder will rely on the information provided on the form.
 The staff will not read the document to verify the accuracy or
 completeness of the indexing information provided herein.

After Recording Return to:

CITY OF MARYSVILLE
1049 STATE AVENUE
MARYSVILLE, WA 98270

**CITY OF MARYSVILLE
CONTRACT FOR RECOVERY OF UTILITY CONSTRUCTION COSTS
CONTRACT NO. _____**

THIS AGREEMENT, entered into by and between the CITY OF MARYSVILLE, a municipal corporation of the State of Washington, hereinafter referred to as "City," and

Name
R & V Enterprises, LLC

Address
**6515 101st PINE
Marysville, WA 98270**

hereinafter referred to as "Developer."

WITNESSETH:

WHEREAS, the Developer has constructed and installed a sewer (water or sewer) system, including a(n) 8-inch line and appurtenances situated as follows:

Approximately 213 LF of 8" PVC sewer main located on 52nd Dr NE south of 84th St NE to serve Pinewood Apartments.

WHEREAS, the Developer has conveyed said system by Bill of Sale to the City and the City has accepted ownership and maintenance of the same under its sole jurisdiction, subject to a one-year warranty by the Developer; and

WHEREAS, the parties desire to enter into a contract pursuant to Chapter 35.91 RCW providing for reimbursement to the Developer for its construction and installation costs by subsequent users of the system; NOW, THEREFORE,

IN CONSIDERATION of the covenants bargained for and given in exchange, the parties mutually agree as follows:

1. The Developer has furnished or shall furnish the City with record drawings of the installation of the above-referenced system on mylar, 24" x 36" in size, together with receipted bills showing that all charges and expenses incurred in connection with the installation have been paid.
2. The Developer's costs for construction and installation of said utility lines and facilities, including engineering fees, were \$101,682.54, which have been paid in full by the Developer.
3. The real property described below (or described in the exhibit attached hereto) is benefited by the installation of said utility lines, and is subject to the lien created by this Contract:

One property located at 8322 52nd Dr NE (Tax Parcel No. 006001-000-001-00) in the NW Quarter of the SW Quarter of Section 22, Township 30 North, Range 5 East, W.M. Legal description as follows: Tula Vista Terrace Blk 000 D-00 – Lot 1 Less SLY 4.92ft THOF.
4. The proportionate share of the total cost of the utility lines which may be fairly attributed to serving and benefiting the above-described property, as a whole, rather than serving and benefiting the property of the Developer, is \$16,947.08.

5. For a period not to exceed fifteen (15) years from the date of this agreement, the City agrees to require the owners of the above-described real estate who hereafter connect to the above-described utility system to pay a fair pro rata share of the cost referred to in paragraph 4 above. This fair pro-rata share shall be determined from the total number of dwelling units to be served, which is known as the "dwelling unit charge". This, however, does not include any other capital improvement charges levied by the City. No property extending beyond the terminus of the above-described system, as of the date said system has been accepted by the City, shall be served by said system unless there is an extension from said terminus which is constructed and financed in accordance with state and local laws and ordinances.

6. The fair pro-rata share is hereby established to be \$8,473.54 per dwelling unit of benefiting properties.

7. No person, firm or corporation shall be granted a permit or be authorized by the City to connect to or use the above-described utility system during said fifteen-year period without first meeting the following conditions:

- a. If the property is not within the City limits, the owner thereof must sign an annexation covenant as required by City ordinance.
- b. Payment of all applicable connection charges, fees and assessments regularly imposed by City ordinance.
- c. Payment of the recovery charge referred to in this Contract.
- d. Compliance with all requirements for utility connections which are regularly imposed by City ordinance.

8. The City shall deduct a fee of \$100.00 for each utility connection, said fee to be kept by the City to cover the cost of administering this Contract. The City shall then disburse the remaining balance which is collected for each connection to the Developer within thirty (30) days of receipt thereof. If the Developer shall hereafter assign its rights herein, the City shall be provided with a signed copy of such assignment by the Developer. The Developer hereby waives any claim which it or its successors or assigns may have if the City negligently fails to collect a reimbursement charge from a property owner connecting to the utility system.

Pursuant to RCW 35.72.020, Owner and Developer agree that every two years from the date the contract is executed and the Owner and Developer are entitled to reimbursement, the Owner and Developer shall provide the City with information regarding the current contract name, address, and telephone number of the person, company, or partnership that originally entered into the contract. If the Owner or Developer fails to comply with the notification requirements of this subsection within sixty days of the specified time, then the City may collect any reimbursement funds owed to the Owner or Developer under the contract. Such funds must be deposited in the capital fund of the City.

9. At the end of the fifteen-year period, which shall commence upon the recording of this agreement, this agreement shall terminate in and of itself, notwithstanding that the full amount provided for herein may not have been recovered. Connection charges subsequent to the termination of this agreement shall be governed by ordinance of the City of Marysville, and all such charges shall be paid to the City for its use and benefit.

10. The provisions of this Contract shall not be construed as establishing the City as a public utility in the areas not already connected to the utility system; nor shall this Contract be construed as establishing express or implied rights for any property owner to connect to the City's utility system without first qualifying for such connection by compliance with all applicable City codes and ordinances.

11. The Developer agrees to hold the City harmless from any and all liability resulting from errors in the legal descriptions contained herein, and the City is relieved of all responsibility under this agreement for collecting on parcels not properly included in the legal descriptions set forth in Section 3 of this contract.

12. This Contract shall be recorded in the records of the Snohomish County Auditor, and it shall be binding upon the parties, their heirs, successors and assigns. The Developer agrees to reimburse the City for the recording fee and for all legal fees and other costs associated with the execution and recordation of the agreement.

13. The Developer agrees to hold the City harmless from any and all liability resulting from errors in any legal description, any procedural error in entering this agreement, and any liability arising from any challenge to the legality of this agreement or the enforceability of the recovery fee established herein.

ATTEST:

THE CITY OF MARYSVILLE:

By _____
CITY CLERK

By _____
MAYOR

APPROVED AS TO FORM:

DEVELOPER:

By _____
CITY ATTORNEY


Richard G. Johnson

For Mayor:

STATE OF WASHINGTON)
) ss.
COUNTY OF SNOHOMISH)

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

DATED this _____ day of _____, 2014.

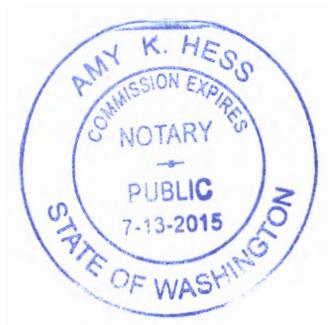
(Legibly print name of notary)
NOTARY PUBLIC in and for the State of
Washington, residing at _____
My commission expires _____

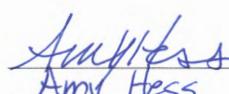
For Representative:

STATE OF WASHINGTON)
) ss.
COUNTY OF SNOHOMISH)

I certify that I know or have satisfactory evidence that Richard Johnson is the person who appeared before me, and said person acknowledged that he signed this instrument, on oath stated that he was authorized to execute the instrument and acknowledged it as the Manager of B+V Enterprises, Inc. to be the free and voluntary act of such party for the uses and purposes mentioned in the instrument.

DATED this 5th day of November, 2014.





Amy Hess
(Legibly print name of notary)
NOTARY PUBLIC in and for the State of
Washington, residing at 80 Columbia Ave.
My commission expires 7/13/2015

Index #10

CITY OF MARYSVILLE AGENDA BILL

EXECUTIVE SUMMARY FOR ACTION

CITY COUNCIL MEETING DATE: 11/24/2014

AGENDA ITEM: AN ORDINANCE OF THE CITY OF MARYSVILLE AMENDING SECTIONS 3.64.020(1) AND (2) OF THE MARYSVILLE MUNICIPAL CODE, RELATING TO THE UTILITY TAX ON TELEPHONE SERVICES.	
PREPARED BY: Sandy Langdon, Admin. Svcs./Finance Dir. DEPARTMENT: Finance	DIRECTOR APPROVAL:
ATTACHMENTS: Draft Ordinance	
BUDGET CODE:	AMOUNT:

SUMMARY:

The attached ordinance authorizes the continuance of the 1% utility tax on telephone services authorized under Chapter 35.21 RCW and adopted under MMC 3.64.020 (1) and (2).

RCW 35.21 allows the City to impose a tax, not to exceed six percent, on electrical energy, natural gas, steam energy, or telephone business.

The current ordinance is due to expire the additional 1% on February 28, 2015. Staff recommends a two year extension of the additional 1% on telephone business, setting the total utility tax on telephone business at 6%, to keep in sync with the 2015/2016 Adopted Biennial Budget.

RECOMMENDED ACTION: Staff recommends that Council adopt the ordinance to extend the additional 1% utility tax on telephone business to February 29, 2017.

CITY OF MARYSILLE
Marysville, Washington

ORDINANCE NO. _____

**AN ORDINANCE OF THE CITY OF MARYSVILLE AMENDING SUBSECTIONS
3.64.020(1) ~~AND (2)~~ OF THE MARYSVILLE MUNICIPAL CODE, RELATING
TO THE UTILITY TAX ON TELEPHONE SERVICES.**

WHEREAS, the City is authorized under Chapter 35.21 RCW to impose a tax on the privilege of conducting an electrical energy, natural gas, steam energy, or telephone business at a rate not to exceed six percent; and

WHEREAS, the City currently imposes tax upon the privilege of conducting an electrical energy or natural gas business at a rate of five percent and telephone business at a rate of six percent, and

WHEREAS, pursuant to Ordinance No. 2946 the six percent tax on telephone business will expire on February 28, 2015; and

WHEREAS, the City wishes to continue the tax upon the privilege of conducting a telephone business at six percent; and

WHEREAS, RCW 35.21.865 provides that no tax increase may take effect before the expiration of 60 days following the enactment of the ordinance; and

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

SECTION 1. ~~Section-Subsection~~ 3.64.020(1) ~~and (2)~~ of the Marysville Municipal Code ~~are-is~~ hereby amended to read as follows:

3.64.020 Telephone business. (1) Upon any telephone business there is levied a tax equal to ~~five-six~~ percent of the total gross operating revenues, including revenues from intrastate toll, derived from the operation of such business within the city. The tax shall be paid monthly on or before the twentieth day of the following month. In computing the tax there shall be deducted from the revenues the following items:

(a) Charges which are passed on to the subscribers by a telephone company pursuant to tariffs required by regulatory order to compensate for the cost to the company of the tax imposed herein;

(b) The amount of uncollectible service charges actually sustained by the telephone company;

(c) Amounts derived from transactions in interstate or foreign commerce or from any business which the city is prohibited from taxing under the Constitutions of the State of Washington or the United States.

~~(2) "Telephone business" means the business of providing access to a local telephone network, local telephone network switching service, toll service, or coin telephone services, or providing telephone, video, data, or similar communication or transmission for hire, via a local telephone network, toll line or channel, cable, microwave, radio or similar communication or transmission system, including cellular telephone service. It includes cooperative or farmer line telephone companies or associations operating an exchange. "Telephone business" does not include the providing of competitive telephone service, nor the providing of cable television service.~~

SECTION 2. This ordinance shall take effect on March 1, ~~2014~~2015 and shall automatically expire and be repealed February ~~28, 2015~~29, 2017.

PASSED by the City Council and APPROVED by the Mayor this _____ day of _____, 2014.

CITY OF MARYSVILLE

By _____
MAYOR

Attest:

By _____
DEPUTY CITY CLERK

Approved as to from:

By _____
CITY ATTORNEY

Date of publication: _____
Effective Date : March 1, 2015

Index #11

CITY OF MARYSVILLE AGENDA BILL

EXECUTIVE SUMMARY FOR ACTION

CITY COUNCIL MEETING DATE: 11/24/14

AGENDA ITEM: Ordinance Increasing Water, Sewer, and Surface Water Utility Rates	
PREPARED BY: Sandy Langdon, Finance Director & John Nield, Financial Operations Manager DEPARTMENT: Finance	DIRECTOR APPROVAL:
ATTACHMENTS: Proposed Ordinance Ordinance 2916 Rate Comparison	
BUDGET CODE:	AMOUNT:

SUMMARY:

During the 2015/2016 Biennial Budget process the Utility Fund Budget proposed a 2% increase to the water, sewer, and surface water rates for 2015 and for 2016 per MMC 14.07.075 Section 1.

During the last rate study it was determined that a 2% annual rate increase would assist the Utility to keep pace with rising costs, assist with reducing the need to incur debt, and meet the legal requirement of the Utility bond covenants. The next rate study is currently in process.

A bi-annual survey of city utility rates by the Association of Washington Cities provided the following rate ranges:

Single Family Monthly Utility Rates						
2014 Rates	Average	High	Low	Marysville 2014 Current	Marysville 2015 Proposed	Marysville 2016 Proposed
Water	\$ 33.62	\$ 87.41	\$ 15.30	\$ 17.15	\$ 17.49	\$ 17.84
Sewer	\$ 51.24	\$ 102.37	\$ 20.90	\$ 39.81	\$ 40.60	\$ 41.41
Surface Water	\$ 13.81	\$ 23.12	\$ 2.00	\$ 10.82	\$ 11.04	\$ 11.26

RECOMMENDED ACTION:
Staff recommends that City Council adopt an Ordinance of the City of Marysville Setting Water, Sewer, and Surface Water Utility Rates and Amending Sections 14.07.005, 14.07.060, 14.07.070, and 14.19.050 of the Marysville Municipal Code as Allowed Under Section 14.07.075.

[DRAFT]
 - CITY OF MARYSVILLE
 Marysville, Washington

ORDINANCE NO. _____

AN ORDINANCE OF THE CITY OF MARYSVILLE, WASHINGTON INCREASING WATER, SEWER, AND SURFACE WATER UTILITY RATES AND AMENDING SECTIONS, 14.07.060, 14.07.070, AND 14.19.050 OF THE MARYSVILLE MUNICIPAL CODE AS AUTHORIZED UNDER MMC SECTION 14.07.075.

WHEREAS, the City is authorized under Chapter 35.92 RCW to establish and maintain water and sewer systems and establish rates for those services; and

WHEREAS, the City is authorized under MMC Chapter 14.19 RCW, 35.A.12.190, RCW 35.A.11.020, Chapter 90.48 RCW and the Federal Clean Water Act to manage and set rates for Municipal storm water; and

WHEREAS, pursuant to ordinances codified in part at Chapter 14.07.060, 14.07.070 and 14.19.050 of the Marysville Municipal code, the City established water, sewer, and surface water rates for properties served by the City of Marysville water, sewer, and surface water utility; and

WHEREAS, using generally accepted rate setting techniques, and with the assistance of a qualified consultant, City staff formulated recommended water, sewer, and surface water rates; and

WHEREAS, on January 25, 2010 the Marysville City Council held a public hearing, took public testimony, fully considered the staff recommendation of proposed water, sewer, and surface water rates, and approved Staff recommendation regarding rate adjustments including establishment of storm water connection charge, restructuring of water rate to inclined block volume rate, elimination of overage rate, elimination of summer surcharge, sewer rate increase, and surface water rate increase; and

WHEREAS, the Marysville City Council, during the 2015/2016 Biennial Budget processes and adoption, finds that the recommended 2% increase of water, sewer, and surface water rates, per MMC 14.07.075(1) to be fair, just and reasonable;

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

Section 1. Section 14.07.060 of the Marysville Municipal Code is hereby amended to

read as follows:

14.07.060 Water rates.

(1) Definitions.

(a) "Water rates," as used herein, shall refer to the charge assessed by the city for all water consumed or used on property connected to the city water system. The rates shall be based upon the quantity of water passing through the water meter during each billing period.

(b) The normal "billing period" shall be a two-month cycle and shall be that period falling between two consecutive meter read dates. Charges for periods of less than two months shall be prorated both as to minimum charge and as to consumption; provided, however, the city may, at its discretion, elect to use a monthly billing period for selected accounts. If a monthly billing period is used, the consumption allowance and rate shall be one-half that set forth in the bimonthly rate schedule.

(c) Billing Increments. Charges for water shall be computed on the nearest 1,000 gallons of consumption.

(d) "City rates" are those which shall be charged to all properties connected to the water system which are located within the city limits of Marysville.

(e) "CWSP rates" are those which shall be charged to all properties connected to the water system which are located outside the city limits of Marysville but are within the coordinated water system planning boundary.

(f) "OCWSP rates" are those which shall be charged to all properties connected to the water system which are located outside the city's coordinated water system planning boundary.

(g) "Multiple residential units" shall be defined as attached dwelling units which share a common water meter, including duplexes, townhouses, apartments and condominiums, and shall be defined as including mobile home parks.

(h) "Single-family residential units" shall refer exclusively to detached single-family dwelling units.

(2) Bi Monthly Minimum Water Rates. Minimum charges for each billing period, and consumption allowances for such minimums are established as follows:

Effective January 1, 2014:

Meter Size Effective 1/1/14 Bi-Monthly Rates	AWWA Meter Factor	City Rate	Rural Rate	Outside UGA Rate
Tier = factor *base rate				
Multiple Residential Units (Per Unit)	N/A	\$21.36	\$32.05	\$42.72
5/8"	1	\$21.36	\$32.05	\$42.72
3/4"	1.5	\$32.05	\$48.05	\$64.07
1"	2.5	\$53.41	\$80.09	\$106.78
1-1/2"	5	\$106.78	\$160.18	\$213.57
2"	8	\$170.85	\$256.29	\$341.70
3"	16	\$341.70	\$512.55	\$683.41
4"	25	\$533.92	\$800.88	\$1,067.83
6"	50	\$1,067.83	\$1,601.73	\$2,135.64
8"	80	\$1,708.51	\$2,562.77	\$3,417.03
10"	115	\$2,455.99	\$3,683.99	\$4,911.97
12"	200	\$4,271.28	\$6,406.92	\$8,542.56

Residential & Multi-Family Effective 1/1/14 Bi-Monthly Rates	City Rate	Rural Rate	Outside UGA Rate
Volume Tiers (1,000 gal)			
0 to 6	\$1.15	\$1.72	\$2.30
7 to 20	\$4.02	\$6.04	\$8.05
21 to 30	\$4.59	\$6.89	\$9.20
31 and higher	\$5.17	\$7.75	\$10.34

Commercial Effective 1/1/14 Bi-Monthly Rates	City Rate	Rural Rate	Outside UGA Rate
Volume Tiers (1,000 gal)			
0 to 6	\$1.15	\$1.72	\$2.30
7 and higher	\$2.88	\$4.31	\$5.74

Effective January 1, 2015:

Meter Size Effective 1/1/15 Bi-Monthly Rates	AWWA Meter Factor	City Rate	Rural Rate	Outside UGA Rate
Tier = factor *base rate				
Multiple Residential Units (Per Unit)	N/A	\$21.79	\$32.69	\$43.57
5/8"	1	\$21.79	\$32.69	\$43.57
3/4"	1.5	\$32.69	\$49.01	\$65.35
1"	2.5	\$54.48	\$81.69	\$108.92
1-1/2"	5	\$108.92	\$163.38	\$217.84
2"	8	\$174.27	\$261.41	\$348.53
3"	16	\$348.53	\$522.80	\$697.08
4"	25	\$544.60	\$816.90	\$1,089.18
6"	50	\$1,089.18	\$1,633.76	\$2,178.35
8"	80	\$1,742.68	\$2,614.03	\$3,485.37
10"	115	\$2,505.11	\$3,757.66	\$5,010.21
12"	200	\$4,356.71	\$6,535.05	\$8,713.41

Residential & Multi-Family Effective 1/1/15 Bi-Monthly Rates	City Rate	Rural Rate	Outside UGA Rate
Volume Tiers (1,000 gal)			
0 to 6	\$1.18	\$1.76	\$2.34
7 to 20	\$4.10	\$6.16	\$8.21
21 to 30	\$4.68	\$7.02	\$9.38
31 and higher	\$5.27	\$7.91	\$10.55

Commercial Effective 1/1/15 Bi-Monthly Rates	City Rate	Rural Rate	Outside UGA Rate
Volume Tiers (1,000 gal)			
0 to 6	\$1.18	\$1.76	\$2.34
7 and higher	\$2.93	\$4.40	\$5.86

Effective January 1, 2016:

Meter Size Effective 1/1/16 Bi-Monthly Rates	AWWA Meter Factor	City Rate	Rural Rate	Outside UGA Rate
Tier = factor *base rate				
Multiple Residential Units (Per Unit)	N/A	\$22.22	\$33.34	\$44.44
5/8"	1	\$22.22	\$33.34	\$44.44
3/4"	1.5	\$33.34	\$49.99	\$66.65
1"	2.5	\$55.56	\$83.33	\$111.10
1-1/2"	5	\$111.10	\$166.65	\$222.20
2"	8	\$177.75	\$266.64	\$355.50
3"	16	\$355.50	\$533.26	\$711.02
4"	25	\$555.49	\$833.24	\$1,110.97
6"	50	\$1,110.97	\$1,666.44	\$2,221.91
8"	80	\$1,777.53	\$2,666.31	\$3,555.08
10"	115	\$2,555.21	\$3,832.82	\$5,110.42
12"	200	\$4,443.84	\$6,665.76	\$8,887.68

Residential & Multi-Family Effective 1/1/16 Bi-Monthly Rates	City Rate	Rural Rate	Outside UGA Rate
Volume Tiers (1,000 gal)			
0 to 6	\$1.20	\$1.79	\$2.39
7 to 20	\$4.18	\$6.28	\$8.37
21 to 30	\$4.78	\$7.16	\$9.57
31 and higher	\$5.38	\$8.07	\$10.76

Commercial Effective 1/1/16 Bi-Monthly Rates	City Rate	Rural Rate	Outside UGA Rate
Volume Tiers (1,000 gal)			
0 to 6	\$1.20	\$1.79	\$2.39
7 and higher	\$2.99	\$4.49	\$5.97

(3) Calculation of Water Bill for Multiple Residential Units. In calculating the water bill for multiple residential units, the total number of dwelling units served by a water connection shall be divided into the water consumption for each billing period, expressed in gallons, to determine the average consumption per dwelling unit. The water rates shall be based upon the average consumption per unit during the billing period multiplied by the total number of units.

(4) Calculation of Water Bill for Mobile Home Parks. The total water bill for mobile home parks shall be calculated by applying the rate schedule to the total number of pads or mobile home sites on the premises which are in a condition ready for occupancy, regardless of whether the same are occupied during the billing period or not; provided, that for the first 24 months after a mobile home park, or a new addition thereto, is opened and connected to city utilities, its water bill shall be calculated by applying the rates only to such pads or mobile home sites as are actually occupied by mobile homes during each billing period; provided, however, for mobile home parks whose utility meter with the city was first activated less than three years preceding June 9, 1997, the effective date of Ordinance 2130, and for which billing on all pads or mobile home sites has occurred for less than two years preceding June 9, 1997, such mobile home parks shall be granted an additional 12 months from June 9, 1997, to pay only for such pads or mobile home sites which are actually occupied during each billing period; provided, further, that all fees, charges and rates paid by such mobile home parks to the city under prior provisions of this subsection and MMC 14.07.070(4) as such subsections originally read or as subsequently amended, shall be nonrefundable notwithstanding the provisions of this subsection.

(5) Private Fire Protection Rates. Private fire protection rates for properties inside or outside of the corporate limits of the city shall be as follows:

Effective January 1, 2014

- (a) Private hydrants, each: ~~\$41.22~~ per year;
- (b) Wet standpipe systems: ~~\$41.22~~ per year;
- (c) Dry standpipe systems: None;
- (d) Automatic sprinkler systems:

1. Each owner of an automatic sprinkler system shall be charged a monthly rate based upon the size of the water service line that serves the system. The following are the bimonthly rates:

Size of Line	Bimonthly Charge
2-inch	\$44.83
3-inch	\$55.18
4-inch	\$67.79
6-inch	\$85.03
8-inch	\$111.50
10-inch	\$140.21
12-inch	\$161.95

Effective January 1, 2015

- (a) Private hydrants, each: \$42.04 per year;
- (b) Wet standpipe systems: \$42.04 per year;
- (c) Dry standpipe systems: None;
- (d) Automatic sprinkler systems:

1. Each owner of an automatic sprinkler system shall be charged a monthly rate based upon the size of the water service line that serves the system. The following are the bimonthly rates:

Size of Line	Bimonthly Charge
2-inch	\$45.73
3-inch	\$56.28
4-inch	\$69.15
6-inch	\$86.73
8-inch	\$113.73
10-inch	\$143.01
12-inch	\$165.19

Effective January 1, 2016

- (a) Private hydrants, each: \$42.88 per year;
- (b) Wet standpipe systems: \$42.88 per year;
- (c) Dry standpipe systems: None;
- (d) Automatic sprinkler systems:

1. Each owner of an automatic sprinkler system shall be charged a monthly rate based upon the size of the water service line that serves the system. The following are the bimonthly rates:

Size of Line	Bimonthly Charge
2-inch	\$46.64
3-inch	\$57.41
4-inch	\$70.53
6-inch	\$88.46
8-inch	\$116.00
10-inch	\$145.87
12-inch	\$168.49

2. As of 1/1/2010 automatic sprinkler systems without a separate meter and where the line is under 2 inches, will become part of the minimum water rate as a result of the rate restructuring.

- (6) Reduced Utility Charges in Special Cases. Upon application by a utility customer, the

Chief Administrative Officer or designee shall have the discretion to make reasonable and equitable reduction in utility accounts, on a case-by-case basis, in the following circumstances:

(a) If a private water line, valve, fixture, or other appurtenance is verified to be leaking as a result of accidental damage or natural deterioration of the same, and not as a result of abuse or willful neglect, the water bill for the subject property during the period of the leak may be reasonably and equitably reduced; provided, that a customer shall be required to pay the base rate plus at least 50 percent of the applicable overage rate for all water which was lost by reason of the leak. The sewer bill for the subject property during the period of the leak may also be reasonably and equitably reduced to an amount not less than the bill charged for the corresponding period the previous year.

(9) Calculation of Water Bill for School Facilities. The city rate for water as set forth in subsection (2) of this section shall apply to all school facilities, whether such facilities are within the city limits or not. (Ord. 2181 §§ 1, 2, 1998; Ord. 2130 § 1, 1997; Ord. 2117 §§ 1, 2, 1997; Ord. 2109 § 1, 1996; Ord. 1840 § 1, 1991; Ord. 1809 § 1, 1990; Ord. 1789, 1990; Ord. 1434, 1985).

(10) Rate Relief. Low-income senior citizens and low-income disabled persons may be eligible for water and/or sewer rate relief pursuant to Chapter 3.63 MMC.

Section 2. Section 14.07.070 of the Marysville Municipal Code is hereby amended to read as follows:

14.07.070 Sewer rates.

(1) Definitions.

(a) The normal “billing period” shall be a two-month cycle and shall be that period falling between two consecutive water meter read dates. Charges for periods of less than two months shall be prorated; provided, however, the city may, at its discretion, elect to use a monthly billing period for selected accounts. If a monthly billing period is used, the rate shall be one-half that set forth in the bimonthly rate schedule.

(b) “City rates” are those which shall be charged to all properties connected to the sewer system which are located within the city limits of Marysville.

(c) “UGA rates” are those which shall be charged to all properties connected to the sewer system which are located outside of the city limits of Marysville but are within the urban growth area of the city of Marysville or that portion of the city of Arlington urban growth area which Marysville has agreed by interlocal agreement to provide service.

(d) “OUGA rates” are those which shall be charged to all properties connected to the sewer system which are located outside the Marysville city limits and outside area where “UGA rates” apply.

(e) “Single-family residences” shall refer exclusively to detached single-family dwelling units.

(f) “Multiple residential units” shall be defined as attached dwelling units which share a common water meter, including duplexes, townhouses, apartments, and condominiums, and shall be defined as including mobile home parks.

(g) “Commercial/industrial” refers to all nonresidential land uses which are not

specifically itemized or defined as being included within other classifications.

(h) "Satellite system rate" refers to that rate charged to the city by Lake Stevens Sewer District for the "overlap" area as described in the interlocal agreement between the parties dated April 22, 1999, plus an administrative overhead cost of 15 percent.

(2) Calculation of Commercial/Industrial Sewer Rates. Commercial/industrial sewer rates shall be based upon the quantity of water consumed or used on the premises during the billing period, as determined by the water meter reading and the strength of the discharge as measured by total suspended solids (TSS) and biochemical oxygen demand (BOD); provided, that a property owner may, at his own expense, arrange the plumbing on commercial premises so as to separate water which will be discharged into the sewer system from water which will not be so discharged, and a separate meter shall be installed to measure the amount of actual sewage discharged. In such a case the sewer rate shall be based only on the actual sewer use. The installation of such plumbing and meters must be inspected and approved by the city utility department.

Where a commercial property is connected to sewer service but not to water service, the city council shall determine the sewer rate to be charged on a case-by-case basis, using an estimated figure for water consumption.

(3) Sewer Rates. Bi Monthly Sewer rates are established as follows:

Effective January 1, 2014

Classification Effective 1/1/14 Bi-Monthly Rates	City Rate	Rural Rate	Outside UGA Rate
Single-family residential	\$79.61	\$119.43	\$159.24
Multiple residential units per unit	\$75.71	\$113.56	\$151.42
Hotels/Motels per unit	\$55.77	\$83.66	\$111.54
Commercial Minimum	\$79.61	\$119.43	\$159.24
Class 1 (31 to 100 mg/l) per 1,000 gallons	\$1.67	\$2.51	\$3.34
Class 2 (101 to 200 mg/l) per 1,000 gallons	\$2.30	\$3.45	\$4.59
Class 3 (201 to 300 mg/l) per 1,000 gallons	\$2.94	\$4.41	\$5.88
Class 4 (301 to 400 mg/l) per 1,000 gallons	\$3.57	\$5.34	\$7.14
Class 5 (401 to 500 mg/l) per 1,000 gallons	\$4.20	\$6.29	\$8.39
Class 6 (501 to 600 mg/l) per 1,000 gallons	\$6.10	\$9.16	\$12.19
Overnight camping			
Individual connections per unit	\$55.77	\$83.66	\$111.54
Other connections each	\$75.71	\$113.56	\$151.41
Schools			
Minimum	\$79.61		
Per 1,000 Gallons	\$4.53		
Restaurants w/o grease trap surcharge	\$3.81		

Effective January 1, 2015

Classification Effective 1/1/15 Bi-Monthly Rates	City Rate	Rural Rate	Outside UGA Rate
Single-family residential	\$81.20	\$121.82	\$162.43
Multiple residential units per unit	\$77.23	\$115.83	\$154.45
Hotels/Motels per unit	\$56.89	\$85.33	\$113.77
Commercial Minimum	\$81.20	\$121.82	\$162.43
Class 1 (31 to 100 mg/l) per 1,000 gallons	\$1.71	\$2.56	\$3.40
Class 2 (101 to 200 mg/l) per 1,000 gallons	\$2.34	\$3.52	\$4.68
Class 3 (201 to 300 mg/l) per 1,000 gallons	\$3.00	\$4.49	\$5.99
Class 4 (301 to 400 mg/l) per 1,000 gallons	\$3.64	\$5.45	\$7.28
Class 5 (401 to 500 mg/l) per 1,000 gallons	\$4.29	\$6.42	\$8.56
Class 6 (501 to 600 mg/l) per 1,000 gallons	\$6.22	\$9.34	\$12.43
Overnight camping			
Individual connections per unit	\$56.89	\$85.33	\$113.77
Other connections each	\$77.23	\$115.83	\$154.44
Schools			
Minimum	\$81.20	0	0
Per 1,000 Gallons	\$4.62	0	0
Restaurants w/o grease trap surcharge	\$3.89	0	0

Effective January 1, 2016

Classification Effective 1/1/16 Bi-Monthly Rates	City Rate	Rural Rate	Outside UGA Rate
Single-family residential	\$82.83	\$124.26	\$165.68
Multiple residential units per unit	\$78.77	\$118.14	\$157.54
Hotels/Motels per unit	\$58.03	\$87.04	\$116.04
Commercial Minimum	\$82.83	\$124.26	\$165.68
Class 1 (31 to 100 mg/l) per 1,000 gallons	\$1.74	\$2.61	\$3.47
Class 2 (101 to 200 mg/l) per 1,000 gallons	\$2.39	\$3.59	\$4.78
Class 3 (201 to 300 mg/l) per 1,000 gallons	\$3.06	\$4.58	\$6.11
Class 4 (301 to 400 mg/l) per 1,000 gallons	\$3.71	\$5.56	\$7.43
Class 5 (401 to 500 mg/l) per 1,000 gallons	\$4.37	\$6.55	\$8.73
Class 6 (501 to 600 mg/l) per 1,000 gallons	\$6.35	\$9.53	\$12.68
Overnight camping			
Individual connections per unit	\$58.03	\$87.04	\$116.04
Other connections each	\$78.77	\$118.14	\$157.53
Schools			
Minimum	\$82.83	0	0
Per 1,000 Gallons	\$4.71	0	0
Restaurants w/o grease trap surcharge	\$3.97	0	0

(4) Calculation of Sewer Rates for Mobile Home Parks. The total sewer bill for mobile home parks shall be calculated by applying the rate schedule above to the total number of pads or mobile home sites on the premises which are in a condition ready for occupancy, regardless of whether the same are occupied during the billing period; provided, that for the first 24 months after a mobile home park, or a new addition thereto, is opened and connected to city utilities, the sewer bill shall be calculated by applying the rates only to such pads or mobile home sites as are actually occupied by mobile homes during each billing period; provided, however, for mobile home parks whose utility meter with the city was first activated less than three years preceding June 9, 1997, the effective date of Ordinance 2130, and for which billing on all pads or mobile home sites has occurred for less than two years preceding June 9, 1997, such mobile home parks shall be granted an additional 12 months from June 9, 1997, to pay only for such pads or mobile home sites which are actually occupied during each billing period; provided further, that all fees, charges and rates paid by such mobile home parks to the city under prior

provisions of this section and MMC 14.07.060, as such sections originally read or as subsequently amended, shall be nonrefundable notwithstanding the provisions of this subsection.

(5) Restaurants, for the purpose of sewer rates, shall be classified as Class 3 strength as described in subsection (3) of this section. Restaurants without approved grease traps, including those restaurants where a variance has been granted eliminating the necessity of a grease trap, shall be surcharged ~~effective January 1, 2014 \$3.81 per 1,000~~ effective January 1, 2015 \$3.89 per 1,000. Effective January 1, 2016 \$3.97 per 1,000.

(6) Satellite System Rate. Notwithstanding any other rate established by this section, for that area defined as the satellite system area, the city shall charge the same rate as charged by Lake Stevens Sewer District plus an administrative fee of 15 percent. This rate shall be in effect for such properties until such time as the city's sewer collection system is constructed and sewer flows are diverted from the Lake Stevens Sewer District system to the city's sewer collection system.

(7) Calculation for Sewer Rates for Schools. Schools sewer rates shall be based upon the quantity of water consumed or used on the premises during the billing period, as determined by the water meter reading; provided; if the water service is supplied to a school by other than the City of Marysville water system, the school district shall notify the City billing department of the total consumption as billed by other such water purveyor. The city rate for sewer as set forth in subsection (3) of this section shall apply to all school facilities, whether such facilities are within the city limits or not and whether public or privately operated. (Ord. 2284 § 1, 1999; Ord. 2130 § 2, 1997; Ord. 2117 § 3, 1997; Ord. 2109 § 2, 1996; Ord. 1840 § 2, 1991; Ord. 1809 § 2, 1990; Ord. 1798, 1990; Ord. 1434, 1985).

(8) Rate relief. Low-income senior citizens and low-income disabled persons may be eligible for water and/or sewer rate relief pursuant to MMC 3.63.

Section 3. Section 14.19.050 of the Marysville Municipal Code is hereby amended to read as follows:

14.19.050 Surface water utility rates.

Surface water utility rates shall be based on a commonly accepted rate unit for surface water utilities, the equivalent residential unit (ERU). The ERU is used to relate a base rate fee charged to a single-family residential parcel to that which is charged to a nonresidential parcel. The ERU is determined by using the current best available method, which may include analyzing digital photographs, utilizing satellite imagery, performing field checks for verification purposes of a representative sample of single-family residences within the city limits and/or utilizing civil design and construction plans or record drawings. Using this methodology, the director shall determine the amount of impervious area on each nonresidential parcel. The city's standard ERU amount is 3,200 square feet of impervious surface area. The specific ERU calculation for each parcel will be rounded to the nearest one hundredth, will be established for each such parcel as the impervious surface information

becomes available for such parcel, and will be calculated in accordance with the following table:

Effective January 1, 2014:

<u>Customer Class</u>	Rate Calculation	2014 Monthly Rate
	(1 ERU = 3,200 sq ft)	
Residential	1 ERU	\$10.82
Nonresidential	(sq ft of impervious surface (1 ERU))	\$10.82
Connection Charge	1 ERU	\$98.84

Effective January 1, 2015:

<u>Customer Class</u>	Rate Calculation	2015 Monthly Rate
	(1 ERU = 3,200 sq ft)	
Residential	1 ERU	\$11.04
Nonresidential	(sq ft of impervious surface (1 ERU))	\$11.04

Effective January 1, 2016:

<u>Customer Class</u>	Rate Calculation	2016 Monthly Rate
	(1 ERU = 3,200 sq ft)	
Residential	1 ERU	\$11.26
Nonresidential	(sq ft of impervious surface (1 ERU))	\$11.26

Section 5. Effective Date. This Ordinance and the rate schedules provided herein shall be effective January 1, 2015 and whereas noted for rates effective in January 1, 2016.

PASSED by the City Council and APPROVED by the Mayor this _____ day of November, 2014.

CITY OF MARYSVILLE

By _____
JON NEHRING, Mayor

ATTEST:

By _____
City Clerk

Approved as to form:

By _____
GRANT K. WEED, City Attorney

Date of Publication: _____

CITY OF MARYSVILLE

Marysville, Washington

ORDINANCE NO. 2948

AN ORDINANCE OF THE CITY OF MARYSVILLE, WASHINGTON INCREASING WATER, SEWER, AND SURFACE WATER UTILITY RATES AND AMENDING SECTIONS 14.07.060, 14.07.070, AND 14.19.050 OF THE MARYSVILLE MUNICIPAL CODE AS AUTHORIZED UNDER MMC SECTION 14.07.075.

WHEREAS, the City is authorized under Chapter 35.92 RCW to establish and maintain water and sewer systems and establish rates for those services.

WHEREAS, the City is authorized under MMC Chapter 14.19 RCW, 35.A.12.190, RCW 35.A.11.020, Chapter 90.48 RCW and the Federal Clean Water Act to manage and set rates for Municipal storm water; and

WHEREAS, pursuant to ordinances codified in part at Chapter 14.07.060, 14.07.070 and 14.19.050 of the Marysville Municipal code, the City established water, sewer, and surface water rates for properties served by the City of Marysville water, sewer, and surface water utility; and

WHEREAS, using generally accepted rate setting techniques, and with the assistance of a qualified consultant, City staff formulated recommended water, sewer, and surface water rates; and

WHEREAS, on January 25, 2010 the Marysville City Council held a public hearing, took public testimony, fully considered the staff recommendation of proposed water, sewer, and surface water rates, and approved Staff recommendation regarding rate adjustments including establishment of storm water connection charge, restructuring of water rate to inclined block volume rate, elimination of overage rate, elimination of summer surcharge, sewer rate increase, and surface water rate increase; and

WHEREAS, the Marysville City Council, during the 2014 Budget processes and adoption, finds that the recommended 2% increase of water, sewer, and surface water rates, per MMC 14.07.075(1) to be fair, just and reasonable;

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF MARYSVILLE,

ORDINANCE - 1

increase.ord 2014 water-sewer storm

WASHINGTON DO ORDAIN AS FOLLOWS:

Section 1. Section 14.07.060 of the Marysville Municipal Code is hereby amended to read as follows:

14.07.060 Water rates.

(1) Definitions.

(a) "Water rates," as used herein, shall refer to the charge assessed by the city for all water consumed or used on property connected to the city water system. The rates shall be based upon the quantity of water passing through the water meter during each billing period.

(b) The normal "billing period" shall be a two-month cycle and shall be that period falling between two consecutive meter read dates. Charges for periods of less than two months shall be prorated both as to minimum charge and as to consumption; provided, however, the city may, at its discretion, elect to use a monthly billing period for selected accounts. If a monthly billing period is used, the consumption allowance and rate shall be one-half that set forth in the bimonthly rate schedule.

(c) Billing Increments. Charges for water shall be computed on the nearest 1,000 gallons of consumption.

(d) "City rates" are those which shall be charged to all properties connected to the water system which are located within the city limits of Marysville.

(e) "CWSP rates" are those which shall be charged to all properties connected to the water system which are located outside the city limits of Marysville but are within the coordinated water system planning boundary.

(f) "OCWSP rates" are those which shall be charged to all properties connected to the water system which are located outside the city's coordinated water system planning boundary.

(g) "Multiple residential units" shall be defined as attached dwelling units which share a common water meter, including duplexes, townhouses, apartments and condominiums, and shall be defined as including mobile home parks.

(h) "Single-family residential units" shall refer exclusively to detached single-family dwelling units.

(2) Bi Monthly Minimum Water Rates. Minimum charges for each billing period, and consumption allowances for such minimums are established as follows:

Effective January 1, 2014:

Meter Size	AWWA Meter Factor	City Rate	Rural Rate	Outside UGA Rate
Tier = factor *base rate				
Multiple Residential Units (Per Unit)	N/A	\$21.36	\$32.05	\$42.72
5/8"	1	\$21.36	\$32.05	\$42.72
3/4"	1.5	\$32.05	\$48.05	\$64.07
1"	2.5	\$53.41	\$80.09	\$106.78
1-1/2"	5	\$106.78	\$160.18	\$213.57
2"	8	\$170.85	\$256.29	\$341.70
3"	16	\$341.70	\$512.55	\$683.41
4"	25	\$533.92	\$800.88	\$1,067.83
6"	50	\$1,067.83	\$1,601.73	\$2,135.64
8"	80	\$1,708.51	\$2,562.77	\$3,417.03
10"	115	\$2,455.99	\$3,683.99	\$4,911.97
12"	200	\$4,271.28	\$6,406.92	\$8,542.56

Residential & Multi-Family	City Rate	Rural Rate	Outside UGA Rate
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ORDINANCE - 3

increase.ord 2014 water-sewer storm

Volume Tiers (1,000 gal)			
0 to 6	\$1.15	\$1.72	\$2.30
7 to 20	\$4.02	\$6.04	\$8.05
21 to 30	\$4.59	\$6.89	\$9.20
31 and higher	\$5.17	\$7.75	\$10.34

Commercial	City Rate	Rural Rate	Outside UGA Rate
Volume Tiers (1,000 gal)			
0 to 6	\$1.15	\$1.72	\$2.30
7 and higher	\$2.88	\$4.31	\$5.74

(3) Calculation of Water Bill for Multiple Residential Units. In calculating the water bill for multiple residential units, the total number of dwelling units served by a water connection shall be divided into the water consumption for each billing period, expressed in gallons, to determine the average consumption per dwelling unit. The water rates shall be based upon the average consumption per unit during the billing period multiplied by the total number of units.

(4) Calculation of Water Bill for Mobile Home Parks. The total water bill for mobile home parks shall be calculated by applying the rate schedule to the total number of pads or mobile home sites on the premises which are in a condition ready for occupancy, regardless of whether the same are occupied during the billing period or not; provided, that for the first 24 months after a mobile home park, or a new addition thereto, is opened and connected to city utilities, its water bill shall be calculated by applying the rates only to such pads or mobile home sites as are actually occupied by mobile homes during each billing period; provided, however, for mobile home parks whose utility meter with the city was first activated less than three years preceding June 9, 1997, the effective date of Ordinance 2130, and for which billing on all pads or mobile home sites has occurred for less than two years preceding June 9, 1997, such mobile home parks shall be granted an additional 12 months from June 9, 1997, to pay only for such pads or mobile home sites which are actually occupied during each billing period; provided, further, that all fees, charges and rates paid by such mobile home parks to the city under prior provisions of this subsection and MMC 14.07.070(4) as such subsections originally read or as subsequently amended, shall be nonrefundable notwithstanding the provisions of this subsection.

(5) Private Fire Protection Rates. Private fire protection rates for properties inside or outside of the corporate limits of the city shall be as follows:

Effective January 1, 2014

- (a) Private hydrants, each: \$41.22 per year;
- (b) Wet standpipe systems: \$41.22 per year;
- (c) Dry standpipe systems: None;

ORDINANCE - 4

increase.ord 2014 water-sewer storm

(d) Automatic sprinkler systems:

1. Each owner of an automatic sprinkler system shall be charged a monthly rate based upon the size of the water service line that serves the system. The following are the bimonthly rates:

Size of Line	Bimonthly Charge
2-inch	\$44.83
3-inch	\$55.18
4-inch	\$67.79
6-inch	\$85.03
8-inch	\$111.50
10-inch	\$140.21
12-inch	\$161.95

2. As of 1/1/2010 automatic sprinkler systems without a separate meter and where the line is under 2 inches, will become part of the minimum water rate as a result of the rate restructuring.

(6) Reduced Utility Charges in Special Cases. Upon application by a utility customer, the Chief Administrative Officer or designee shall have the discretion to make reasonable and equitable reduction in utility accounts, on a case-by-case basis, in the following circumstances:

(a) If a private water line, valve, fixture, or other appurtenance is verified to be leaking as a result of accidental damage or natural deterioration of the same, and not as a result of abuse or willful neglect, the water bill for the subject property during the period of the leak may be reasonably and equitably reduced; provided, that a customer shall be required to pay the base rate plus at least 50 percent of the applicable overage rate for all water which was lost by reason of the leak. The sewer bill for the subject property during the period of the leak may also be reasonably and equitably reduced to an amount not less than the bill charged for the corresponding period the previous year.

(9) Calculation of Water Bill for School Facilities. The city rate for water as set forth in subsection (2) of this section shall apply to all school facilities, whether such facilities are within the city limits or not. (Ord. 2181 §§ 1, 2, 1998; Ord. 2130 § 1, 1997; Ord. 2117 §§ 1, 2, 1997; Ord. 2109 § 1, 1996; Ord. 1840 § 1, 1991; Ord. 1809 § 1, 1990; Ord. 1789, 1990; Ord. 1434, 1985).

(10) Rate Relief. Low-income senior citizens and low-income disabled persons may be eligible for water and/or sewer rate relief pursuant to Chapter 3.63 MMC.

Section 2. Section 14.07.070 of the Marysville Municipal Code is hereby amended to read as follows:

14.07.070 Sewer rates.

ORDINANCE - 5

increase.ord 2014 water-sewer storm

(1) Definitions.

(a) The normal “billing period” shall be a two-month cycle and shall be that period falling between two consecutive water meter read dates. Charges for periods of less than two months shall be prorated; provided, however, the city may, at its discretion, elect to use a monthly billing period for selected accounts. If a monthly billing period is used, the rate shall be one-half that set forth in the bimonthly rate schedule.

(b) “City rates” are those which shall be charged to all properties connected to the sewer system which are located within the city limits of Marysville.

(c) “UGA rates” are those which shall be charged to all properties connected to the sewer system which are located outside of the city limits of Marysville but are within the urban growth area of the city of Marysville or that portion of the city of Arlington urban growth area which Marysville has agreed by interlocal agreement to provide service.

(d) “OUGA rates” are those which shall be charged to all properties connected to the sewer system which are located outside the Marysville city limits and outside area where “UGA rates” apply.

(e) “Single-family residences” shall refer exclusively to detached single-family dwelling units.

(f) “Multiple residential units” shall be defined as attached dwelling units which share a common water meter, including duplexes, townhouses, apartments, and condominiums, and shall be defined as including mobile home parks.

(g) “Commercial/industrial” refers to all nonresidential land uses which are not specifically itemized or defined as being included within other classifications.

(h) “Satellite system rate” refers to that rate charged to the city by Lake Stevens Sewer District for the “overlap” area as described in the interlocal agreement between the parties dated April 22, 1999, plus an administrative overhead cost of 15 percent.

(2) Calculation of Commercial/Industrial Sewer Rates. Commercial/industrial sewer rates shall be based upon the quantity of water consumed or used on the premises during the billing period, as determined by the water meter reading and the strength of the discharge as measured by total suspended solids (TSS) and biochemical oxygen demand (BOD); provided, that a property owner may, at his own expense, arrange the plumbing on commercial premises so as to separate water which will be discharged into the sewer system from water which will not be so discharged, and a separate meter shall be installed to measure the amount of actual sewage discharged. In such a case the sewer rate shall be based only on the actual sewer use. The installation of such plumbing and meters must be inspected and approved by the city utility department.

Where a commercial property is connected to sewer service but not to water service, the city council shall determine the sewer rate to be charged on a case-by-case basis, using an estimated figure for water consumption.

(3) Sewer Rates. Bi Monthly Sewer rates are established as follows:

Effective January 1, 2014

Classification	City Rate	Rural Rate	Outside UGA Rate
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ORDINANCE - 6

increase.ord 2014 water-sewer storm

Single-family residential	\$79.61	\$119.43	\$159.24
Multiple residential units per unit	\$75.71	\$113.56	\$151.42
Hotels/Motels per unit	\$55.77	\$83.66	\$111.54
Commercial Minimum	\$79.61	\$119.43	\$159.24
Class 1 (31 to 100 mg/l) per 1,000 gallons	\$1.67	\$2.51	\$3.34
Class 2 (101 to 200 mg/l) per 1,000 gallons	\$2.30	\$3.45	\$4.59
Class 3 (201 to 300 mg/l) per 1,000 gallons	\$2.94	\$4.41	\$5.88
Class 4 (301 to 400 mg/l) per 1,000 gallons	\$3.57	\$5.34	\$7.14
Class 5 (401 to 500 mg/l) per 1,000 gallons	\$4.20	\$6.29	\$8.39
Class 6 (501 to 600 mg/l) per 1,000 gallons	\$6.10	\$9.16	\$12.19
Overnight camping			
Individual connections per unit	\$55.77	\$83.66	\$111.54
Other connections each	\$75.71	\$113.56	\$151.41
Schools			
Minimum	\$79.61		
Per 1,000 Gallons	\$4.53		
Restaurants w/o grease trap surcharge	\$3.81		

(4) Calculation of Sewer Rates for Mobile Home Parks. The total sewer bill for mobile home parks shall be calculated by applying the rate schedule above to the total number of pads or mobile home sites on the premises which are in a condition ready for occupancy, regardless of whether the same are occupied during the billing period; provided, that for the first 24 months after a mobile home park, or a new addition thereto, is opened and connected to city utilities, the sewer bill shall be calculated by applying the rates only to such pads or mobile home sites as are actually occupied by mobile homes during each billing period; provided, however, for mobile home parks whose utility meter with the city was first activated less than three years preceding June 9, 1997, the effective date of Ordinance 2130, and for which billing on all pads or mobile home sites has occurred for less than two years preceding June 9, 1997, such mobile home parks shall be granted an additional 12 months from June 9, 1997, to pay only for such pads or mobile home sites which are actually occupied during each billing period; provided further, that all fees, charges and rates paid by such mobile home parks to the city under prior provisions of this section and MMC 14.07.060, as such sections originally read or as subsequently amended, shall be nonrefundable notwithstanding the provisions of this subsection.

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(5) Restaurants, for the purpose of sewer rates, shall be classified as Class 3 strength as described in subsection (3) of this section. Restaurants without approved grease traps, including those restaurants where a variance has been granted eliminating the necessity of a grease trap, shall be surcharged effective January 1, 2014 \$3.81 per 1,000.

(6) Satellite System Rate. Notwithstanding any other rate established by this section, for that area defined as the satellite system area, the city shall charge the same rate as charged by Lake Stevens Sewer District plus an administrative fee of 15 percent. This rate shall be in effect for such properties until such time as the city's sewer collection system is constructed and sewer flows are diverted from the Lake Stevens Sewer District system to the city's sewer collection system.

(7) Calculation for Sewer Rates for Schools. Schools sewer rates shall be based upon the quantity of water consumed or used on the premises during the billing period, as determined by the water meter reading; provided; if the water service is supplied to a school by other than the City of Marysville water system, the school district shall notify the City billing department of the total consumption as billed by other such water purveyor. The city rate for sewer as set forth in subsection (3) of this section shall apply to all school facilities, whether such facilities are within the city limits or not and whether public or privately operated. (Ord. 2284 § 1, 1999; Ord. 2130 § 2, 1997; Ord. 2117 § 3, 1997; Ord. 2109 § 2, 1996; Ord. 1840 § 2, 1991; Ord. 1809 § 2, 1990; Ord. 1798, 1990; Ord. 1434, 1985).

(8)Rate relief.

Low-income senior citizens and low-income disabled persons may be eligible for water and/or sewer rate relief pursuant to MMC 3.63.

Section 3. Section 14.19.050 of the Marysville Municipal Code is hereby amended to read as follows:

14.19.050 Surface water utility rates.

Surface water utility rates shall be based on a commonly accepted rate unit for surface water utilities, the equivalent residential unit (ERU). The ERU is used to relate a base rate fee charged to a single-family residential parcel to that which is charged to a nonresidential parcel. The ERU is determined by using the current best available method, which may include analyzing digital photographs, utilizing satellite imagery, performing field checks for verification purposes of a representative sample of single-family residences within the city limits and/or utilizing civil design and construction plans or record drawings. Using this methodology, the director shall determine the amount of impervious area on each nonresidential parcel. The city's standard ERU amount is 3,200 square feet of impervious surface area. The specific ERU calculation for each parcel will be rounded to the nearest one hundredth, will be established for each such parcel as the impervious surface information becomes available for such parcel, and will be calculated in accordance with the following table:

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Effective January 1, 2014:

Customer Class	Rate Calculation	2014 Monthly Rate
	(1 ERU = 3,200 sq ft)	
Residential	1 ERU	\$10.82
Nonresidential	(sq ft of impervious surface (1	\$10.82
Connection Charge	1 ERU	\$98.84

Section 3. Effective Date. This Ordinance and the rate schedules provided herein shall be effective January 1, 2014.

PASSED by the City Council and APPROVED by the Mayor this 9th day of December, 2013.

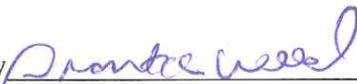
CITY OF MARYSVILLE

By 
JON NEHRING, Mayor

ATTEST:

By 
City Clerk
Reputy

Approved as to form:

By 
GRANT K. WEED, City Attorney

Date of Publication: 12-14-13

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