



City of SeaTac

Council Study Session Agenda

November 12, 2013
4:00 PM

City Hall
Council Chambers

CALL TO ORDER:

PUBLIC COMMENTS (related to the agenda items listed below): (Speakers must sign up prior to the meeting. Public Comments shall be limited to a total of ten minutes with individual comments limited to three minutes and a representative speaking for a group of four or more persons in attendance shall be limited to ten minutes. However, the Mayor or designee may reduce equally the amount of time each speaker may comment so that the total public comment time does not exceed ten minutes. When recognized by the Mayor or his designee, walk to the podium, state and spell your name, and give your address [optional] for the record.)

1. **Agenda Bill #3551; An Ordinance changing Section 12.10.225 of the SeaTac Municipal Code, related to Surface and Storm Water Management Rate Structure (25 minutes)**
By: Public Works Director Tom Gut / FCS Group Principal John Ghilarducci
2. **Agenda Bill #3557; A Motion authorizing the City Manager to execute a lease with the Washington State Department of Transportation (WSDOT) for the Lake to Sound Trail Project (10 minutes)**
By: Parks and Recreations Director Kit Ledbetter / King County Park Lakes to Sound Project Manager Jason Rich
3. **Agenda Bill #3553; A Motion accepting the Phase Two Design Planning and Site Analysis Report for the Riverton Heights Property (20 minutes)**
By: Community and Economic Development Director Joseph Scorcio / Parks and Recreations Director Kit Ledbetter / Economic Development Manager Jeff Robinson
4. **Agenda Bill #3558; A Motion authorizing the City Manager to execute a Property Management Agreement with Kidder Matthews for the purpose of providing services at the SeaTac Center (10 minutes)**
By: Economic Development Manager Jeff Robinson
5. **Agenda Bill #3562; A Resolution authorizing the City Manager to execute a Development Agreement with Park-N-Jet, LLC (20 minutes)**
By: Community and Economic Development Director Joe Scorcio / Senior Planner Al Torrico
6. **Agenda Bill #3399; A Motion declaring City Property Surplus and Authorizing its Disposal (10 minutes)**
By: Assistant Finance Director Brenda Rolph
7. **Agenda Bill #3545; A Motion authorizing the City Manager to enter into an agreement between the Highline Public Schools and City of SeaTac for a School Resource Officer at Tyee High School and Chinook Middle School (10 minutes)**
By: Police Chief Lisa Mulligan
8. **PRESENTATIONS:**
 - **Public Safety Statistics (10 minutes)**
By: Assistant Fire Chief Brian Wiwel

EXECUTIVE SESSION: To consider the minimum price at which real estate will be offered for sale or lease (42.30.110[1][c]) (20 minutes)

ADJOURN:



City of SeaTac

Regular Council Meeting Agenda

November 12, 2013

6:30 PM

City Hall
Council Chambers

(Note: The agenda numbering is continued from the Council Study Session [CSS].)

CALL TO ORDER:

ROLL CALL:

FLAG SALUTE:

PUBLIC COMMENTS: (Speakers must sign up prior to the meeting. Individual comments shall be limited to three minutes. A representative speaking for a group of four or more persons in attendance shall be limited to ten minutes. When recognized by the Mayor or his designee, walk to the podium, state and spell your name, and give your address [optional] for the record.)

8. PRESENTATIONS (Continued):

• **Farewell Address (10 minutes)**

By: King County Councilmember Julia Patterson

• **Matt Griffin YMCA (5 minutes)**

By: Branch Executive Claudia Tanis

• **Update on Federal Way Link Extension and Sound Transit's Long Range Plan (30 minutes)**

By: Light Rail Development Manager Cathal Ridge

9. CONSENT AGENDA:

• **Approval of claims vouchers** (check nos. 105029 - 105034) in the amount of \$1,335.00 for the period ended October 21, 2013.

• **Approval of claims vouchers** (check nos. 105035 - 105276) in the amount of \$455,456.32 for the period ended November 5, 2013.

• **Approval of payroll vouchers** (check nos. 51837 - 51871) in the amount of \$468,128.45 for the period ended October 31, 2013.

• **Approval of payroll electronic fund transfers** (check nos. 79084 - 79272) in the amount of \$406,725.07 for the period ended October 31, 2013.

• **Approval of payroll wire transfer** (Medicare and Federal Withholding Tax) in the amount of \$83,074.18 for the period ended October 31, 2013.

Approval of Council Meeting Minutes:

• **Regular Council Meeting** held July 9, 2013.

• **Regular Council Meeting** held September 10, 2013.

Agenda Items reviewed at the October 22, 2013 Council Study Session and recommended for placement on this Consent Agenda:

Agenda Bill #3556; A Motion authorizing the City Manager to enter into a lease extension with Reji Mathew, doing business as Hi-Tech Gadgets LLC, in the SeaTac Center

Agenda Bill #3544; A Resolution confirming the appointment by the City Manager of Stephen K. Causseaux, Jr. as the City Hearing Examiner for appointment of a Hearing Examiner Pro-Tem and authorizing the City Manager to enter into contracts for Hearing Examiner Services

Agenda Bill #3554; A Motion authorizing the City Manager to execute a contract for Consultant Services to develop the Angle Lake Station Sub-Area Plan

10. PUBLIC HEARINGS:

● **Setting the City's 2014 Property Tax Levy**

By: Finance & Systems Director Aaron Antin

(Note: Agenda Bill #3548 presentation will take place during the Public Hearing. Council action is scheduled for the November 26, 2013 Regular Council Meeting.)

Agenda Bill #3548 – An Ordinance setting the City's 2014 Property Tax Levy

11. PUBLIC HEARINGS (Continued):

● **Approving the 2013 – 2014 Budget Modification**

By: Finance & Systems Director Aaron Antin

(Note: Agenda Bill #3549 presentation will take place during the Public Hearing. Council action is scheduled for the November 26, 2013 Regular Council Meeting.)

Agenda Bill #3549 – An Ordinance approving the 2013 – 2014 Biennial Budget Modification

PUBLIC COMMENTS (related to Action Items and Unfinished Business): (Individual comments shall be limited to one minute and group comments shall be limited to two minutes.)

ACTION ITEM:

UNFINISHED BUSINESS:

NEW BUSINESS:

CITY MANAGER'S COMMENTS:

COUNCIL COMMENTS:

EXECUTIVE SESSION:

ADJOURN:

SeaTac City Council

REQUEST FOR COUNCIL ACTION

Department Prepared by: Public Works

Agenda Bill #: **3551**

TITLE: An Ordinance amending Section 12.10.225 of the SeaTac Municipal Code, related to Surface and Storm Water Management Rate Structure.

<i>November 1, 2013</i>	
<input checked="" type="checkbox"/> Ordinance <input type="checkbox"/> Resolution <input type="checkbox"/> Motion <input type="checkbox"/> Info. Only <input type="checkbox"/> Other	
Date Council Action Requested: <u>RCM 11/26/2013</u>	
Ord/Res Exhibits: _____	
Review Dates: <u>CSS 11/12/2013; Presentations: CSS 10/8/13 & 10/22/13</u>	
Prepared By: <u>Don Robinett, Stormwater Compliance Manager</u>	
Director: <u><i>Stewart W. Scott</i></u>	City Attorney: <u><i>Mark S. Johnson, Sr. Best City Attorney</i></u>
Finance: <u><i>[Signature]</i></u>	BARS #: <u>403.343.83.00.000 & 403.343.83.01.001</u>
City Manager: <u><i>Todd Pett</i></u>	Applicable Fund Name: <u>Surface Water Utility</u>

77
10

SUMMARY: The proposed Ordinance amends section 12.10.225 of the SeaTac Municipal Code related to the surface water management rate structure to phase in Surface Water Utility rate increases over a five year period. The rate increase will provide minimum funding to sustaining existing stormwater infrastructure, providing nominal capital improvements, and meeting imposed regulatory requirements. The rate proposal also provides a rebate to encourage the use of stormwater infiltration techniques.

DISCUSSION / ANALYSIS / ISSUES: The City's 2013 Surface Water Plan identified the needs of the Surface Water Utility and changes which are necessary to meet the challenges of the future, while maintaining an appropriate level of service. A stormwater rate study was conducted by FCS Group in conjunction with Herrera Environmental based on the findings and recommendations of the Surface Water Plan. The rate study evaluated four stormwater rate scenarios ranging from a no action alternative to a full plan implementation alternative, which would implement all of the recommendations of the Surface Water Plan.

The proposed ordinance would implement the Limited Surface Water Plan Implementation Scenario, which allows the minimum stormwater program expansions necessary to meet pending regulatory requirements, as well as create a proactive asset management program to sustain stormwater infrastructure by identifying and conducting needed repairs and replacements. The limited scenario also includes funds for nominal capital improvements.

A proactive asset management program is needed to conduct video evaluation of the City's existing stormwater system, which is valued at \$26.9 million and includes 72 miles of storm pipe. After video evaluation, the City can identify and prioritize repair and replacement needs before system failures occur. The asset management program also includes the necessary funding to make these repair or replacements once they are identified. The asset management program constitutes approximately 60% of the costs for the proposed rate increase.

Implementation of the recommended rate study scenario also includes changes in cost allocations of how existing staff positions that work on Surface Water Utility programs are funded. These changes in cost allocations will ensure the Utility is appropriately charged for these positions.

In addition, City Council has expressed an interest in providing a rebate to those properties that can

infiltrate 100% of their stormwater. To that end, a 20% rebate has been added in an effort to encourage the use of infiltration techniques. These techniques can provide benefits to the City stormwater system and natural waters by reducing the volume of stormwater flows and water quality impacts.

Rate increases will be phased in over a five year period from 2014 through 2018 in order to spread out the impact of the rate adjustments. The proposed phased rate increases are as follows: 20.32% in 2014; 26.85% in 2015; 4.88% in 2017; and 6.55% in 2018.

RECOMMENDATION(S): It is recommended that the Ordinance be adopted.

FISCAL IMPACT: The proposed rate increase would increase the Surface Water Utility revenues over a five year period. Estimated annual increases in utility fee revenues generated as a result from the rate modification are listed below:

<u>Year</u>	<u>Estimated Rate Revenue Increase Year to Year</u>
2014	\$258,284
2015	\$446,528
2016	\$27,117
2017	\$126,933
2018	\$170,107

ALTERNATIVE(S): Do not adopt the Ordinance and keep existing stormwater rates. However, no increase in stormwater rates will have the following impacts:

- The Utility will continue to take a reactionary approach to repair and replacement of stormwater infrastructure (i.e. responding after stormwater system failures occur), resulting in a decline in the level of service to residents and business owners.
- Surface Water Utility funds will likely run out after the first major failure. Bonds and future stormwater rate increases will then be necessary to fund further system failures.
- Regulatory noncompliance with National Pollutant Discharge Elimination System permit requirements is anticipated by 2018.

ATTACHMENTS: Rate Study - Technical Memo by FCS Group.

ORDINANCE NO. _____

AN ORDINANCE of the City Council of the City of SeaTac, Washington, amending section 12.10.225 to the SeaTac Municipal Code, related to Surface and Stormwater rate structure.

WHEREAS, the City of SeaTac's municipal separate storm sewer system infrastructure provides an essential function of collecting stormwater runoff and discharging it to surface waters; and

WHEREAS, this stormwater infrastructure is aging and has a limited lifespan and it is the responsibility of the City's Surface Water Utility ensure the functionality of the system and provide a variety of programs and service mandated under the National Pollutant Discharge Elimination System (NPDES) municipal stormwater permits; and

WHEREAS, the Surface water Utility collects fees to fund the essential services and the Utility needs to ensure it has the funding essential programs and services into the future; and

WHEREAS, the City of SeaTac's existing surface and stormwater rate structure was adopted in 1999 under ordinance number 99-1042; and

WHEREAS, a stormwater rate study was conducted by Herrera Environmental Inc. in conjunction FCS Group as is described in the Final Technical Memo from FCS Group dated 10/29/13; and

WHEREAS, said rate study identifies future financial demands on the utility in terms of regulatory and repair and replacement of existing infrastructure for which the existing rate structure will be unable to support; and

WHEREAS, said rate study appropriately details a recommended revised rate structure necessary to meet the future financial demands of the utility in terms of management of

stormwater assets, repair and replacement of public infrastructure, maintenance and operation of the utility and its programs and imposed regulatory requirements; and

WHEREAS, maintaining the Surface Water Utility's infrastructure and programs is in the best interest of the health, safety and welfare of the citizens of the City of SeaTac; and

WHEREAS, the City wishes to encourage the use of stormwater infiltration techniques as they provide benefits to the City stormwater system and natural waters by reducing the volume of stormwater flows and water quality impacts; and

WHEREAS, the City wishes to establish a cost basis for charges of stormwater management fees for City Roads; and

WHEREAS, the City road system is conveying stormwater runoff from both city streets and other developed property and said other developed property are generating approximately 73.7% of that runoff; and

WHEREAS, a 26% stormwater management fee for City roads applies a reasonable credit to the City Road Fund for its role in conveying stormwater from other properties;

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF SEATAC, WASHINGTON, DO ORDAIN as follows:

Section 1. Section 12.10.225 of the SeaTac Municipal Code is hereby amended to read as follows:

12.10.225 Rate structure.

A. Surface water management service charges shall be based on the relative contribution of increased surface and storm water runoff from a given parcel to the surface and storm water management system, a pro rata share of City-wide surface water management services, and the policy considerations adopted at SMC 12.10.220. The percentage of impervious surfaces on the parcel and the total parcel acreage will be used to indicate the relative contribution of increased surface and storm water runoff from the parcel to the surface and storm water management system. The relative contribution of increased surface and storm water runoff from each parcel determines that parcel's share of the program's revenue needs. The service charge revenue needs of the program are based upon all or any part, as determined by the Council with advice of the Department of Public Works, of the cost and expense within the service area of maintaining and

operating surface water control facilities, all or any part of the cost and expense of planning, designing, establishing, acquiring, developing, constructing, and improving any of such facilities, or to pay or secure the payment of all or any portion of any issue of general obligation or revenue bonds issued for such purpose.

B. The Department of Public Works shall determine the service charge for each parcel within the service area by the following methodology: Residential parcels shall receive a flat rate. Parcels shall be classified into the appropriate rate category in subsection C of this section by their percentage of impervious surface coverage. Land use codes and data collected from parcel investigations will be used to determine each parcel’s percentage of impervious surface coverage. After a parcel has been assigned to the appropriate rate category, the service charge for the parcel will be calculated by multiplying the total acreage of the parcel times the rate of that category.

C. There is imposed upon all developed properties in the service area annual service charges as follows—identified below effective January 1, 2014; and increased thereafter by 26.85% on January 1, 2015, 4.88% on January 1, 2017 and 6.55% on January 1, 2018:

Impervious Surface		
Class	Percentage	Rate
Residential (R) *	NA	\$82.80 <u>99.63</u> /parcel/year
Very Light (VL)	0 – 10%	\$49.50 <u>59.56</u> /acre/year
Light (L)	10 – 20%	\$168.50 <u>202.75</u> /acre/year
Moderate (M) **	20 – 45%	\$349.00 <u>419.93</u> /acre/year
Moderately Heavy (MH) **	45 – 65%	\$674.00 <u>810.98</u> /acre/year
Heavy (H) **	65 – 85%	\$855.00 <u>1,028.74</u> /acre/year
Very Heavy (VH) **	85 – 100%	\$1,120.00 <u>1,347.62</u> /acre/year
City Roads, State Highways	NA	***

* The charge for a residential parcel which is owned by and is the personal residence of a person or persons determined by the King County Assessor as qualified for a low income senior citizen rate adjustment or a low income disabled citizen rate adjustment pursuant to RCW

84.36.381, or as the same may hereafter be amended, shall be ~~\$29.89~~36.1% of the residential rate, ~~rather than the rates~~ set forth above.

** The minimum service charge for parcels within the VL class shall be ~~\$49.50~~ equivalent to the charge for 1 acre in the VL class, and the minimum service charge for parcels within the L, M, MH, H, and VH classes shall be ~~\$82.80~~ equivalent to the Residential rate/parcel/year.

*** The rate charged to the City of SeaTac for roads shall be charged ~~26.3%~~ of the rate for comparable developed parcels. ~~The rate charged to the and/or the~~ Washington State Department of Transportation for public highways, roads, and rights-of-way will be determined in accordance with RCW 90.03.525.

D. The rate charged mobile home parks shall be ~~\$62.10~~ 75% of the Residential rate multiplied by the total number of spaces available for rent or lease

E. Nonresidential parcels upon which are located one (1) or more retention/detention/infiltration facility, or equivalent, designed, engineered, and maintained to the standards of the Surface Water Design Manual shall be entitled, upon application, to a rebate equal to twenty-five percent (25%) of the surface water management fee which would be applicable to the acreage served by each facility multiplied by the surface water management fee applicable to that acreage. Application for rebates shall be submitted prior to October 31 of each year in which a rebate is requested. Applications shall include documentation that the retention/detention facility, or equivalent, has been maintained in accordance with the requirements of Appendix A of the Surface Water Design Manual. If all maintenance has been performed as required by the said Appendix A, the rebate will be forwarded to the applicant prior to December 1 of the said year; provided, that the annual surface water management fee applicable to that year has been paid in full.

F. Nonresidential parcels containing designed and engineered infiltration facilities which can demonstrate 100% infiltration of the required storm events (e.g. 50% of the 2 year through 100% of the 50 year) for the entire parcel, and can demonstrate maintenance to standards as identified in section E and shall be entitled, upon application, to an additional rebate equal to twenty percent (20%) of the surface water management fee for said parcel. Application for rebates shall be submitted prior to October 31 of each year in which a rebate is requested. Applications shall include documentation that the infiltration facilities, or equivalent, are infiltrating at the required design rate. Once said documentation is provided and confirmed, the rebate will be forwarded to the applicant prior to December 1 of the said year; provided, that the annual surface water management fee applicable to that year has been paid in full.

~~F~~G. Parcels owned by a public school district shall be exempt from surface water management charges, pursuant to Section 9.08.060(B) of the King County Code.

~~G~~H. The City Council, by ordinance, may supplement or alter charges within specific basins or subbasins of the service area so as to charge properties or parcels of one (1) basin or subbasin for improvements, studies, or maintenance which the Council deems to provide service or benefit the property owners of one (1) or more basin(s) or subbasin(s).

Section 2. This Ordinance shall be effective January 1, 2014.

Section 3. If any provision of this Ordinance or its application to any person or circumstance is held invalid, the remainder of the Ordinance or the application of the provision to other persons or circumstances shall not be affected.

ADOPTED this _____ day of _____, 2013, and signed in authentication thereof on this _____ day of _____, 2013.

CITY OF SEATAC

Tony Anderson, Mayor

ATTEST:

Kristina Gregg, City Clerk

Approved as to Form:

Mary E. Mirante Bartolo, City Attorney

[Effective Date: January 1, 2014]

[SWM Rates]

City of SeaTac
Washington

Technical
Memorandum

**SURFACE
WATER
RATE
UPDATE**

October 2013

CONSULTING SERVICES PROVIDED BY:



Redmond Town Center
7525 166th Avenue NE, Suite D-215
Redmond, WA 98052
T: 425.867.1802
F: 425-867-1937

www.fcsgroup.com

ATTACHMENT 1

I - INTRODUCTION

In support of a Surface Water Plan (SWP) update, Herrera Environmental Consultants contracted with Financial Consulting Solutions Group, Inc. (FCS GROUP) to perform a surface water rate update for the City of SeaTac (City). Specific tasks included:

- Developing an estimated revenue requirement and cash flow projection for the next 5 years of capital construction, incorporating:
 - The list of capital projects currently in development by the City.
 - Current financial information including a review of the utility's capital financing status, financial policies and procedures.
 - Key policy issues impacting the utility.
 - Various scenarios integrating asset management and other costs.

Section II of this memorandum focuses on the revenue requirements and presents the approach, the supporting fiscal policies, methods, and assumptions used in the revenue requirements analysis to accomplish these tasks along with the findings and recommendations.

Appendix A includes the detailed spreadsheets supporting the study results.

II – REVENUE REQUIREMENTS

A. Approach

The revenue requirements analysis (See Appendix A) forecasts the amount of annual revenue needed from rates. The analysis incorporates operating revenues, operating and maintenance (O&M) expenses, debt service payments, rate funded capital needs, and any other identified revenues or expenses related to utility operations, and determines the sufficiency of the current level of rates. Revenue needs are also impacted by specific fiscal policies and financial goals of the utilities, as described herein.

The analysis determines the amount of revenue needed in a given year to meet that year's expected financial obligations. For this analysis, two revenue sufficiency criteria have been developed to reflect the financial goals and constraints of the utility: (1) cash flow must be met, and (2) revenue bond coverage requirements must be realized. In order to operate successfully with respect to these goals, both tests of revenue sufficiency must be met.

The cash flow test identifies all known cash requirements for the utility in each year of the study period. First, capital needs are identified and a capital funding strategy is established. Typically, this may include the use of debt, cash reserves, grants, interfund transfers, and rate funding. Cash requirements *to be funded from rates* are then determined. Typically, these include O&M expenses, debt service, system replacement funding or directly funded capital outlays, and any additions to specified reserve

balances. The total annual cash needs of the utility are then compared to projected cash revenues under current rates.

The revenue bond coverage test then assesses the utility's ongoing ability to satisfy coverage requirements as delineated in any outstanding revenue bonds. The City surface water utility currently has no outstanding debt of any kind. When applicable however, this test takes into consideration the coverage requirement, allowable revenues, and expenses that are considered to be "operational."

The maximum projected revenue shortfall resulting from these two tests is identified and the rate increases necessary to make up the shortfall are then estimated. The cash flow and revenue bond coverage tests are applied on Pages 9-10 of Appendix A.

B. Supporting Fiscal Policies

In concert with the revenue requirement analysis, fiscal policies are assumed (Appendix A – Pages 2-3) to maintain the long-term financial health and performance of the utility. A brief summary of the key policies incorporated into the revenue requirement analysis is provided below.

System Replacement Funding

The purpose of a system reinvestment policy is to establish the practices and funds required to complete the replacement of aging system facilities to ensure sustainability of the system for ongoing operations. A common approach of municipal utilities is to incorporate a replacement funding (or equity accumulation) policy. The key components for the City of SeaTac's system reinvestment include annual depreciation funding and an Asset Management Program. Annual depreciation is a non-cash expense intended to recognize the consumption of utility assets over their useful lives. Collecting annual depreciation expense through rates provides a funding source for those capital expenses related to repair and replacement of existing utility plant-in-service. Further, funding depreciation through rates helps to ensure that existing ratepayers pay for the use of the assets serving them, with the cash flow funding at least a portion of the eventual replacement of those assets.

The targeted depreciation amount is currently set at \$538,000 per year (2% of total assets' original cost). We have analyzed three options to address system replacement funding, involving various combinations of depreciation funding, implementation of an Asset Management Program, and an emergency contingency balance. The Asset Management Program to be implemented in 2015 involves the staffing and equipment necessary to inventory, assess, and monitor system facilities and estimate resulting replacement costs. This program is intended to provide proactive repair/replacement and in the process, reduce the need for temporary reactive fixes. Various options for system reinvestment are listed and described below (calculations on Appendix A - Page 4; rate impacts on Appendix A - Page 16).

Option 1: Limited SWP Implementation (Phased depreciation + Asset Management Program). A percentage of the targeted depreciation amount would be phased into practice, starting at 25% of full depreciation in 2014 and reaching the full depreciation amount by 2018. Phasing in the depreciation costs will allow

for flexibility within the budget to account for the initial start-up costs of the Asset Management Program. This is the option exercised in the recommended scenario for rate increases (Appendix A – Page 16).

Option 2: Current Plus Emergency Repair (Full depreciation + Emergency Contingency). Starting in 2014, the City would fund 100% of the targeted depreciation amount in the absence of an Asset Management Program. Under this approach, the reinvestment fund must be fully equipped with an emergency contingency (additional 30%) in order to respond reactively to urgent temporary fixes. This option is not recommended as it perpetuates a reactive approach for repair and replacement of the infrastructure.

Option 3: Full Implementation of SWP (Full depreciation + Asset Management Program). Starting in 2014, the City would begin funding 100% of the targeted depreciation amount, while implementing the Asset Management Program to properly monitor system reinvestment. While immediately funding full depreciation is ideal, the start-up costs of the Asset Management Program in 2015 reduce the feasibility of this option. Due to rate impacts, this option is not recommended.

Reserve Levels Financial reserves are a necessary and appropriate part of prudent utility management practices. The City maintains separate accounting for an "Operating Fund" and "Capital Fund" in order to distinguish the different "sources" and "uses" of the operating and capital funds.

- Operating Reserves. Operating reserves are designed to provide a liquidity cushion to ensure that adequate cash working capital will be maintained to address significant cash balance fluctuations, such as seasonal fluctuations in billings and receipts, unanticipated cash operating expenses, or lower than expected revenue collections. Target funding levels are generally expressed in number of days' cash operating expenses, with the minimum requirement varying with the expected risk of unanticipated needs.

City of SeaTac surface water rates are based on the amount of developed area on each individual parcel, and are billed *annually* on the King County property tax statement. A majority of these bills are paid in April and October installments. Because the basis of charging changes very little from year to year, the surface water utility generates relatively constant and predictable total rate revenue. Due to the fee's inclusion on the property tax statement, however, it is recommended that the City either (1) begin each year with at least six months (180 days) of cash operating expenses or (2) be prepared to utilize an inter-fund loan (approved by City Council) until the April/October revenue is received. We strongly recommend that this policy is taken into consideration when reviewing and adjusting fiscal policies.

- Capital Contingency Reserves. The capital fund holds grant, loan and bond proceeds, other capital-related revenues, and surplus operating fund balances designated for capital construction and replacement projects. The study assumes that cash from rates for system replacement funding and balances in excess of the

minimum requirements in Operating Fund 403 will be transferred to Capital Fund 406 at year's end and become available for capital use in subsequent years.

A capital contingency reserve is an amount of cash set aside in case of an emergency, should a piece of equipment or a portion of the utility's infrastructure fail unexpectedly. Additionally, the reserve could be used for other unanticipated capital needs, including project cost overruns. These reserves are not intended to cover the costs of system-wide failures resulting from catastrophic events. A more common practice is to carry insurance for such purposes.

There are several ways to set the level of contingency reserves. We recommend that the City maintain a minimum balance equal to 1% of assets (original cost) resulting in a projected reserve level of \$269,000 in 2013. In contrast, the depreciation and Asset Management Program expenses mentioned on Page 3 are ongoing annual expenses.

C. Other Key Policy Considerations

The following policy issues are reflected in the development of revenue requirement scenarios.

- Charging City Streets. The City has historically charged City Streets for surface water utility services at 30% of the rate for comparable developed property. In order to calculate an updated, analytically based, adjustment, FCS GROUP applied the following methodology. City streets provide stormwater conveyance for both the streets themselves and other developed property. It would therefore be reasonable to charge City streets only for their portion of impervious surface area relative to the entire stormwater customer base. City of SeaTac streets currently number an estimated total of 4,911 equivalent residential units (ERUs). Total system ERUs currently number 18,673. Under this approach, City streets would be charged 26.3% of the rate in recognition that the street system is conveying runoff from both streets and other developed property, and other developed property is generating approximately 73.7% of that runoff. Crediting City streets for their role in conveying runoff from other developed property appears to be reasonable using this approach. Details for this analysis are outlined on Page 5 of Appendix A.
- Updating Funding of Existing Positions. City Public Works staff members are generally paid according to the percentage of staff time allocated to the following City departments: the General Fund, the Surface Water Utility Fund and the Street Fund. As a part of the rate analysis, existing positions were evaluated in terms of time contributed to determine if these positions were being funded proportionally. Based on this analysis, reallocation of funding for several positions is recommended in order to correctly align funding sources for these staff positions. If implemented, this adjustment will add \$73,554 (2014\$) to the ongoing utility revenue requirement. This funding adjustment is included in Options 2 and 4 below and detailed calculations are shown in Appendix A, on page 13.
- Fund Accounting. The City currently accounts for operating and capital in separate funds (Fund 403 and Fund 406, respectively). The City may wish to

consider combining these into a single Surface Water Fund with separate operating and capital accounts. This would allow for an easier transfer of any surplus operating revenues to the capital account.

D. Analyses, Findings and Recommendations

In order to provide the Council with reasonable options for Plan implementation, revenue requirements and resulting rate forecasts were developed for four potential levels of service (Appendix A – Page 16).

1. Current. The current service level is based on the assumption that the rate will not be increased for the study period. The current service level is characterized by reactive maintenance, minimal capital construction, and regulatory non-compliance by the end of the study period. Keeping rates at current levels would result in the absence of additional equipment, staffing, and projects within the Utility.
2. Limited Surface Water Plan Implementation (Recommendation). The limited SWP implementation service level, the recommended option, includes systematic maintenance, cash funding of the “stand-alone” stormwater capital improvement plan, compliance with projected regulatory requirements, and full implementation of an asset management program. It is assumed that annual asset management expenses will reach the level of full depreciation funding in 2018, projected to be approximately \$550,000 in that year. The limited SWP implementation service level also includes the full cost of staff performing stormwater management activities, currently subsidized by other funds.
3. Current plus Emergency Repair. The current plus emergency repair service level includes all of the existing services provided under Option 1 with the addition of full depreciation funding starting in 2014 in addition to an emergency repair fund. Without the necessary asset management program to identify and repair decaying stormwater infrastructure proactively, it is assumed that the City will respond to system failures at a higher cost. This higher cost includes emergency mobilization and potential damages caused by the system failures.
4. Full SWP Implementation. The full implementation service level includes all of the services provided in the limited SWP implementation level, with the addition of the stormwater portion of the transportation improvement plan (debt financed to avoid rate spikes), the addition of a stormwater technician and a public education coordinator, and immediate implementation of the asset management program with full depreciation funding.

To conduct the revenue requirement analyses for each of the optional service levels, the following assumptions were used (Appendix A – Page 2):

- Revenues and O&M expense projections are based on the 2013 budget.
- Customer growth rates are based on City estimates for customer growth of 1.0% per year.

- Annual labor cost (including benefits) general inflation is assume to be 5%, while general cost inflation is assumed at 2.07% per year.
- Capital construction cost inflation is assumed to be 3.16% per year.
- The annual fund earnings rate is assumed to be less than 1% until 2017, increasing to 2% in 2018.

Based on the above descriptions, Exhibit 1 (following) provides a summary of the revenue requirement analysis (see Appendix A, page 1 for details) for the recommended Limited SWP Implementation service level for each year in the planning period. The Capital Funding portion of the table shows total planned capital spending from Fund 406, as well as the source(s) of funding used to meet those expenses. The Revenue Requirements portion of the table summarizes the impact of all utility financial obligations, net of available cash and non-rate revenues, on rates. Recommended rate increases are phased in over five years to minimize the impact to the rate payer, while ensuring funding is in place when needed. The Ending Fund Balances portion of the table shows the forecasted fund balances at the end of each year in the planning period, broken out among operating (working capital), capital, and debt reserves (required by covenants on existing debt).

**Exhibit 1: Summary of Revenue Requirement Analyses
for Limited SWP Implementation**

CIP Capital Funding - Fund 406	2013	2014	2015	2016	2017	2018
Total Capital Projects	\$ -	\$ 33,013	\$ 267,136	\$ 21,959	\$ 135,924	\$ 35,056
Grants and Developer Donations	-	-	-	-	-	-
Other Debt Proceeds	-	-	-	-	-	-
Revenue Bond Proceeds	-	-	-	-	-	-
Use of Capital Fund Balance	-	33,013	267,136	21,959	135,924	35,056
Direct Rate Funding	-	-	-	-	-	-
Total Funding Sources	\$ -	\$ 33,013	\$ 267,136	\$ 21,959	\$ 135,924	\$ 35,056

Revenue Requirements	2013	2014	2015	2016	2017	2018
Revenues						
Rate Revenues Under Existing Rates	\$ 1,759,276	\$ 1,753,100	\$ 1,773,016	\$ 1,793,222	\$ 1,813,722	\$ 1,834,521
Non-Rate Revenues	9,096	8,740	9,134	15,372	18,762	31,462
Total Revenues	\$ 1,768,372	\$ 1,761,841	\$ 1,782,150	\$ 1,808,594	\$ 1,832,484	\$ 1,865,982
Expenses						
Expenses - Fund 403	\$ 2,366,207	\$ 1,814,114	\$ 1,827,948	\$ 1,981,981	\$ 1,987,215	\$ 2,018,929
Add'l Salaries & Benefits	-	73,554	77,232	81,093	85,148	89,405
Depreciation & Asset Management	-	134,665	557,677	407,554	552,470	697,066
Existing Debt Service	-	-	-	-	-	-
New Debt Service	-	-	-	-	-	-
Rate Funded CIP	-	-	-	-	-	-
Total Expenses	\$ 2,366,207	\$ 2,022,333	\$ 2,462,856	\$ 2,470,628	\$ 2,624,833	\$ 2,805,401
Annual Rate Adjustment	0.00%	20.32%	26.85%	0.00%	4.88%	6.55%
Annual Rate Per SFR	\$ 82.80	\$ 99.63	\$ 126.37	\$ 126.37	\$ 132.54	\$ 141.21
Rate Revenues After Rate Increase	\$ 1,759,276	\$ 2,017,560	\$ 2,464,088	\$ 2,491,205	\$ 2,618,138	\$ 2,788,245
Net Cash Flow After Rate Increase	(597,835)	(0)	(0)	25,478	(0)	(0)

Ending Fund Balances	2013	2014	2015	2016	2017	2018
Surface Water Fund - Operating (403)	\$ 1,705,230	\$ 1,241,206	\$ 1,241,206	\$ 1,266,685	\$ 1,266,685	\$ 1,266,685
Surface Water Fund - Capital (406)	2,007,873	2,273,552	2,719,914	3,279,152	3,884,906	4,784,268
Debt Reserve Fund	-	-	-	-	-	-
Total	\$ 3,713,102	\$ 3,514,759	\$ 3,961,120	\$ 4,545,837	\$ 5,151,591	\$ 6,050,953
<i>Combined Minimum Target Balance</i>	<i>\$ 1,435,896</i>	<i>\$ 1,200,235</i>	<i>\$ 1,211,542</i>	<i>\$ 1,289,628</i>	<i>\$ 1,295,568</i>	<i>\$ 1,313,658</i>

Capital Projects and Funding Sources The utility had over \$1.4 million in its capital fund at the beginning of 2013. The City also compiled a list of capital projects that would be built in the coming years. The total cost of the utility's proposed stormwater capital improvement program is close to \$693,000 in 2013 dollars. The City plans to implement the proposed CIP starting in 2014.

Because of the healthy cash position of the operating and capital funds, the utility should have enough available cash to pay for these projected capital needs without seeking external funding. In 2014 and beyond, it is projected that the utility's rate strategy will need to be reevaluated in order to meet the utility's financial obligations.

Rate Revenue Requirements With rates held constant in 2013, the utility budgeted for approximately \$1.76 million in rate revenues and \$2.37 million in O&M expenses (including interfund transfers). The City started 2013 with approximately \$2.58 million in its operating fund, but this will be reduced substantially by the projected 2013 budget deficit (in regards to the net position of Fund 403 and Fund 406).

Projected rates for 2014 and 2018 are shown for each of the four optional service levels below and in Appendix A - Page 16. It is important to note that the SWP full implementation service level reflects the assumption that City streets will be charged the full surface water rate. In the other three service level options, it is assumed that City streets will be charged 26.3% of the rate.

Recommendations The Limited SWP Implementation level of service and corresponding series of rate increases is an attempt to balance the urgent needs of the surface water program and the impacts of potential rate increases on the customer base. The Limited SWP Implementation service level provides asset management, necessary system replacement funding (albeit phased), and the additional staffing and equipment required to comply with anticipated regulations. While it would be ideal to start full depreciation of assets as soon as possible, the impact on surface water rates would be substantial (See below and in Appendix A – Page 16).

After 2018, we recommend that the City adjust rates each year to keep pace with inflation. There are two indices that together would provide a reasonable annual adjustment, the *Engineering News Record* Construction Cost Index (20-City Average) and the Consumer Price Index. In the absence of a detailed analysis of program costs, it would be reasonable to use the average of the two indices as the basis of an annual rate adjustment. Had the City practiced such a policy since that last rate increase in 1999, no more than an inflationary increase would be needed for 2014.

City of SeaTac
Surface Water Management Utility
Council Scenario Analysis

	Rate in 2014	Rate in 2018	Maintenance/Staffing	Capital	Regulatory Compliance	System Replacement
Current Rates	\$ 82.80	\$ 82.80	<ul style="list-style-type: none"> Maintain existing programs No equipment for LID Understaffed to meet future NPDES requirements 	<ul style="list-style-type: none"> Urgent needs only Minimal capital - no additional funding Bandaid fixes Unable to fund large capital projects w/o assistance 	<ul style="list-style-type: none"> Short-term compliance Long-term non-compliance 	<ul style="list-style-type: none"> Unfunded depreciation No Asset Management program Primarily Reactive - wait for failures to occur
Limited SWP Implementation (recommendation)	\$ 99.60	\$141.24	<ul style="list-style-type: none"> Systematic maintenance Necessary equipment Minimum necessary staffing Staffing reconciliation 	<ul style="list-style-type: none"> Fully funds SWCIP including repair and replacement 	<ul style="list-style-type: none"> Compliant with forecasted permitting requirements 	<ul style="list-style-type: none"> Phased depreciation funding to reach full depreciation in 2018 Proactive Asset Management program
Current Plus Emergency Repair	\$126.84	\$134.16	<ul style="list-style-type: none"> Maintain existing programs No equipment for LID Understaffed to meet future NPDES requirements 	<ul style="list-style-type: none"> Primarily reactive - waiting for failures Funding available for repair & replacement Additional costs - damages & emergency response 	<ul style="list-style-type: none"> Short-term compliance Long-term non-compliance 	<ul style="list-style-type: none"> Full depreciation funding starting in 2014 Emergency contingency in place for repair and replacement
Full Implementation of SWP	\$106.68	\$182.40	<ul style="list-style-type: none"> Systematic maintenance Necessary equipment Min. necessary staffing + Technician + Public Education Coordinator Staffing reconciliation 	<ul style="list-style-type: none"> Fully funds SWCIP Fund SW portion of the TIP Assumes debt financing 	<ul style="list-style-type: none"> Compliant with forecasted permitting requirements 	<ul style="list-style-type: none"> Full depreciation funding starting in 2014 Proactive Asset Management Program

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FCS GROUP

City of SeaTac

Surface Water Management Utility

Summary

CIP Capital Funding - Fund 406	2013	2014	2015	2016	2017	2018
Total Capital Projects	\$ -	\$ 33,013	\$ 267,136	\$ 21,959	\$ 135,924	\$ 35,056
Grants and Developer Donations	-	-	-	-	-	-
Other Debt Proceeds	-	-	-	-	-	-
Revenue Bond Proceeds	-	-	-	-	-	-
Use of Capital Fund Balance	-	33,013	267,136	21,959	135,924	35,056
Direct Rate Funding	-	-	-	-	-	-
Total Funding Sources	\$ -	\$ 33,013	\$ 267,136	\$ 21,959	\$ 135,924	\$ 35,056

Revenue Requirements	2013	2014	2015	2016	2017	2018
Revenues						
Rate Revenues Under Existing Rates	\$ 1,759,276	\$ 1,753,100	\$ 1,773,016	\$ 1,793,222	\$ 1,813,722	\$ 1,834,521
Non-Rate Revenues	9,096	8,740	9,134	15,372	18,762	31,462
Total Revenues	\$ 1,768,372	\$ 1,761,841	\$ 1,782,150	\$ 1,808,594	\$ 1,832,484	\$ 1,865,982
Expenses						
Expenses - Fund 403 & 406	\$ 2,366,207	\$ 1,814,114	\$ 1,827,948	\$ 1,981,981	\$ 1,987,215	\$ 2,018,929
Add'l Salaries & Benefits	-	73,554	77,232	81,093	85,148	89,405
Depreciation & Asset Management	-	134,665	557,677	407,554	552,470	697,066
Existing Debt Service	-	-	-	-	-	-
New Debt Service	-	-	-	-	-	-
Rate Funded CIP	-	-	-	-	-	-
Total Expenses	\$ 2,366,207	\$ 2,022,333	\$ 2,462,856	\$ 2,470,628	\$ 2,624,833	\$ 2,805,401
Annual Rate Adjustment	0.00%	20.32%	26.85%	0.00%	4.88%	6.55%
Monthly Rate Per SFR	\$ 82.80	\$ 99.63	\$ 126.37	\$ 126.37	\$ 132.54	\$ 141.21
Rate Revenues After Rate Increase	\$ 1,759,276	\$ 2,017,560	\$ 2,464,088	\$ 2,491,205	\$ 2,618,138	\$ 2,788,245
Net Cash Flow After Rate Increase	(597,835)	(0)	(0)	25,478	(0)	(0)

Ending Fund Balances	2013	2014	2015	2016	2017	2018
Surface Water Fund - Operating (403)	\$ 1,705,230	\$ 1,241,206	\$ 1,241,206	\$ 1,266,685	\$ 1,266,685	\$ 1,266,685
Surface Water Fund - Capital (406)	2,007,873	2,273,552	2,719,914	3,279,152	3,884,906	4,784,268
Debt Reserve Fund	-	-	-	-	-	-
Total	\$ 3,713,102	\$ 3,514,759	\$ 3,961,120	\$ 4,545,837	\$ 5,151,591	\$ 6,050,953
<i>Combined Minimum Target Balance</i>	\$ 1,435,896	\$ 1,200,235	\$ 1,211,542	\$ 1,289,628	\$ 1,295,568	\$ 1,313,658

City of SeaTac
Surface Water Management Utility
Assumptions

Economic & Financial Factors	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
1 General Cost Inflation	2.07%	2.07%	2.07%	2.07%	2.07%	2.07%	2.07%	2.07%	2.07%	2.07%	2.07%
2 Labor Cost Inflation	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%
3 Customer Growth	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%
4 Construction Cost Inflation	3.16%	3.16%	3.16%	3.16%	3.16%	3.16%	3.16%	3.16%	3.16%	3.16%	3.16%
5 General Inflation plus Growth	3.07%	3.07%	3.07%	3.07%	3.07%	3.07%	3.07%	3.07%	3.07%	3.07%	3.07%
6 Escalation Included	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
7 No Growth	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
8 Fund Earnings	0.12%	0.15%	0.25%	0.75%	1.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%
State B&O Tax	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%

Customer Information	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
ADJUSTED CUSTOMER GROWTH (ERUs)											
All Customer Classes	19,946	20,145	20,347	20,550	20,756	20,963	21,173	21,385	21,599	21,815	22,033
All Customer Classes Net of Port ERUs	14,596	14,688	14,780	14,873	14,965	15,056	21,173	21,385	21,599	21,815	22,033
EXISTING RATES											
1 ERU = 3,000 sq. ft. of impervious area											
Residential:	\$	82.80	per year								
	\$	6.90	per month								

City of SeaTac
Surface Water Management Utility
Assumptions

Accounting Assumptions	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
403/406 Surface Water Management Funds											
Beginning Operating Fund Balance [a]	\$ 2,580,089	\$ 1,826,939									
406 Beginning Capital Fund Balance [a]	1,436,884	1,436,920									
Restricted Balance for Existing Bond Reserves											
403 FISCAL POLICY RESTRICTIONS											
Minimum Working Capital (days of O&M expense)	180	180	180	180	180	180	180	180	180	180	180
Maximum Working Capital (days of O&M expense)	240	240	240	240	240	240	240	240	240	240	240
Minimum Capital Fund Balance - % of plant assets	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%
Use of Cash Reserves to Meet Annual Obligations	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
EXTERNAL FUNDING											
Annual Amount of Interfund Assistance	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Annual Repayment of Interfund Loans	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

[a] Beginning Operating and Capital Fund Cash Balances are citing actual data for available cash balances.

Capital Financing Assumptions	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
GRANTS											
Proceeds Anticipated (to 406)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Proceeds Anticipated (to 403)	149,368										
CAPITAL FACILITIES REVENUES											
Capital Facilities Charges	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
REVENUE BONDS											
Term (years)	20	20	20	20	20	20	20	20	20	20	20
Interest Cost	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%
Issuance Cost	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%
GENERAL OBLIGATION BONDS [a]											
Term (years)	20	20	20	20	20	20	20	20	20	20	20
Interest Cost	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%
Issuance Cost	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%
STATE LOAN											
Term (years)	20	20	20	20	20	20	20	20	20	20	20
Interest Cost	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%

[a] Tax-supported general obligation bonds are assumed to be accounted for in the General Fund; terms and annual obligations of such bonds are not factors in this analysis.

City of SeaTac
Surface Water Management Utility
Assumptions

Scenario Analysis		2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
ADDITIONAL STAFFING												
Select % Staffing Implemented		Less Noted Staff										
Option 1:	0%	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Option 2:	Less Noted Staff	-	73,554	77,232	81,093	85,148	89,405	247,935	260,331	273,348	287,015	301,366
Option 3:	100%	-	73,554	175,190	183,950	193,147	202,805	367,004	385,354	404,622	424,853	446,095
Annual Cost (Inflation Inc.)		\$ -	\$ 73,554	\$ 77,232	\$ 81,093	\$ 85,148	\$ 89,405	\$ 247,935	\$ 260,331	\$ 273,348	\$ 287,015	\$ 301,366
PHASED DEPRECIATION & ASSET MANAGEMENT												
Select Depreciation Option:		PHASED + AM										
Do Not Fund Depreciation or Asset Management	NONE	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Phased Depreciation + Asset Management Program	PHASED + AM	-	134,665	557,677	407,554	552,470	697,066	710,313	718,146	726,371	735,007	744,075
Phased Depreciation + Contingency Reserve	PHASED + 30%	-	175,065	176,801	353,887	533,482	712,220	719,743	719,743	719,743	719,743	719,743
Full Depreciation	FULL	538,000	538,660	544,003	544,442	547,161	547,862	553,648	553,648	553,648	553,648	553,648
Full Depreciation + Asset Management Program	FULL + AM	538,000	538,660	965,679	679,775	689,260	697,066	710,313	718,146	726,371	735,007	744,075
Full Depreciation + Contingency Reserve	FULL + 30%	699,400	700,258	707,204	707,775	711,309	712,220	719,743	719,743	719,743	719,743	719,743
Depreciation Amount:		\$ -	\$ 134,665	\$ 557,677	\$ 407,554	\$ 552,470	\$ 697,066	\$ 710,313	\$ 718,146	\$ 726,371	\$ 735,007	\$ 744,075
Depreciation Calculations												
Assets Value	\$	26,900,000										
% of Assets to Depreciate:		2%										
Contingency:		30%										
Asset Management Program:		-	-	421,676	135,333	142,099	149,204	156,665	164,498	172,723	181,359	190,427
Full Depreciation (no Contingency)	\$	538,000	538,660	544,003	544,442	547,161	547,862	553,648	553,648	553,648	553,648	553,648
Full Depreciation (inc. Contingency)		699,400	700,258	707,204	707,775	711,309	712,220	719,743	719,743	719,743	719,743	719,743
Phased Implementation (% of Target)		0%	25%	25%	50%	75%	100%	100%	100%	100%	100%	100%
Phased Depreciation (no Contingency)		-	134,665	136,001	272,221	410,370	547,862	553,648	553,648	553,648	553,648	553,648
Phased Depreciation (inc. Contingency)		-	175,065	176,801	353,887	533,482	712,220	719,743	719,743	719,743	719,743	719,743

City of SeaTac
Surface Water Management Utility
Assumptions

Scenario Analysis		2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	
FUNDING OF FUTURE SW TIP PROJECTS													
Select Capital Option [a]:		SW CIP											
Fund SW CIP Stand-alone and TIP		SW CIP + TIP		Calculated on CIP page									
Fund SW CIP Stand-alone		SW CIP		Calculated on CIP page									
<i>[a] Reminder: Make sure selection is consistent with City Streets rate</i>													
PORT INDEPENDENCE SCENARIOS (Port Leaves @ Beg. Of Year)													
Select Year of Port Independence		NEVER											
Constant Port Bill:		\$ 443,000											
Increase Starting in 2014:		2.00%											
Port Revenues		2014	443,000	-	-	-	-	-	-	-	-	-	
		2015	443,000	451,860	-	-	-	-	-	-	-	-	
		2016	443,000	451,860	460,897	-	-	-	-	-	-	-	
		2017	443,000	451,860	460,897	470,115	-	-	-	-	-	-	
		2018	443,000	451,860	460,897	470,115	479,517	-	-	-	-	-	
		2019	443,000	451,860	460,897	470,115	479,517	489,107	-	-	-	-	
		2020	443,000	451,860	460,897	470,115	479,517	489,107	498,890	-	-	-	
		2021	443,000	451,860	460,897	470,115	479,517	489,107	498,890	508,867	-	-	
		2022	443,000	451,860	460,897	470,115	479,517	489,107	498,890	508,867	519,045	-	
		2023	443,000	451,860	460,897	470,115	479,517	489,107	498,890	508,867	519,045	529,426	
		NEVER	443,000	451,860	460,897	470,115	479,517	489,107	498,890	508,867	519,045	529,426	
Annual Port Revenue (2013\$)		\$	443,000	\$ 451,860	\$ 460,897	\$ 470,115	\$ 479,517	\$ 489,107	\$ 498,890	\$ 508,867	\$ 519,045	\$ 529,426	\$ 540,014
CITY STREETS SWM BILL CALCULATION													
		Annual Amount Billed	Annual Rate per ERU	# of ERUs	% of Total ERUs								
City Streets		\$ 406,667	\$ 82.80	4,911	26.30%								
Other Storm Fees (less Port)		\$ 1,139,431	\$ 82.80	13,761	73.70%								
Select Rate Charged to City Streets in 2014:		26.30%											
Total Amount Billed (2013\$)		\$ 406,667	\$ 406,667	\$ 406,667	\$ 406,667	\$ 406,667	\$ 406,667	\$ 406,667	\$ 406,667	\$ 406,667	\$ 406,667	\$ 406,667	
Option 1: Exempt Bill		EXEMPT	-	-	-	-	-	-	-	-	-	-	
Option 2: Calculated		26.30%	122,000	106,965	106,965	106,965	106,965	106,965	106,965	106,965	106,965	106,965	
Option 3: Full (SW now responsible for TIP%)		FULL	406,667	406,667	406,667	406,667	406,667	406,667	406,667	406,667	406,667	406,667	
Amount Billed (2013\$)		\$	122,000	\$ 106,965	\$ 106,965	\$ 106,965	\$ 106,965	\$ 106,965	\$ 106,965	\$ 106,965	\$ 106,965	\$ 106,965	

City of SeaTac
Surface Water Management Utility
Operating Revenue and Expense Forecast

			Budget	Budget	Projection	Projection	Projection	Projection
Revenues			2013	2014	2015	2016	2017	2018
FORECAST BASIS								
Rate Revenues								
Storm Drainage Fees and Charges (less Port)	3	Customer Growth	\$ 1,087,886	\$ 1,087,886	\$ 1,098,765	\$ 1,109,753	\$ 1,120,850	\$ 1,132,059
WSDOT SWM Fees	7	No Growth	37,276	37,276	37,276	37,276	37,276	37,276
City Street SWM Fees	-	CALCULATED	122,000	106,965	106,965	106,965	106,965	106,965
Port of Seattle Other Properties	7	No Growth	69,114	69,114	69,114	69,114	69,114	69,114
Total Rate Revenue			1,316,276	1,301,241	1,312,119	1,323,107	1,334,205	1,345,413
Non-Rate Revenues								
Port of Seattle ILA	-	Max 2% per Year	\$ 443,000	\$ 451,860	\$ 460,897	\$ 470,115	\$ 479,517	\$ 489,107
Investment Interest - Fund 403	-	CALCULATED	3,096	2,740	3,103	9,309	12,667	25,334
Other Misc. Revenues	7	No Growth	4,500	4,500	4,500	4,500	4,500	4,500
Fund 111 Transfer In	1	General Cost Inflation	1,500	1,500	1,531	1,563	1,595	1,628
Grant Proceeds Anticipated (to 403)	7	No Growth	149,368	-	-	-	-	-
Total Non-rate revenues			601,464	460,600	470,031	485,487	498,279	520,569
TOTAL REVENUE			\$ 1,917,740	\$ 1,761,841	\$ 1,782,150	\$ 1,808,594	\$ 1,832,484	\$ 1,865,982

Expenses			2013	2014	2015	2016	2017	2018
FORECAST BASIS								
Excise Tax								
Excise Tax (B&O)		B&O Tax Rate	\$ 26,526	\$ 26,428	\$ 26,732	\$ 27,129	\$ 27,487	\$ 27,990
Operation and Maintenance								
Salaries and Wages	2	Labor Cost Inflation	\$ 752,000	\$ 767,000	\$ 805,350	\$ 845,618	\$ 887,898	\$ 932,293
Add'l Salaries & Benefits	-	[STAFFING]	-	73,554	77,232	81,093	85,148	89,405
Equipment	-	[EQUIPMENT]	-	258	-	92,882	34,553	-
Fees Related to NPDES Permit	-	[OTHER EXPENSES]	-	25,373	26,144	26,558	26,994	27,451
Neighborhood Feasibility Study	-	[OTHER EXPENSES]	-	45,000	-	-	-	-
Supplies	1	General Cost Inflation	40,820	35,320	36,051	36,797	37,559	38,336
Other Services and Charges	1	General Cost Inflation	436,620	422,780	431,531	440,464	449,581	458,887
Intergovernmental Services	1	General Cost Inflation	29,041	29,041	29,642	30,256	30,882	31,521
Capital Outlay - SWM Equip	1	General Cost Inflation	625,000	-	-	-	-	-
Capital Outlay - Spot Drainage Improvement	1	General Cost Inflation	200,000	200,000	204,140	208,366	212,679	217,081
Total Operation and Maintenance			\$ 2,083,481	\$ 1,598,326	\$ 1,610,090	\$ 1,762,034	\$ 1,765,294	\$ 1,794,976
Interfund Payments								
Transfer Out/Fund #001 Adm Costs	1	General Cost Inflation	\$ 113,328	\$ 115,823	\$ 118,220	\$ 120,668	\$ 123,165	\$ 125,715
Transfer Out/Fund #406 DMC Basin O&M	1	General Cost Inflation	142,872	147,092	150,137	153,244	156,417	159,654
Total Interfund Payments			\$ 256,200	\$ 262,915	\$ 268,357	\$ 273,912	\$ 279,582	\$ 285,369
Total Cash O&M Expenses			\$ 2,366,207	\$ 1,887,668	\$ 1,905,180	\$ 2,063,075	\$ 2,072,363	\$ 2,108,335
Reported Depreciation Expense (not used)								
Depreciation Expense [a]		Calc'd from [Assumptions] and [CIP]	\$ 99,077	\$ 99,737	\$ 105,080	\$ 105,519	\$ 108,238	\$ 108,939
Total Expenses			\$ 2,465,284	\$ 1,987,405	\$ 2,010,260	\$ 2,168,594	\$ 2,180,601	\$ 2,217,273

[a] Depreciation is a non-cash expense

City of SeaTac
Surface Water Management Utility
Capital Improvement Program

Cost in Year: 2013

STORMWATER PROJECTS - STAND ALONE

				TOTAL FORECASTED PROJECT COSTS							
#	Current Cost	Year	Description	2013	2014	2015	2016	2017	2018	2019	TOTAL
STORMWATER - STAND ALONE											
1	\$ -	2014	SD CIP #1: Military Rd S - S 150th to S 152nd	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2	\$ -	2015	SD CIP #1: Military Rd S - S 150th to S 152nd	-	-	-	-	-	-	-	-
3	\$ 30,000	2014	SD CIP #2: S 240th Street Pond	-	30,949	-	-	-	-	-	30,949
4	\$ 240,000	2015	SD CIP #2: S 240th Street Pond	-	-	255,429	-	-	-	-	255,429
5	\$ 30,000	2018	SD CIP #3: Des Moines Memorial Dr Manhole Replace	-	-	-	-	-	35,056	-	35,056
6	\$ 240,000	2019	SD CIP #3: Des Moines Memorial Dr Manhole Replace	-	-	-	-	-	-	289,325	289,325
7	\$ 2,000	2014	SC CIP #4: S 182nd S and 39th Ave S	-	2,063	-	-	-	-	-	2,063
8	\$ 11,000	2015	SC CIP #4: S 182nd S and 39th Ave S	-	-	11,707	-	-	-	-	11,707
9	\$ 20,000	2016	SC CIP #5: S 138th St. and 29th Ave S	-	-	-	21,959	-	-	-	21,959
10	\$ 120,000	2017	SC CIP #5: S 138th St. and 29th Ave S	-	-	-	-	135,924	-	-	135,924
11											
\$	693,000		Total Improvement Projects	\$ -	\$ 33,013	\$ 267,136	\$ 21,959	\$ 135,924	\$ 35,056	\$ 289,325	\$ 782,413

NEW ANNUAL DEPRECIATION EXPENSE										
2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	619	-	-	-	-	-	-	-	-
-	-	-	5,109	-	-	-	-	-	-	-
-	-	-	-	-	701	-	-	-	-	-
-	-	-	-	-	-	5,787	-	-	-	-
-	41	-	-	-	-	-	-	-	-	-
-	-	234	-	-	-	-	-	-	-	-
-	-	-	439	-	-	-	-	-	-	-
-	-	-	-	2,718	-	-	-	-	-	-
\$ -	\$ 660	\$ 5,343	\$ 439	\$ 2,718	\$ 701	\$ 5,787	\$ -	\$ -	\$ -	\$ -

TRANSPORTATION PROJECTS WITH STORMWATER ELEMENTS

				TOTAL FORECASTED PROJECT COSTS							
#	Current Cost	Year	Description	2013	2014	2015	2016	2017	2018	2019	TOTAL
1	\$ 283,800	2014	ST-131: 28th/24th Ave S Extension	\$ -	292,780	-	-	-	-	-	292,780
2	\$ 2,580,000	2015	ST-131: 28th/24th Ave S Extension	-	-	2,745,857	-	-	-	-	2,745,857
3	\$ 2,640,000	2016	ST-131: 28th/24th Ave S Extension	-	-	-	2,898,620	-	-	-	2,898,620
4	\$ 6,800	2014	ST-829: 2012/13 Neighborhood Ped. Imp Prog.	-	6,809	-	-	-	-	-	6,809
5	\$ 1,090,000	2014	ST-122: Military Rd S, Imp from S 178th to S 168th	-	1,083,224	-	-	-	-	-	1,083,224
6	\$ 360,000	2014	ST-830: 2013/14 Neighborhood Ped. Imp Prog.	-	371,391	-	-	-	-	-	371,391
7	\$ 90,000	2014	ST-125: Military Road S & S 152nd St. S 150th to IB	-	92,848	-	-	-	-	-	92,848
8	\$ 600,000	2015	ST-125: Military Road S & S 152nd St. S 150th to IB	-	-	638,571	-	-	-	-	638,571
9	\$ 294,000	2016	ST-125: Military Road S & S 152nd St. S 150th to IB	-	-	-	322,801	-	-	-	322,801
10	\$ 75,000	2014	ST-831: 2014/15 Neighborhood Ped. Imp Prog.	-	77,373	-	-	-	-	-	77,373
11	\$ 421,800	2015	ST-831: 2014/15 Neighborhood Ped. Imp Prog.	-	-	448,916	-	-	-	-	448,916
12	\$ 75,000	2015	ST-832: 2015/16 Neighborhood Ped. Imp Prog.	-	-	79,821	-	-	-	-	79,821
13	\$ 432,000	2016	ST-832: 2015/16 Neighborhood Ped. Imp Prog.	-	-	-	474,320	-	-	-	474,320
14	\$ 60,000	2015	ST-065: Des Moines Mem. Drive & S 200th St Imp	-	-	63,857	-	-	-	-	63,857
15		2016	ST-065: Des Moines Mem. Drive & S 200th St Imp	-	-	-	-	-	-	-	-
16	\$ 240,000	2015	ST-126: S 152nd St - 30th Ave S to Military Road	-	-	255,429	-	-	-	-	255,429
17	\$ 1,380,000	2016	ST-126: S 152nd St - 30th Ave S to Military Road	-	-	-	1,515,188	-	-	-	1,515,188
18	\$ 300,000	2015	ST-148: S 154th St Transit Station Area Imp	-	-	319,286	-	-	-	-	319,286
19	\$ 1,950,000	2016	ST-148: S 154th St Transit Station Area Imp	-	-	-	2,141,026	-	-	-	2,141,026
20	\$ 75,000	2016	ST-833: 2016/17 Neighborhood Ped. Imp Prog.	-	-	-	82,347	-	-	-	82,347
21	\$ 441,900	2017	ST-833: 2016/17 Neighborhood Ped. Imp Prog.	-	-	-	-	500,542	-	-	500,542
22	\$ 75,000	2017	ST-834: 2017/18 Neighborhood Ped. Imp Prog.	-	-	-	-	84,953	-	-	84,953
23	\$ 452,400	2018	ST-834: 2017/18 Neighborhood Ped. Imp Prog.	-	-	-	-	-	528,650	-	528,650
24	\$ 75,000	2018	ST-835: 2018/19 Neighborhood Ped. Imp Prog.	-	-	-	-	-	87,641	-	87,641
25	\$ 540,050	2019	ST-835: 2018/19 Neighborhood Ped. Imp Prog.	-	-	-	-	-	-	651,042	651,042
\$	14,487,650		Transportation with SW Elements Subtotal	\$ -	\$ 1,924,425	\$ 4,551,737	\$ 7,434,302	\$ 585,495	\$ 616,291	\$ 651,042	\$ 15,763,292

NEW ANNUAL DEPRECIATION EXPENSE										
2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	5,856	-	-	-	-	-	-	-	-	-
-	-	54,917	-	-	-	-	-	-	-	-
-	-	-	57,972	-	-	-	-	-	-	-
-	136	-	-	-	-	-	-	-	-	-
-	-	21,664	-	-	-	-	-	-	-	-
-	-	7,428	-	-	-	-	-	-	-	-
-	-	1,857	-	-	-	-	-	-	-	-
-	-	-	12,771	-	-	-	-	-	-	-
-	-	-	-	6,456	-	-	-	-	-	-
-	1,547	-	-	-	-	-	-	-	-	-
-	-	-	8,978	-	-	-	-	-	-	-
-	-	-	1,596	-	-	-	-	-	-	-
-	-	-	-	9,486	-	-	-	-	-	-
-	-	-	-	1,277	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	10,011	-	-	-	-	-
-	-	-	-	-	1,699	-	-	-	-	-
-	-	-	-	-	-	10,573	-	-	-	-
-	-	-	-	-	-	1,753	-	-	-	-
-	-	-	-	-	-	-	13,021	-	-	-
\$ -	\$ 38,489	\$ 91,035	\$ 148,686	\$ 11,710	\$ 12,326	\$ 13,021	\$ -	\$ -	\$ -	\$ -

REPAIR/REPLACEMENT

				TOTAL FORECASTED PROJECT COSTS							
#	Current Cost	Year	Description	2013	2014	2015	2016	2017	2018	2019	TOTAL
1	\$ -			\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2	\$ -			\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
\$	-		Total Repair & Replacement Projects	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
\$	693,000		TOTAL CAPITAL COSTS	\$ -	\$ 33,013	\$ 267,136	\$ 21,969	\$ 135,924	\$ 35,056	\$ 289,325	\$ 782,413

NEW ANNUAL DEPRECIATION EXPENSE										
2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-	-	-	-	-	-
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
\$ -	\$ 660	\$ 5,343	\$ 439	\$ 2,718	\$ 701	\$ 5,787	\$ -	\$ -	\$ -	\$ -

City of SeaTac
Surface Water Management Utility
Capital Funding Analysis

Summary of Expense	2013	2014	2015	2016	2017	2018
SURFACE WATER CAPITAL PROJECTS						
Improvement Upgrades	\$ -	\$ 33,013	\$ 267,136	\$ 21,959	\$ 135,924	\$ 35,056
Expansions	-	-	-	-	-	-
Repairs and Replacements	-	-	-	-	-	-
TOTAL CAPITAL EXPENSES	\$ -	\$ 33,013	\$ 267,136	\$ 21,959	\$ 135,924	\$ 35,056

Capital Financing Plan	2013	2014	2015	2016	2017	2018
PROJECT-SPECIFIC FUNDING SOURCES						
Revenue Bonds	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
G.O. Bonds	-	-	-	-	-	-
Tax-Supported G.O. Bonds	-	-	-	-	-	-
Developer Donations	-	-	-	-	-	-
Total Project-Specific Funding	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unfunded Capital Expenses	-	33,013	267,136	21,959	135,924	35,056
OTHER FUNDING SOURCES [NOTE A]						
Grants and Developer Contributions	-	-	-	-	-	-
State Loan Proceeds	-	-	-	-	-	-
Capital Fund Balance	-	33,013	267,136	21,959	135,924	35,056
Revenue Bond Proceeds [Note B]	-	-	-	-	-	-
Rates	-	-	-	-	-	-
Total	\$ -	\$ 33,013	\$ 267,136	\$ 21,959	\$ 135,924	\$ 35,056
TOTAL CAPITAL RESOURCES	\$ -	\$ 33,013	\$ 267,136	\$ 21,959	\$ 135,924	\$ 35,056

NOTE A: SELECTION OF RESIDUAL CAPITAL FUNDING SOURCE

Select the Residual Funding Source	<input type="text" value="1"/>	Revenue Bond Proceeds
1 - Revenue Bond Proceeds		
2 - Rates		

NOTE B: USER INPUT FOR REVENUE BOND PROCEEDS

<input type="text" value="2"/>	Calculated by the Model
1 - Amounts at Right ==>	\$ - \$ - \$ - \$ - \$ - \$ -
2 - Calculated by the Model	

Unfunded Capital Expenses	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
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City of SeaTac
Surface Water Management Utility
Revenue Requirements Analysis

Cash Flow Sufficiency Test	2013	2014	2015	2016	2017	2018
EXPENSES						
Cash Operating Expenses	\$ 2,366,207	\$ 1,887,668	\$ 1,905,180	\$ 2,063,075	\$ 2,072,363	\$ 2,108,335
Existing Debt Service	-	-	-	-	-	-
New Debt Service	-	-	-	-	-	-
Interfund Loan Repayment (to other funds)	-	-	-	-	-	-
Rate-Funded Capital Improvement Program	-	-	-	-	-	-
System Repair/Replacement	-	134,665	557,677	407,554	552,470	697,066
Additions Required to Meet Minimum Working Capital	-	-	-	-	-	-
Total Expenses	\$ 2,366,207	\$ 2,022,333	\$ 2,462,856	\$ 2,470,628	\$ 2,624,833	\$ 2,805,401
REVENUES						
Utility Sales	\$ 1,316,276	\$ 1,301,241	\$ 1,312,119	\$ 1,323,107	\$ 1,334,205	\$ 1,345,413
Port of Seattle ILA	443,000	451,860	460,897	470,115	479,517	489,107
Operating and Bond Reserve Fund Interest Earnings	3,096	2,740	3,103	9,309	12,667	25,334
Other Interest Earnings	4,500	4,500	4,500	4,500	4,500	4,500
Interfund Resources	1,500	1,500	1,531	1,563	1,595	1,628
Use of Reserves	-	-	-	-	-	-
Total Revenue	\$ 1,768,372	\$ 1,761,841	\$ 1,782,150	\$ 1,808,594	\$ 1,832,484	\$ 1,865,982
CASH TEST REVENUE DEFICIENCY (SURPLUS)	\$ 597,835	\$ 260,493	\$ 680,706	\$ 662,035	\$ 792,350	\$ 939,418

Coverage Sufficiency Test	2013	2014	2015	2016	2017	2018
EXPENSES						
Cash Operating Expenses	\$ 2,366,207	\$ 1,887,668	\$ 1,905,180	\$ 2,063,075	\$ 2,072,363	\$ 2,108,335
Revenue Bond Debt Service	-	-	-	-	-	-
Revenue Bond Coverage Requirement:	5	-	-	-	-	-
Total Expenses	\$ 2,366,207	\$ 1,887,668	\$ 1,905,180	\$ 2,063,075	\$ 2,072,363	\$ 2,108,335
ALLOWABLE REVENUES						
Utility Revenue	\$ 1,316,276	\$ 1,301,241	\$ 1,312,119	\$ 1,323,107	\$ 1,334,205	\$ 1,345,413
Port of Seattle ILA	443,000	451,860	460,897	470,115	479,517	489,107
Interest Earnings - All Funds	4,820	4,896	8,787	29,708	45,458	103,032
Total Revenue	\$ 1,764,096	\$ 1,757,996	\$ 1,781,803	\$ 1,822,930	\$ 1,859,180	\$ 1,937,552
	n/a	n/a	n/a	n/a	n/a	n/a
COVERAGE TEST REVENUE DEFICIENCY (SURPLUS)	\$ 602,111	\$ 129,672	\$ 123,376	\$ 240,144	\$ 213,183	\$ 170,782

Rate Increase Required	2013	2014	2015	2016	2017	2018
Maximum Deficiency From Tests	\$ 602,111	\$ 260,493	\$ 680,706	\$ 662,035	\$ 792,350	\$ 939,418
Net Revenue From Prior Rate Increases	-	-	263,098	687,513	694,388	800,273
Revenue Deficiency	\$ 602,111	\$ 260,493	\$ 417,608	\$ -	\$ 97,962	\$ 139,145
Plus: Adjustment for State B&O Tax	9,169	3,967	6,360	-	1,492	2,119
Total Revenue Deficiency	\$ 611,280	\$ 264,459	\$ 423,968	\$ -	\$ 99,453	\$ 141,264
Rate Revenue Before Rate Increase (Incl. previous increases)	\$ 1,316,276	\$ 1,301,241	\$ 1,579,224	\$ 2,021,090	\$ 2,039,167	\$ 2,157,873
Required Annual Rate Increase	46.44%	20.32%	26.85%	0.00%	4.88%	6.55%
Number of Months New Rates Will Be In Effect	12	12	12	12	12	12
<i>Info: Percentage Increase to Generate Required Revenue</i>	46.44%	20.32%	26.85%	0.00%	4.88%	6.55%
Policy Induced Rate Increases	0.00%					
ANNUAL RATE INCREASE	0.00%	20.32%	26.85%	0.00%	4.88%	6.55%
CUMULATIVE RATE INCREASE	0.00%	20.32%	52.63%	52.63%	60.07%	70.55%

City of SeaTac
Surface Water Management Utility
Revenue Requirements Analysis

Impacts of Rate Increases	2013	2014	2015	2016	2017	2018
Full Year Rate Revenues After Rate Increase	\$ 1,316,276	\$ 1,565,700	\$ 2,002,641	\$ 2,019,411	\$ 2,135,665	\$ 2,294,592
Net Cash Flow After Rate Increase	(597,835)	(0)	(0)	25,478	(0)	(0)
Coverage Realized After Rate Increase	n/a	n/a	n/a	n/a	n/a	n/a
RESULTING ANNUAL RATE - \$/RESIDENTIAL PARCEL	\$ 82.80	\$ 99.63	\$ 126.37	\$ 126.37	\$ 132.54	\$ 141.21
RESULTING MONTHLY RATE - \$/RESIDENTIAL PARCEL	\$ 6.90	\$ 8.30	\$ 10.53	\$ 10.53	\$ 11.04	\$ 11.77
RESULTING ANNUAL RATE - \$/V L ACRE	\$ 49.50	\$ 59.56	\$ 75.55	\$ 75.55	\$ 79.23	\$ 84.42
RESULTING ANNUAL RATE - \$/L ACRE	\$ 168.50	\$ 202.75	\$ 257.18	\$ 257.18	\$ 269.72	\$ 287.38
RESULTING ANNUAL RATE - \$/M ACRE	\$ 349.00	\$ 419.93	\$ 532.67	\$ 532.67	\$ 558.65	\$ 595.22
RESULTING ANNUAL RATE - \$/MH ACRE	\$ 674.00	\$ 810.98	\$ 1,028.70	\$ 1,028.70	\$ 1,078.87	\$ 1,149.50
RESULTING ANNUAL RATE - \$/H ACRE	\$ 855.00	\$ 1,028.77	\$ 1,304.96	\$ 1,304.96	\$ 1,368.60	\$ 1,458.20
RESULTING ANNUAL RATE - \$/VH ACRE	\$ 1,120.00	\$ 1,347.62	\$ 1,709.42	\$ 1,709.42	\$ 1,792.79	\$ 1,910.15

	2013	2014	2015	2016	2017	2018
Projected Rate Revenues w/o Any Rate Increase	\$ 1,316,276	\$ 1,301,241	\$ 1,312,119	\$ 1,323,107	\$ 1,334,205	\$ 1,345,413
Additional Revenues From 2013 Rate Increase	-	-	-	-	-	-
Additional Revenues From 2014 Rate Increase	-	264,459	267,104	269,775	272,473	275,198
Additional Revenues From 2015 Rate Increase	-	-	423,968	428,208	432,490	436,815
Additional Revenues From 2016 Rate Increase	-	-	-	-	-	-
Additional Revenues From 2017 Rate Increase	-	-	-	-	99,453	100,448
Additional Revenues From 2018 Rate Increase	-	-	-	-	-	141,264
Total Additional Revenues From Rate Increases	\$ -	\$ 264,459	\$ 691,072	\$ 697,983	\$ 804,416	\$ 953,724

EFFECTIVE RATE REVENUES AFTER RATE INCREASE	\$ 1,316,276	\$ 1,565,700	\$ 2,003,191	\$ 2,021,090	\$ 2,138,621	\$ 2,299,137
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Additional State Excise Taxes

Additional State B&O Taxes From 2013 Rate Increase	-	-	-	-	-	-
Additional State B&O Taxes From 2014 Rate Increase	-	3,967	4,007	4,047	4,087	4,128
Additional State B&O Taxes From 2015 Rate Increase	-	-	6,360	6,423	6,487	6,552
Additional State B&O Taxes From 2016 Rate Increase	-	-	-	-	-	-
Additional State B&O Taxes From 2017 Rate Increase	-	-	-	-	1,492	1,507
Additional State B&O Taxes From 2018 Rate Increase	-	-	-	-	-	2,119
Total Additional State Excise taxes From Rate Increases	\$ -	\$ 3,967	\$ 10,366	\$ 10,470	\$ 12,066	\$ 14,306

Memorandum Items:

Annual Growth Rate	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%
State B&O Tax Rate	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%

City of SeaTac
Surface Water Management Utility
Fund Activity

Fund Activity	2013	2014	2015	2016	2017	2018
SURFACE WATER FUND - OPERATING (403)						
Beginning Balance	\$ 2,580,089	\$ 1,826,939	\$ 1,241,206	\$ 1,241,206	\$ 1,266,685	\$ 1,266,685
plus: Net Cash Flow after Rate Increase	(597,835)	(0)	(0)	25,478	(0)	(0)
plus: Grant Proceeds	149,368	-	-	-	-	-
less: Transfer of Surplus to Capital Reserve	(426,392)	(585,733)	-	-	-	-
Ending Balance	\$ 1,705,230	\$ 1,241,206	\$ 1,241,206	\$ 1,266,685	\$ 1,266,685	\$ 1,266,685
<i>Minimum Working Capital</i>	1,166,896	930,905	939,541	1,017,407	1,021,987	1,039,727
<i>Maximum Working Capital</i>	1,555,862	1,241,206	1,252,721	1,356,542	1,362,650	1,386,302
<i>Days of Cash O&M (Working Capital) Realized</i>	263	240	238	224	223	219
SURFACE WATER FUND - CAPITAL (406)						
Beginning Balance	\$ 1,436,884	\$ 1,436,920	\$ 2,273,552	\$ 2,719,914	\$ 3,279,152	\$ 3,884,906
plus: Depreciation Funding	-	134,665	557,677	407,554	552,470	697,066
plus: Fund 403 Transfers in	142,872	147,092	150,137	153,244	156,417	159,654
plus: Developer Donations	-	-	-	-	-	-
plus: Capital Facilities Charges	-	-	-	-	-	-
plus: Grant Proceeds	-	-	-	-	-	-
plus: Net Debt Proceeds Available for Projects	-	-	-	-	-	-
plus: Interest Earnings	1,724	2,155	5,684	20,399	32,792	77,698
plus: Transfer of Surplus from Operating Fund	426,392	585,733	-	-	-	-
less: Taxes - B&O	-	-	-	-	-	-
less: Capital Fund Expenses	-	(33,013)	(267,136)	(21,959)	(135,924)	(35,056)
Ending Balance	\$ 2,007,873	\$ 2,273,552	\$ 2,719,914	\$ 3,279,152	\$ 3,884,906	\$ 4,784,268
<i>Target Minimum Balance</i>	\$ 269,000	\$ 269,330	\$ 272,001	\$ 272,221	\$ 273,580	\$ 273,931
BOND RESERVE						
Beginning Balance	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
plus: Reserve Funding from New Debt	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
less: Debt Reserve to Pay Final Annual Payment	-	-	-	-	-	-
Ending Balance	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<i>Minimum Reserve Balance</i>	-	-	-	-	-	-

City of SeaTac
Surface Water Utility Rate Study
Reference

Historical Consumer Price Index [a]															
Year	Jan.	Feb.	Mar.	Apr.	May	June	July	Aug.	Sep.	Oct.	Nov.	Dec.	Avg.	% Mar - % Mar	% Annual Avg
2005	191	192	193	195	194	195	195	196	199	199	198	197	195		3.40%
2006	198	199	200	202	203	203	204	204	203	202	202	202	202	3.36%	3.20%
2007	202	203	205	207	208	208	208	208	208	209	210	210	207	2.78%	2.85%
2008	211	212	214	215	217	219	220	219	219	217	212	210	215	3.98%	3.84%
2009	211	212	213	213	214	216	215	216	216	216	216	216	215	-0.38%	-0.36%
2010	217	217	218	218	218	218	218	218	218	219	219	219	218	2.31%	1.64%
2011	220	221	223	225	226	226	226	227	227	226	226	226	225	2.68%	3.16%
2012	227	228	229	230	230	229	229	230	231	231	230	230	230	2.65%	2.07%
2013	230	232	233												

Five Year Average
2.07%

[a] U.S. City Average

Construction Cost Index [b]														
Year	Jan.	Feb.	Mar.	Apr.	May	June	July	Aug.	Sep.	Oct.	Nov.	Dec.	Average	
2002	6,462	6,462	6,502	6,480	6,512	6,532	6,605	6,592	6,589	6,579	6,578	6,563	6,538	
2003	6,581	6,640	6,627	6,635	6,642	6,694	6,696	6,733	6,741	6,771	6,794	6,782	6,695	
2004	6,825	6,861	6,957	7,017	7,064	7,109	7,126	7,188	7,298	7,314	7,312	7,308	7,115	
2005	7,297	7,298	7,309	7,355	7,398	7,415	7,422	7,479	7,540	7,563	7,630	7,647	7,446	
2006	7,660	7,689	7,692	7,695	7,691	7,700	7,721	7,723	7,763	7,883	7,911	7,888	7,751	
2007	7,880	7,880	7,856	7,856	7,942	7,939	7,959	8,007	8,050	8,045	8,092	8,089	7,966	
2008	8,090	8,094	8,109	8,112	8,141	8,185	8,293	8,362	8,557	8,623	8,602	8,551	8,310	
2009	8,549	8,533	8,534	8,528	8,574	8,578	8,566	8,564	8,586	8,596	8,592	8,641	8,570	
2010	8,660	8,672	8,671	8,677	8,761	8,805	8,865	8,858	8,857	8,921	8,951	8,952	8,804	
2011	8,938	8,998	9,011	9,027	9,035	9,053	9,080	9,088	9,116	9,147	9,173	9,172	9,070	
2012	9,176	9,198	9,268	9,273	9,290	9,291	9,324	9,351	9,341	9,376	9,398	9,412	9,308	
2013	9,437	9,453	9,456											

Year	Jan.	Feb.	Mar.	Apr.	May	June	July	Aug.	Sep.	Oct.	Nov.	Dec.	Average	
2003	1.84%	2.75%	1.92%	2.39%	2.00%	2.48%	1.38%	2.14%	2.31%	2.92%	3.28%	3.34%	2.40%	
2004	3.71%	3.33%	4.98%	5.76%	6.35%	6.20%	6.42%	6.76%	8.26%	8.02%	7.62%	7.76%	6.28%	
2005	6.92%	6.37%	5.06%	4.82%	4.73%	4.30%	4.15%	4.05%	3.32%	3.40%	4.35%	4.64%	4.65%	
2006	4.97%	5.36%	5.24%	4.62%	3.96%	3.84%	4.03%	3.26%	2.96%	4.23%	3.68%	3.15%	4.10%	
2007	2.87%	2.48%	2.13%	2.09%	3.26%	3.10%	3.08%	3.68%	3.70%	2.06%	2.29%	2.55%	2.77%	
2008	2.66%	2.72%	3.22%	3.26%	2.51%	3.10%	4.20%	4.43%	6.30%	7.18%	6.31%	5.72%	4.31%	
2009	5.67%	5.42%	5.24%	5.13%	5.32%	4.80%	3.29%	2.41%	0.34%	-0.31%	-0.12%	1.05%	3.13%	
2010	1.30%	1.63%	1.61%	1.74%	2.18%	2.64%	3.49%	3.44%	3.16%	3.77%	4.18%	3.60%	2.73%	
2011	3.21%	3.76%	3.92%	4.04%	3.12%	2.81%	2.43%	2.60%	2.92%	2.54%	2.49%	2.45%	3.02%	
2012	2.66%	2.23%	2.85%	2.72%	2.82%	2.64%	2.68%	2.89%	2.47%	2.50%	2.45%	2.62%	2.63%	
2013	2.85%	2.77%	2.03%											

5-Year Average
3.16%

[b] ENR CCI

City of SeaTac
Surface Water Management Utility
Staffing Reconciliation

Table A-1. Future staffing costs to support the City of SeaTac Surface Water Utility.

Position	2013 Salary Rate (w/o benefits)	Benefits Markup	Salary & Benefits	% of time	Short-term (5-year)					Long-term (5- to 10-year)					Notes	
					2014	2015	2016	2017	2018	2019	2020	2021	2022	2023		
Add Funding for Current Staff Supporting Surface Water Utility																
Public Works Director	146,376	31%	\$ 191,753	25	50,335	52,852	55,494	58,269	61,183	64,242	67,454	70,826	74,368	78,086	Actual salary rate provided by City	
PW Admin Assistant II	65,592	34%	87,893	10	9,229	9,690	10,175	10,683	11,218	11,779	12,367	12,986	13,635	14,317	Actual salary rate provided by City	
Seasonal Workers	\$13/hour	N/A	N/A	30	7,240	7,602	7,982	8,381	8,800	9,240	9,702	10,187	10,697	11,232	Based on 2013 Salary Schedule in 2013-2014 Biennial Budget	
0.65 staff																
Shift Funding for Current Staff Supporting Surface Water Utility																
PW Maintenance Supervisor	91,560	36%	\$ 124,522	10	13,075	13,729	14,415	15,136	15,892	16,687	17,521	18,398	19,317	20,283	Actual salary rate provided by City	
PW Maintenance Admin Assistant II	45,288	33%	\$ 60,233	-10	(6,324)	(6,641)	(6,973)	(7,321)	(7,687)	(8,072)	(8,475)	(8,899)	(9,344)	(9,811)	Actual salary rate provided by City	
0.0 staff																
New Staff Supporting Surface Water Utility (Short-term and Long-term)																
Surface Water Public Education Coordinator	69,000	34%	\$ 92,192	50	-	50,821	53,362	56,030	58,831	61,773	64,861	68,105	71,510	75,085	Based on 2013 Salary Schedule in 2013-2014 Biennial Budget, keep in full implementation scenario and remove in other scenarios	
Stormwater Technician	64,000	34%	\$ 85,511	50	-	47,138	49,495	51,970	54,568	57,297	60,161	63,169	66,328	69,644	Based on 2013 Salary Schedule in 2013-2014 Biennial Budget, keep in full implementation scenario and remove in other scenarios	
1.0 staff																
New Staff Supporting Surface Water Utility (Long-term)																
Seasonal Workers	\$13/hour	N/A	N/A	70	-	-	-	-	-	21,561	22,639	23,770	24,959	26,207	Based on 2013 Salary Schedule in 2013-2014 Biennial Budget	
Civil Engineer 1	74,000	34%	\$ 98,872	100	-	-	-	-	-	132,498	139,123	146,079	153,383	161,052	Based on 2013 Salary Schedule in 2013-2014 Biennial Budget	
1.7 staff																
Total					\$ 73,554	\$ 175,190	\$ 183,950	\$ 193,147	\$ 202,805	\$ 367,004	\$ 385,354	\$ 404,622	\$ 424,853	\$ 446,095		
New Staff Supporting Asset Management Program (See [Other Expenses] tab)																
Stormwater Specialist	86,000	34%	\$ 114,906	100	-	126,683	133,018	139,668	146,652	153,984	161,684	169,768	178,256	187,169	Based on 2013 Salary Schedule in 2013-2014 Biennial Budget	
				1.00	1.05	1.10	1.16	1.22	1.28	1.34	1.41	1.48	1.55	1.63		

City of SeaTac
Surface Water Management Utility
Additional Equipment

Table A-2. Future equipment costs to support the City of SeaTac Surface Water Utility.

Type of Equipment	2013 Cost	Year of Purchase	Short-term (5-year)					Long-term (5- to 10-year)					Notes	
			2014	2015	2016	2017	2018	2019	2020	2021	2022	2023		
Permeable pavement sweeper/pressure washer for cleaning sidewalks	85,000	2016	-	-	92,882	-	-	-	-	-	-	-	-	Estimated cost of permeable pavement sweeper equipment (based on the Green Machine)
Infiltration testing equipment for permeable pavement	250	2014	258	-	-	-	-	-	-	-	-	-	-	Includes three 5-gallon buckets, 12-inch diameter PVC pipe, and plumber's putty
Soil monitoring equipment for private facility maintenance inspections	700	2017	-	-	-	788	-	-	-	-	-	-	-	Includes T-handle core sampler, soil probe, soil auger, and soil nutrient test kit
Mini excavator for bioretention facility maintenance	30,000	2017	-	-	-	33,765	-	-	-	-	-	-	-	Based on an average cost for a new or used mini excavator
[Extra]	-		-	-	-	-	-	-	-	-	-	-	-	CCTV van (includes video equipment, computers, and data acquisition software)
Total			\$ 258	\$ -	\$ 92,882	\$ 34,553	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Inflation rate adjustment (3% on general costs)		1.00	1.03	1.06	1.09	1.13	1.16	1.19	1.23	1.27	1.30	1.34		

City of SeaTac
Surface Water Management Utility
Other Expenses

Table A-3. Other costs to support the City of SeaTac Surface Water Utility.

	Short-term (5-year)					Long-term (5- to 10-year)					Notes
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	
Fees Related to the NPDES Permit											
Regional Stormwater Monitoring Program (RSMP) fee	17,852	17,852	17,852	17,852	17,852	18,745	18,745	18,745	18,745	18,745	Fee is constant and is due in August of each year starting in 2014; fee for the 2018-2022 NPDES permit is currently unknown, but estimated at a 5% increase above the 2013-2018 NPDES permit
NPDES Permit fee	7,521	8,292	8,706	9,142	9,599	10,079	10,583	11,112	11,668	12,251	Fee is unknown, but is assumed to increase at a rate of 5% per year
[Extra]	-	-	-	-	-	-	-	-	-	-	
Fees Related to the NPDES Permit Total:	\$25,373	\$ 26,144	\$ 26,558	\$ 26,994	\$ 27,451	\$ 28,823	\$ 29,327	\$ 29,857	\$ 30,412	\$ 30,996	
Stormwater Neighborhood Improvement Areas											
Feasibility study cost	45,000	-	-	-	-	-	-	-	-	-	Includes identifying potential areas, evaluating implementation costs, evaluating funding mechanisms, preparing a summary report, and presentations to City Council
NPDES + Neighborhood Total:	\$45,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Asset Management Program											
Annual fee for CCTV software compatible with Cityworks	-	2,205	2,315	2,431	2,553	2,680	2,814	2,955	3,103	3,258	Includes contractor services or purchase of new City equipment and Cityworks CCTV software cost; City staffing is not included in this total, but is included under new staff supporting SWU
Video inspection equipment for asset inventory	-	265,225	-	-	-	-	-	-	-	-	One time equipment cost. Construction Escalation: 3% annually
Development of custom CityWorks forms	-	27,563	-	-	-	-	-	-	-	-	One time consultant/contractor cost
Stormwater Specialist	-	126,683	133,018	139,668	146,652	153,984	161,684	169,768	178,256	187,169	Calculations on [Staffing] tab
[Extra]	-	-	-	-	-	-	-	-	-	-	
Total Asset Management Cost:	\$ 421,676	\$ 135,333	\$ 142,099	\$ 149,204	\$ 156,665	\$ 164,498	\$ 172,723	\$ 181,359	\$ 190,427		
Inflation rate adjustment (5% on fees and labor costs)	1.00	1.05	1.10	1.16	1.22	1.28	1.34	1.41	1.48	1.55	1.63

City of SeaTac
Surface Water Management Utility
Council Scenario Analysis


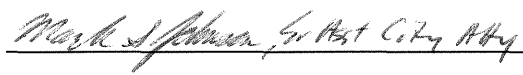


	Rate in 2014	Rate in 2018	Maintenance/Staffing	Capital	Regulatory Compliance	System Replacement
Current Rates	\$ 82.80	\$ 82.80	<ul style="list-style-type: none"> Maintain existing programs No equipment for LID Understaffed to meet future NPDES requirements 	<ul style="list-style-type: none"> Urgent needs only Minimal capital - no additional funding Bandaid fixes Unable to fund large capital projects w/o assistance 	<ul style="list-style-type: none"> Short-term compliance Long-term non-compliance 	<ul style="list-style-type: none"> Unfunded depreciation No Asset Management program Primarily Reactive - wait for failures to occur
Limited SWP Implementation <i>(recommendation)</i>	\$ 99.60	\$ 141.24	<ul style="list-style-type: none"> Systematic maintenance Necessary equipment Minimum necessary staffing Staffing reconciliation 	<ul style="list-style-type: none"> Fully funds SWCIP including repair and replacement 	<ul style="list-style-type: none"> Compliant with forecasted permitting requirements 	<ul style="list-style-type: none"> Phased depreciation funding to reach full depreciation in 2018 Proactive Asset Management program
Current Plus Emergency Repair	\$ 126.84	\$ 134.16	<ul style="list-style-type: none"> Maintain existing programs No equipment for LID Understaffed to meet future NPDES requirements 	<ul style="list-style-type: none"> Primarily reactive - waiting for failures Funding available for repair & replacement Additional costs - damages & emergency response 	<ul style="list-style-type: none"> Short-term compliance Long-term non-compliance 	<ul style="list-style-type: none"> Full depreciation funding starting in 2014 Emergency contingency in place for repair and replacement
Full Implementation of SWP	\$ 106.68	\$ 182.40	<ul style="list-style-type: none"> Systematic maintenance Necessary equipment Min. necessary staffing + Technician + Public Education Coordinator Staffing reconciliation 	<ul style="list-style-type: none"> Fully funds SWCIP Fund SW portion of the TIP Assumes debt financing 	<ul style="list-style-type: none"> Compliant with forecasted permitting requirements 	<ul style="list-style-type: none"> Full depreciation funding starting in 2014 Proactive Asset Management Program

SeaTac City Council
REQUEST FOR COUNCIL ACTION

Department Prepared by: Parks & Recreation

Agenda Bill #: 3557

TITLE: A Motion authorizing the City Manager to execute a lease with WSDOT for the Lake to Sound trail project.

<i>October 28, 2013</i>	
__ Ordinance __ Resolution <u>X</u> Motion __ Info. Only __ Other	
Date Council Action Requested:	<u>RCM 11/26/13</u>
Ord/Res Exhibits:	
Review Dates:	<u>CSS 11/12/13</u>
Prepared By:	<u>Kit Ledbetter, Parks & Recreation Director</u>
Director:	<u></u>
City Attorney:	<u></u>
Finance:	<u></u>
BARS #:	<u>N/A</u>
City Manager:	<u></u>
Applicable Fund Name:	<u>N/A</u>



SUMMARY:

This Motion authorizes the City to enter into a lease with WSDOT for the Lakes to Sound trail project.

DISCUSSION / ANALYSIS / ISSUES:

The lease is required by WSDOT in order for the trail to go under the 509 Freeway on east side of Des Moines Memorial Drive. The lease is for about a 20 feet wide by 200 feet long space under the freeway overpass and in the road right of way off of the east side of the road pavement. There is no charge for the lease easement from WSDOT. King County is managing the construction of the Lakes to Sound trail that will be bid in 2014 that will be on the east side of Des Moines Memorial Drive extending from 154th Street south to 174th Street. The City of SeaTac Parks and Recreation Department will take over the maintenance of the trail in SeaTac after construction.

With the successful vote of the 2013 King County Park Levy the Lakes to Sound Trail has funding and is process of bidding and building this section of the new trail. Jason Rich, King County Project Manager will give a short presentation on the Lakes to Sound Trail at the Study Session.

RECOMMENDATION(S):

It is recommended that this Motion be carried.

FISCAL IMPACT:

There is no direct fiscal impact. The City will lease the land for the trail at no cost.

ALTERNATIVE(S):

Do not carry the Motion. However, this lease is needed in order to complete the Lakes to Sound trail project

ATTACHMENTS:

1. Proposed Lease Agreement.

T R A I L L E A S E

THIS IS A LEASE made and entered into by and between the WASHINGTON STATE DEPARTMENT OF TRANSPORTATION hereinafter called "WSDOT," and CITY OF SEATAC, a municipal corporation of the state of Washington, hereinafter called the "TENANT";

WHEREAS, the land and premises to be leased are not presently needed exclusively for highway purposes; AND

WHEREAS, TENANT desires to operate and maintain the Lake to Sound Trail segment under this Lease as part of the TENANT's local comprehensive trail plan as an interim use until the land and premises to be leased are needed for a highway purpose. The trail segment shall be constructed by King County, in accordance with WSDOT General Permit No. DCB1495 (Permit); AND

WHEREAS, WSDOT is granted authority to lease property under RCW 47.12.120, and WSDOT deems it to be in the best public interest to enter into this lease,

NOW, THEREFORE, in consideration of the terms, conditions, covenants and performances contained herein, IT IS MUTUALLY AGREED AS FOLLOWS:

1. LEASED PREMISES. WSDOT leases to the TENANT, and the TENANT hereby leases from WSDOT, the premises (the "Leased Premises") located in the Southeast Quarter of the Northwest Quarter of Section 29, Township 23 North, Range 4 East, W.M. in King County and known to be a portion of the highway right of way of SR 509, SR 516 to Des Moines Way South, sheet 11 of 11 sheets, and as further described and/or shown hachured on **Exhibit A** attached hereto and by this reference incorporated herein.

The Leased Premises is approximately three hundred eighty five (385) linear feet with a width of twenty (20) feet along its entirety. The vertical limit of the Leased Premises is a horizontal elevation plane of two (2) feet below and parallel to the underside of the SR 509 Bridge structure located on said SR 509 right-of-way. The TENANT shall have no right to use the space above the vertical limit of the Leased Premises without the WSDOT's prior written approval. The Leased Premises is 7,700 square feet in area, more or less.

1 **2. TERM.** The term of this Lease is twenty (20) years, COMMENCING ON THE
2 DATE OF EXECUTION OF THIS LEASE BY WSDOT (Commencement Date).

3 **3. RENEWAL.** Upon expiration of the initial term, this Lease may be renewed by
4 the TENANT for two (2) additional ten (10) year terms, ("Renewal Period"), at the discretion of
5 WSDOT; Provided that (A.) the TENANT is not in default and has not been in default during the
6 term of this Lease; (B.) the property is not needed for a priority transportation purpose, as
7 determined by WSDOT; (C.) TENANT's continued use under this Lease does not impair the
8 safety or operation of WSDOT's highway or facility, as solely determined by WSDOT; and (D.)
9 the terms and conditions of this Lease conform to then existing state policies or practices, laws,
10 regulations and contracts, or provided TENANT is willing to amend this Lease to bring it into
11 compliance with such policies, practices, laws, regulations, and contracts. The Renewal Period
12 shall be on the same terms and conditions as set forth herein, except as modified by any changes
13 in policies, practices, laws, regulations or contracts and as reflected in a written amendment
14 signed by both parties. TENANT shall give notice of its intent to renew this Lease for the
15 Renewal Period(s) not less than ninety (90) days, but not more than six (6) months, prior to the
16 expiration of the Lease, or any extension thereof.

17 **4. CONSIDERATION.** In lieu of paying economic rent for the Leased Premises,
18 the TENANT agrees to provide other specific consideration, which is deemed to be a highway
19 benefit. The consideration is the separation of motor vehicle traffic from pedestrians and cyclists
20 along Des Moines Memorial Drive, which will materially increase motor vehicle safety.
21 Currently, cyclists are using the active lanes of Des Moines Memorial Drive. Through the
22 physical division of the formalized trail, bicycle and pedestrian traffic will be separated from the
23 active motor vehicle lanes and thus reduce conflict between the motoring public and pedestrians
24 and cyclists.

25 **5. TERMINATION BY WSDOT.**

26 A. WSDOT may terminate this Lease, without penalty or further liability as
27 follows:

28 (1) Immediately, upon the unauthorized assignment of this Lease by
29 TENANT;

30 (2) Upon not less than thirty (30) days prior written notice, for failure
31 of the TENANT to provide acceptable As-Built drawings to WSDOT within ninety (90) days of
32 the date of completion of any trail reconstruction; acceptability of the As-Built drawings shall be
33 determined solely by WSDOT;

1 (3) Upon not less than thirty (30) days prior written notice, if
2 TENANT defaults on any provision in this Lease and is notified by WSDOT of the default two
3 (2) times within a six (6) month period. The third default shall be deemed "non-curable;"

4 (4) Upon not less than thirty (30) days prior written notice to
5 TENANT, if TENANT defaults, and fails to cure such default within that thirty (30) day period,
6 or such longer period, as may be reasonably determined by WSDOT, if TENANT is diligently
7 working to cure the default. Waiver or acceptance of any default of the terms of this Lease by
8 WSDOT shall not operate as a release of the TENANT's responsibilities for any prior or
9 subsequent default.

10 (5) Immediately, if the TENANT's insurance coverage as required
11 herein lapses for any reason. In such event, WSDOT may, at its option, barricade access to the
12 Leased Premises;

13 (6) Immediately, upon issuance of any court order, legislative action,
14 or governmental agency action having jurisdiction to take such action, which would significantly
15 impair or effectively prohibit the TENANT's use of the Leased Premises;

16 (7) Immediately, upon written notice, if a receiver is appointed to take
17 possession of the TENANT's assets, the TENANT makes a general assignment for the benefit of
18 creditors, or the TENANT becomes insolvent or takes or suffers action under the Bankruptcy
19 Act;

20 (8) Upon not less than thirty (30) days prior written notice, if WSDOT
21 determines that it is in the best interest of WSDOT to terminate this Lease;

22 (9) Upon not less than thirty (30) days prior written notice if the
23 Leased Premises has been abandoned, in WSDOT's sole judgment, for a continuous period of
24 ninety (90) days; or

25 (10) Immediately, if a transportation emergency exists as solely
26 determined by WSDOT.

27 B. WSDOT may terminate the Lease in part upon not less than sixty (60)
28 days prior written notice, if WSDOT determines that a portion of the Leased Premises may be
29 used for, but not limited to, telecommunications purposes, which in WSDOT's sole
30 determination are reasonably consistent with WSDOT's authorized use of the Leased Premises.

31 C. It is hereby acknowledged and agreed that the highway use of the Leased
32 Premises is paramount to any other use, including TENANT's use for a pedestrian, bicycle and

1 other non-motorized vehicle trail. If this Lease is terminated for highway construction or
2 reconstruction, and WSDOT determines that it is necessary to relocate the trail system and/or
3 acquire replacement land, the TENANT hereby agrees to acquire any such necessary
4 replacement lands promptly and at no cost to WSDOT, to reconstruct its trail facility at no cost to
5 WSDOT on state right of way or on replacement lands, and to indemnify and hold harmless
6 WSDOT from any and all costs.

7 D. If the TENANT fails to remove the trail and WSDOT determines that it is
8 necessary to continue to maintain the trail in a safe, operable condition, then the TENANT
9 hereby agrees that WSDOT may withhold funds sufficient to reimburse WSDOT for all costs
10 associated with the continued maintenance of said trail from the TENANT's share of any Motor
11 Vehicle Gas Tax Funds or any other funds distributed to the TENANT by WSDOT to cover
12 ongoing expenses of trail maintenance and operation.

13 E. TENANT agrees to pay all costs to barricade or to provide other interim
14 safety measures, as directed by WSDOT, if closure of the trail becomes necessary to facilitate
15 repair, reconstruction, maintenance, or modifications of the highway right of way.

16 **6. TERMINATION BY TENANT.** TENANT may terminate this Lease without
17 penalty or further liability as follows:

18 A. Upon not less than thirty (30) days prior written notice for any reason;
19 Provided that the TENANT removes all traces of the trail prior to the date of termination.

20 B. Upon not less than thirty (30) days prior written notice, if WSDOT
21 defaults and fails to cure such default within that thirty (30) day period, or such longer period, as
22 may be reasonably determined by the TENANT, if WSDOT is diligently working to cure the
23 default; or

24 C. Immediately, upon written notice, if in the TENANT's judgment the
25 Leased Premises is destroyed or damaged so as to substantially and adversely affect the
26 TENANT's authorized use of the Leased Premises.

27 **7. USE OF LEASED PREMISES.**

28 A. No use other than operation and maintenance of a public pedestrian,
29 bicycle, and other non-motorized vehicle trail under the control of the TENANT is permitted
30 without the prior written approval of WSDOT. The TENANT expressly agrees that it will not
31 charge others to use the Leased Premises. No motorized vehicles will be allowed on the Leased
32 Premises except for TENANT's maintenance vehicles and emergency vehicles responding to an
33 emergency on the Leased Premises. In using the Leased Premises, the TENANT shall comply

1 with all statutes, policies and regulations, including, but not limited to the Scenic Vistas Act,
2 RCW 47.42 et seq. and WAC 468-66 et seq., heretofore adopted or hereafter promulgated by the
3 WSDOT or the state legislature relative to the location, operation, and maintenance of
4 improvements located on the Leased Premises. No access to the Leased Premises will be
5 constructed or allowed to be constructed by or for the TENANT without WSDOT's prior written
6 approval. Direct access to ramps or traveled lanes of state highways is not permitted. All
7 grading and construction plans and any changes thereof are subject to approval by WSDOT.

8 B. King County, in cooperation with TENANT, shall complete the initial
9 construction of the trail segment, as authorized by WSDOT through General Permit No.
10 DCB1495. TENANT shall be responsible for any and all modifications within the Leased
11 Premises that may be required by WSDOT to meet future safety, design, or homeland security
12 standards.

13 C. TENANT will not allow third parties to use the trail as access to private
14 property or improvements. Furthermore, in using the Leased Premises, it is expressly agreed that
15 TENANT shall: 1) comply with all applicable federal, state and local laws, ordinances, and
16 regulations, including environmental requirements that are in force or which may hereafter be in
17 force; and 2) secure all necessary permits and licenses for the uses of the Leased Premises
18 authorized in this Lease. The TENANT hereby agrees to indemnify, defend and hold harmless
19 WSDOT from all claims or suits resulting from the TENANT's failure to comply with such
20 requirements.

21 D. No signs, other than directional signs or that sign further described herein,
22 are permitted. WSDOT owned fences in place at the time of execution of this Lease or relocated
23 to separate the Leased Premises from the traveled roadway will be maintained by WSDOT.
24 Nothing is to be attached to WSDOT's fence without prior written approval. If any fence is
25 damaged as a result of the activities authorized by this Lease, the TENANT will promptly repair
26 such damage at its cost to WSDOT's satisfaction.

27 Within thirty (30) days of occupancy, the TENANT at its sole expense shall erect
28 and maintain a permanent sign at all entrances to the Trail located on WSDOT right of way,
29 stating as follows: "This trail is located on highway right of way under a cooperative agreement
30 between city of SeaTac and the Washington State Department of Transportation."

31 E. WSDOT does not warrant that the unconstructed right of way is suitable
32 for TENANT's purposes.

1 **8. MAINTENANCE RESPONSIBILITIES.**

2 A. The TENANT shall perform or cause to be performed at its sole expense
3 all maintenance of the Leased Premises that shall include, but not be limited to, keeping the
4 Leased Premises in good condition, both as to safety and appearance, to the satisfaction of the
5 WSDOT. TENANT shall be responsible for weed control, and reconstruction and repair of any
6 or all components of the trail facility. Application of pesticides and herbicides within WSDOT
7 right of way shall be performed by, or under, the direct supervision of TENANT's officers,
8 officials, employees, and/or agents who possess a current Public Operator or Commercial
9 Pesticide Operator license. Washington State Department of Agriculture Pesticide Application
10 Records shall be kept by the TENANT for each application in accordance with chapter 17.21
11 RCW and be available for review by the WSDOT within five (5) calendar days of its request.

12 B. TENANT agrees that it is additionally responsible for the following
13 specific maintenance and operational items, at its sole cost and expense, without further liability
14 to the WSDOT:

15 (1) Security and law enforcement for the Leased Premises;

16 (2) Graffiti removal upon all real and personal property (including all
17 fixtures and attachments). TENANT shall in no way interfere with any highway operations or
18 traffic flow on State Route 509 when removing graffiti. Inspections shall be no less than once
19 per month;

20 (3) Litter control on an as needed basis in accordance with adopted
21 TENANT maintenance standards and practices or upon WSDOT notification and/or inspections;

22 (4) Sweeping of the Leased Premises on an as needed basis in
23 accordance with adopted TENANT maintenance standards and practices; and

24 (5) Removing and disposing of unauthorized signs, banners, etc. from
25 the Leased Premises.

26 B. The TENANT warrants that any landscaping planted and maintained on
27 the Leased Premises will not damage, threaten to damage, or otherwise adversely affect any part
28 or component of the state's highway facility or operation, or adversely affect traffic safety.
29 TENANT warrants that any vegetation disturbed during construction shall be replanted or
30 replaced, at TENANT's expense, to the satisfaction of the WSDOT.

31 C. If TENANT fails to maintain the trail as provided herein, the WSDOT
32 may perform such maintenance after providing the TENANT with thirty (30) days written notice

1 of such maintenance default, and TENANT agrees to reimburse the WSDOT for such
2 maintenance costs within thirty (30) days of receipt of a WSDOT invoice.

3 **9. ENVIRONMENTAL REQUIREMENTS.**

4 A. TENANT represents, warrants and agrees that it will conduct its activities
5 on and off the Leased Premises in compliance with all applicable environmental laws. As used
6 in this Lease, the term "Environmental Laws" means all federal, state and local environmental
7 laws, rules, regulations, ordinances, judicial or administrative decrees, orders, decisions,
8 authorizations or permits, including, but not limited to, the Resource Conservation and Recovery
9 Act, 42 U.S.C. § 6901, et. seq., the Clean Air Act, 42 U.S.C. § 7401, et seq., the Federal Water
10 Pollution Control Act, 33 U.S.C. § 1251, et seq., the Emergency Planning and Community Right
11 to Know Act, 42 U.S.C. § 11001, et seq., the Comprehensive Environmental Response,
12 Compensation and Liability Act, 42 U.S.C. § 9601, et seq., the Toxic Substances Control Act, 15
13 U.S.C. § 2601, et seq., the Oil Pollution Control Act, 33 U.S.C. § 2701, et seq., and Washington
14 or any other comparable local, state, or federal statute or ordinance pertaining to the environment
15 or natural resources and all regulations pertaining thereto, including all amendments and/or
16 revisions to said laws and regulations.

17 B. Toxic or hazardous substances are not allowed on the Leased Premises
18 without the express written permission of WSDOT and under such terms and conditions as may
19 be specified by WSDOT. For the purposes of this Lease, "Hazardous Substances," shall include
20 all those substances identified as hazardous under the Comprehensive Environmental Response,
21 Compensation, and Liability Act, 42 U.S.C. § 9601, et seq., and the Washington Model Toxics
22 Control Act, RCW 70.105D et seq., including all amendments and/or revisions to said laws and
23 regulations, and shall include gasoline and other petroleum products. In the event such
24 permission is granted, the use and/or disposal of such materials must be done in a legal manner
25 by the TENANT.

26 C. TENANT agrees to cooperate in any environmental investigations
27 conducted by WSDOT staff or independent third parties where there is evidence of
28 contamination on the Leased Premises, or where WSDOT is directed to conduct such audit by an
29 agency or agencies having jurisdiction. TENANT will reimburse WSDOT for the cost of such
30 investigations, where the need for said investigation is determined to be caused by the
31 TENANT's operations. TENANT will provide WSDOT with notice of any inspections of the
32 Leased Premises, notices of violations, and orders to clean up contamination. TENANT will
33 permit WSDOT to participate in all settlement or abatement discussions. In the event that the
34 TENANT fails to take remedial measures as duly directed by a state, federal, or local regulatory
35 agency within ninety (90) days of such notice, WSDOT may elect to perform such work, and the
36 TENANT covenants and agrees to reimburse WSDOT for all direct and indirect costs associated

1 with WSDOT's work where those costs are determined to have resulted from the TENANT's use
2 of the Leased Premises. TENANT further agrees that the use of the Leased Premises shall be
3 such that no hazardous or objectionable smoke, fumes, vapor, odors, or discharge of any kind
4 shall rise above the grade of the right of way.
5

6 D. For the purposes of this Lease, "Costs" shall include, but not be limited to,
7 all response costs, disposal fees, investigatory costs, monitoring costs, civil or criminal penalties,
8 and attorney fees and other litigation costs incurred in complying with state or federal
9 environmental laws, which shall include, but not be limited to, the Comprehensive
10 Environmental Response, Compensation and Liability Act, 42 U.S.C. § 9601, et seq; the Clean
11 Water Act, 33 U.S.C. § 1251; the Clean Air Act, 42 U.S.C. § 7401; the Resource Conservation
12 and Recovery Act, 42 U.S.C. § 6901; and the Washington Model Toxics Control Act, RCW
13 70.105D et seq., including all amendments and/or revisions to said laws and regulations.

14 E. TENANT agrees to defend, indemnify and hold harmless WSDOT from
15 and against any and all claims, causes of action, demands and liability including, but not limited
16 to, any costs, liabilities, damages, expenses, assessments, penalties, fines, losses, judgments and
17 attorneys' fees associated with the removal or remediation of any Hazardous Substances that
18 have been released, or otherwise come to be located on the Leased Premises, including those that
19 may have migrated from the Leased Premises through water or soil to other properties, including
20 without limitation, the adjacent WSDOT property and which are caused by or result from the
21 TENANT's activities on the Leased Premises. TENANT further agrees to retain, defend,
22 indemnify and hold harmless WSDOT from any and all liability arising from the offsite disposal,
23 handling, treatment, storage, or transportation of any such Hazardous Substances removed from
24 said Leased Premises.

25 F. WSDOT hereby agrees to indemnify and hold harmless the TENANT
26 from any costs or liabilities associated with the removal or remediation of any Hazardous
27 Substances that have been released, or otherwise come to be located on the Leased Premises by
28 the acts or omissions of WSDOT, its employees, contractors, and agents. WSDOT further agrees
29 to retain and indemnify and hold harmless the TENANT from any and all liability arising from
30 the offsite disposal, handling, treatment, storage, or transportation of any such Hazardous
31 Substances removed from said Leased Premises.

32 G. The provisions of this paragraph shall survive the expiration or
33 termination of this Lease.

1 **10. WSDOT'S RESERVATION OF RIGHT TO MAINTAIN AND GRANT**
2 **UTILITY FRANCHISES AND PERMITS AND TO LEASE FOR COMPATIBLE**
3 **PURPOSES.**

4 A. WSDOT reserves the right for utility franchise and permit holders to enter
5 upon the Leased Premises to maintain facilities and, for itself, to grant utility franchises and/or
6 permits within the Leased Premises. Such installation will be accomplished in such a manner as
7 to minimize any disruption to the TENANT. The franchise/permit holder will be required to
8 restore paving and grading damaged by the installation. WSDOT also reserves the right to
9 withdraw portions of the Leased Premises for uses such as, but not limited to,
10 telecommunications transmission sites, which WSDOT determines to be reasonably compatible
11 with the TENANT's authorized use of Leased Premises.

12 B. TENANT shall not disturb markers installed by a franchise/permit holder
13 and will contact and provide notice to any franchise/permit holder and all owners of underground
14 facilities prior to any excavation. TENANT shall contact WSDOT and call the Underground
15 Utility Locating Service, or its successor organization, as part of its efforts to ascertain any and
16 all owners of underground utility facilities and to locate the utility. The TENANT shall not
17 damage legally installed underground utilities. TENANT shall comply with all applicable
18 provisions of Chapter 19.122 RCW relating to underground facilities.

19 **11. USE OF RIGHT OF WAY UNDER OR ADJACENT TO STRUCTURE.**

20 A. TENANT agrees to provide protection against vehicular hits or other
21 likely causes of damage arising from the TENANT's use of the Leased Premises to all retaining
22 walls and to piers exposed to such potential damage under any elevated highway structure
23 existing on the Leased Premises. Such wall and pier protection shall be provided to the
24 satisfaction of WSDOT prior to occupancy.

25 B. TENANT shall not weld any metal object to any metal member of any
26 metal structure, nor drill or rivet into nor otherwise fasten anything to any pier or beam on any
27 concrete, metal, or wood structure without WSDOT's specific written approval of detailed
28 drawings for such welding, riveting, drilling, or fastening.

29 C. TENANT shall at its own expense, and upon prior written approval from
30 WSDOT, make any provisions it deems necessary to protect users of the proposed facility from
31 any hazards resulting from use and operation of the highway.

32 **12. TAXES, ASSESSMENTS, AND UTILITIES.** TENANT agrees to pay all
33 assessments that benefit the Leased Premises and/or which may hereafter become a lien on the
34 interest of the TENANT in accordance with RCW 79.44.010. The TENANT agrees to pay all

1 taxes that may hereafter be levied or imposed upon the interest of the TENANT or by reason of
2 this Lease. The TENANT is responsible for and agrees to pay the cost for all utilities, including,
3 but not limited to, surcharges, fuel adjustments, rate adjustments and taxes that serve the Leased
4 Premises.

5 **13. WSDOT'S APPROVAL OF ADDITIONAL DESIGN AND**
6 **CONSTRUCTION.** TENANT covenants that any future construction on the Leased Premises
7 will not damage, threaten to damage, or otherwise adversely affect any part or element of the
8 highway facility or its operation. WSDOT shall be furnished with two sets of complete plans,
9 details, specifications and revisions thereto for grading and all improvements proposed to be
10 placed on the Leased Premises, and no work shall be done without prior written approval of such
11 plans by WSDOT. All construction work shall be done in conformity with the plans and
12 specifications as approved. WSDOT may take any action necessary, including directing that
13 work be temporarily stopped or directing that additional work be done, to ensure compliance
14 with the plans and specifications, protection of all parts and elements of the highway facility, and
15 compliance with WSDOT's construction and safety standards. The improvements shall be
16 designed and constructed in a manner that will permit WSDOT access to the highway facility for
17 the purposes of inspection, maintenance, and construction, when necessary.

18 **14. LIMITATIONS.** TENANT expressly acknowledges and agrees that WSDOT's
19 rights under this Lease to review, comment on, disapprove and/or accept designs, plans
20 specifications, work plans, construction, equipment, installation, (a) exist solely for the benefit
21 and protection of WSDOT, (b) do not create or impose upon WSDOT any standard or duty of
22 care toward the TENANT, all of which are hereby disclaimed, (c) may not be relied upon by the
23 TENANT in determining whether the TENANT has satisfied any and all applicable standards
24 and requirements and (d) may not be asserted, nor may WSDOT's exercise or failure to exercise
25 any such rights be asserted, against WSDOT by the TENANT as a defense, legal or equitable, to
26 TENANT's obligation to fulfill such standards and requirements and regardless of any
27 acceptance of work by WSDOT.

28 **15. NON-COMPLETION OF FUTURE CONSTRUCTION.** TENANT shall
29 obtain WSDOT's approval of construction drawings for any future construction. TENANT shall
30 complete construction of the project according to the approved plans, and reopen the trail to the
31 public within one hundred eighty (180) days of initiating any construction work within the
32 Leased Premises.

33 **16. "AS BUILT" PLANS.** Within ninety (90) days of the date any future trail
34 construction is completed, TENANT shall provide WSDOT with a complete set of dimensioned
35 "As-Built" scale drawings showing at least the information following: (a) trail centerline; (b)
36 ties to beginning and end of trail; (c) underground utilities; and (d) such other information as

1 WSDOT may request. Acceptability of the As-Built drawings shall be determined solely by
2 WSDOT. In the event the TENANT fails to provide such plans within the prescribed time
3 period, the TENANT hereby agrees that WSDOT shall have the right, at its option, to contract
4 with a consultant in order to secure such plans and TENANT agrees to reimburse WSDOT for all
5 costs incurred in obtaining said plans within thirty (30) days of the date of WSDOT's invoice.

6 **17. LIENS.**

7 A. TENANT shall at all times indemnify and hold harmless WSDOT from all
8 claims for labor or materials in connection with construction, repair, alteration, maintenance or
9 installation of structures, improvements, equipment, or facilities on or within the Leased
10 Premises, and from the cost of defending against such claims, including attorney fees.

11 B. In the event a lien is filed upon the Leased Premises, the TENANT shall:
12 (a) Record a valid Release of Lien, or (b) Deposit sufficient cash with WSDOT to cover the
13 amount of the claim on the lien in question, and authorize payment to the extent of said deposit
14 to any subsequent judgment holder that may arise as a matter of public record from litigation
15 with regard to lienholder claim, or (c) Procure and record a bond which releases the Leased
16 Premises from the claim of the lien and from any action brought to foreclose the lien.

17 C. Should the TENANT fail to accomplish a, b, or c above within fifteen
18 (15) days after the filing of such a lien, the Lease shall be in default.

19 **18. ENCUMBRANCES.** It is expressly understood that the TENANT shall not
20 encumber the Leased Premises.

21 **19. WSDOT'S RIGHT OF ENTRY AND INSPECTION.** WSDOT, for itself, its
22 agents and contractors, and for the Federal Highway Administration, reserves the right to enter
23 upon the Leased Premises at any time without notice to the TENANT for the purpose of
24 inspection, maintenance, construction, or reconstruction of the highway facility or any element
25 thereof, or to perform environmental reviews. WSDOT shall in no way be responsible for any
26 incidental or consequential damages due to such loss of use, if any, by the TENANT. WSDOT
27 and the Federal Highway Administration may from time-to-time go upon the Leased Premises
28 for the purpose of inspecting any excavation, construction, or maintenance work being done by
29 the TENANT. Further, this right shall not impose any obligation upon WSDOT to make
30 inspections to ascertain the safety of the TENANT's improvements or the condition of the
31 Leased Premises.

1 **20. INSURANCE.**

2 A. At its sole expense, the TENANT shall secure and maintain in effect a
3 policy providing public liability insurance issued by an insurer licensed to conduct business in
4 the State of Washington. The insurance policy shall provide liability coverage for any and all
5 claims of bodily injury, property damage, and personal injury arising from the TENANT's use of
6 the Premises which is the subject of this Lease. The insurance policy required by this section
7 shall provide coverage as follows: no less than two million and no/100 Dollars (\$2,000,000.00)
8 bodily injury and property damage or combined single limit of liability per occurrence, with a
9 general aggregate limit of no less than four million and no/100 Dollars (\$4,000,000.00) per
10 policy period. Such aggregate limits shall apply for this Premises location, and coverage under
11 said policy shall be triggered on an "occurrence basis," not on a "claims made" basis.

12 B. The coverage required by this section shall be at least as broad as that
13 provided by the most current Commercial General Liability Policy form ISO (Insurance Services
14 Office, Inc.) policy form CG 00 01 12 04, or its equivalent without modification in amounts
15 previously stated. The use of an equivalent form shall require prior written approval by
16 WSDOT. The TENANT shall provide additional endorsements and/or increase the policy limits
17 at its sole cost, when and if WSDOT deems it necessary due to the TENANT's use of the
18 Premises, within ten (10) days of WSDOT's written request to do so.

19 C. WSDOT shall be named as an additional insured by endorsement of the
20 liability policy required by this section utilizing ISO Form 2026 (Additional Insured –
21 Designated Person or Organization) or its equivalent without modification. The endorsement
22 shall require the insurer to provide WSDOT with not less than thirty (30) days, prior written
23 notice before any cancellation of the coverage required by this section.

24 D. No changes whatsoever shall be initiated as to the coverage without prior
25 written approval by WSDOT and written authorization by WSDOT to make any requested
26 changes.

27 E. Unless approved by WSDOT in advance and in writing, the liability
28 coverage required by this section shall not be subject to any deductible or self-insured retentions
29 of liability greater than five thousand and no/100 Dollars (\$5,000.00) per occurrence. The
30 payment of any such deductible or self-insured retention of liability amounts remains the sole
31 responsibility of the TENANT.

32 F. The TENANT assumes all obligations for premium payment, and in the
33 event of nonpayment, the TENANT is obligated to reimburse WSDOT the cost of maintaining

1 the insurance coverage and any legal fees incurred in enforcing such reimbursement should the
2 TENANT fail to pay the policy premiums.

3 G. Coverage obtained by the TENANT in compliance with this section shall
4 not be deemed as having relieved the TENANT of any liability in excess of such coverage.

5 H. The TENANT shall provide WSDOT with a certificate of insurance
6 reflecting the insurance coverage required by this section within ten (10) days of the
7 execution of this Lease. Such certificates shall also be provided upon renewal of said policies
8 and changes in carriers.

9 **21. HOLD HARMLESS/INDEMNIFICATION.**

10 A. TENANT, its successors and assigns, will protect, save, and hold harmless
11 WSDOT, its authorized agents and employees, from all claims, actions, costs, damages (both to
12 persons and/or property), or expenses of any nature whatsoever by reason of the acts or
13 omissions of the TENANT, its assigns, subtenants, agents, contractors, licensees, invitees,
14 employees, or any person whomsoever, arising out of or in connection with any acts or activities
15 related to this Lease, whether those claims, actions, costs, damages, or expenses result from acts
16 or activities occurring on or off the Leased Premises. The TENANT further agrees to defend
17 WSDOT, its agents or employees, in any litigation, including payment of any costs or attorney's
18 fees, for any claims or actions commenced, arising out of, or in connection with acts or activities
19 related to this Lease, whether those claims, actions, costs, damages, or expenses result from acts
20 or activities occurring on or off the Leased Premises. This obligation shall not include such
21 claims, actions, costs, damages, or expenses which may be caused by the sole negligence of
22 WSDOT or its authorized agents or employees; provided, that if the claims or damages are
23 caused by or result from the concurrent negligence of (a) WSDOT, its agents or employees and
24 (b) the TENANT, its assigns, subtenants, agents, contractors, licensees, invitees, employees, or
25 involves those actions covered by RCW 4.24.115, this indemnity provision shall be valid and
26 enforceable only to the extent of the negligence of the TENANT or its assigns, subtenants,
27 agents, contractors, licensees, invitees, employees.

28 B. TENANT specifically assumes potential liability for the actions brought
29 by TENANT's employees and solely for the purposes of this indemnification and defense,
30 TENANT specifically waives any immunity under the State industrial insurance law, Title 51
31 RCW. TENANT recognizes that this waiver was the subject of mutual negotiations.

32 C. The indemnification and waiver provisions contained in this section shall
33 survive the termination or expiration of this Lease.

1 **22. NONDISCRIMINATION.** TENANT, for itself, its successors and assigns, as
2 part of the consideration hereof, does hereby agree to comply with all applicable civil rights and
3 antidiscrimination requirements including, but not limited to, Chapter 49.60 RCW.

4 **23. ASSIGNMENT.** Neither this Lease nor any rights created by it may be assigned,
5 sublet, or transferred in written or oral form.

6 **24. SURRENDER OF LEASED PREMISES AND REMOVAL OF TENANT'S**
7 **IMPROVEMENTS AND PERSONAL PROPERTY:**

8 A. Upon termination of this Lease, the TENANT shall cease its operations on
9 and/or use of the Leased Premises. In the event the TENANT fails to vacate the Leased
10 Premises on the date of termination, the TENANT shall be liable for any and all costs to
11 WSDOT arising from such failure. As used herein, "vacate" shall include preventing use of the
12 Leased Premises by the public.

13 B. Upon termination of this Lease, the TENANT agrees, if so directed by the
14 WSDOT, to restore grades and on limited access highways also to relocate WSDOT's fences, if
15 any, to their configurations prior to the TENANT's occupancy. This work is to be done at the
16 TENANT's sole expense to the satisfaction of WSDOT.

17 C. Upon termination of this Lease TENANT agrees, if so requested by
18 WSDOT, to obliterate the trail, remove all improvements and personal property, and/or provide
19 erosion control treatment at its own expense and to WSDOT's satisfaction, returning the right of
20 way to its original condition before the construction of the trail.

21 D. TENANT shall accomplish the above work by the date of termination. If,
22 after termination of this Lease, the TENANT has not removed its improvements and/or personal
23 property and returned the right of way to its original condition, if requested to do so, within the
24 time allowed, WSDOT may, but need not, remove and dispose of said improvements and/or
25 personal property and return the right of way to its original condition at the expense of the
26 TENANT, and the TENANT shall reimburse WSDOT for any and all expenses incurred by
27 WSDOT in connection with such removal, work or disposal within thirty (30) days of the date of
28 WSDOT's invoice.

29 **25. NO RELATIONSHIP ESTABLISHED.** WSDOT shall in no event be
30 construed to be a partner with, associate or joint venturer of the TENANT or any party
31 associated with the TENANT. The TENANT shall not create any obligation or responsibility on
32 behalf of WSDOT or bind WSDOT in any manner.

1 **26. TRANSPORTATION PURPOSES.**

2 A. TENANT and WSDOT hereby affirm that upon termination or expiration
3 of this Lease for any reason and the subsequent use of the Leased Premises for transportation or
4 other purposes, such use will not be considered the use of any publicly-owned land from a public
5 park, recreation area, or wildlife and waterfowl refuge within the meaning of 23 U.S.C. 138 and
6 49 U.S.C. 303 (former 49 U.S.C.1653 (f), Section "4f"). If this Lease is terminated for highway
7 construction and the WSDOT or authorized local, state or federal official having jurisdiction of
8 the land or a court of competent jurisdiction determines that replacement of the trail is required
9 under 23 U.S.C. 138 and 49 U.S.C. 303, TENANT agrees that it shall be responsible for and
10 promptly replace the trail as required and pay all such costs in accordance with **Section 5.C.** of
11 this Lease.

12 B. TENANT further acknowledges, agrees, and promises not to use Outdoor
13 Recreation Funds as provided for in the Land and Water Conservation Fund Act, 16 U.S.C. 460-
14 l, sections 4-11 (see section 8(f)(3) within state owned right of way; such funds may be used
15 outside of the state owned right of way).

16 **27. CONDITION OF THE PROPERTY.** WSDOT and TENANT acknowledge
17 that they have jointly examined the Leased Premises identified in **Exhibit A** and the TENANT
18 accepts said Leased Premises in its present condition as of the Commencement Date of this
19 Lease.

20 **28. BINDING CONTRACT.** This Lease shall not become binding upon WSDOT
21 unless and until executed for WSDOT by the Secretary of Transportation, or her duly authorized
22 representative.

23 **29. ATTORNEYS' FEES.** In the event of any controversy, claim, or dispute arising
24 out of this Lease, each party shall be solely responsible for the payment of its own legal
25 expenses, including but not limited to, attorney's fees and costs.

26 **30. MODIFICATIONS.** This Lease contains all the agreements and conditions
27 made between the parties hereto and may not be modified orally or in any manner other than by
28 written amendment, signed by all authorized parties thereto.

29 **31. INTERPRETATION.** This Lease shall be governed by and interpreted in
30 accordance with the laws of the State of Washington. The titles to paragraphs or sections of this
31 Lease are for convenience only and shall have no effect on the construction or interpretation of
32 any part hereof.

1 **32. SEVERABILITY.** In case any one or more of the provisions contained in this
2 Lease shall for any reason be held to be invalid, illegal, or unenforceable in any respect, such
3 invalidity, illegality, or unenforceability shall not affect any other provision hereof, and this
4 Lease shall be construed as if such invalid, illegal or unenforceable provision had never been
5 contained herein.

6 **33. VENUE.** TENANT agrees that the venue of any action or suit concerning this
7 Lease shall be in the Thurston County Superior Court and all actions or suits thereon shall be
8 brought therein, unless applicable law requires otherwise.

9 **34. TOTALITY OF AGREEMENT.** It is understood that no guarantees,
10 representations, promises, or statements expressed or implied have been made by WSDOT
11 except to the extent that the same are expressed in this Lease.

12 **35. MEMORANDUM OF LEASE.** The parties hereby agree to execute and record
13 a memorandum of lease, if either party so requests.

14 **36. NOTICES.** Wherever in this Lease written notices are to be given or made, they
15 will be sent by certified or overnight mail addressed to the parties at the addresses listed below,
16 unless a different address has been designated in writing and delivered to the other party.

17 WSDOT: DEPARTMENT OF TRANSPORTATION (Mailing Address)
18 Attn.: Property Management Program Manager
19 P.O. Box 47338
20 Olympia, WA 98504-7338

21 DEPARTMENT OF TRANSPORTATION (Physical Address)
22 Attn.: Property Management Program Manager
23 7345 Linderson Way SW
24 Tumwater, WA 98501

25 TENANT: CITY OF SEATAC
26 Attn.: Parks and Recreation Director
27 4800 South 188th Street
28 SeaTac, WA 98188-8605
29

1 Accepted and Approved by:

2

3 CITY OF SEATAC

4

5

WASHINGTON STATE
DEPARTMENT OF TRANSPORTATION

6 By _____

7 Tony Anderson,

8 Mayor

9

By: _____

Cynthia Tremblay,

Property Management Program Manager

10 Dated: _____

Dated: _____

11

12

13 APPROVED AS TO FORM

14

15 By: _____

16 City Prosecuting Attorney

By: _____

Assistant Attorney General

17 Dated: _____, 2013

Dated: _____, 2013

CORPORATE ACKNOWLEDGMENT

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STATE OF WASHINGTON)
) ss
COUNTY OF KING)

On this _____ day of _____, 2013 before me personally appeared _____ to me known to be the _____ of the municipal corporation that executed the foregoing instrument, and acknowledged said instrument to be the free and voluntary act and deed of said corporation, for the uses and purposes therein mentioned, and on oath stated that he/she was authorized to execute said instrument.

GIVEN under my hand and official seal the day and year last above written.

(Signature)

(Print or type name)
Notary Public in and for the State of Washington
residing at _____

My commission expires _____

WSDOT ACKNOWLEDGMENT

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STATE OF WASHINGTON)
) ss
COUNTY OF THURSTON)

9 On this _____ day of _____, 2013 before me
10 personally appeared Cynthia Tremblay, to me known to be the duly appointed Property
11 Management Program Manager, and that she executed the within and foregoing instrument and
12 acknowledged the said instrument to be the free and voluntary act and deed of said State of
13 Washington, for the uses and purposes therein set forth, and on oath states that she was
14 authorized to execute said instrument.

15 IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the
16 _____ day of _____, 2013.

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(Signature)

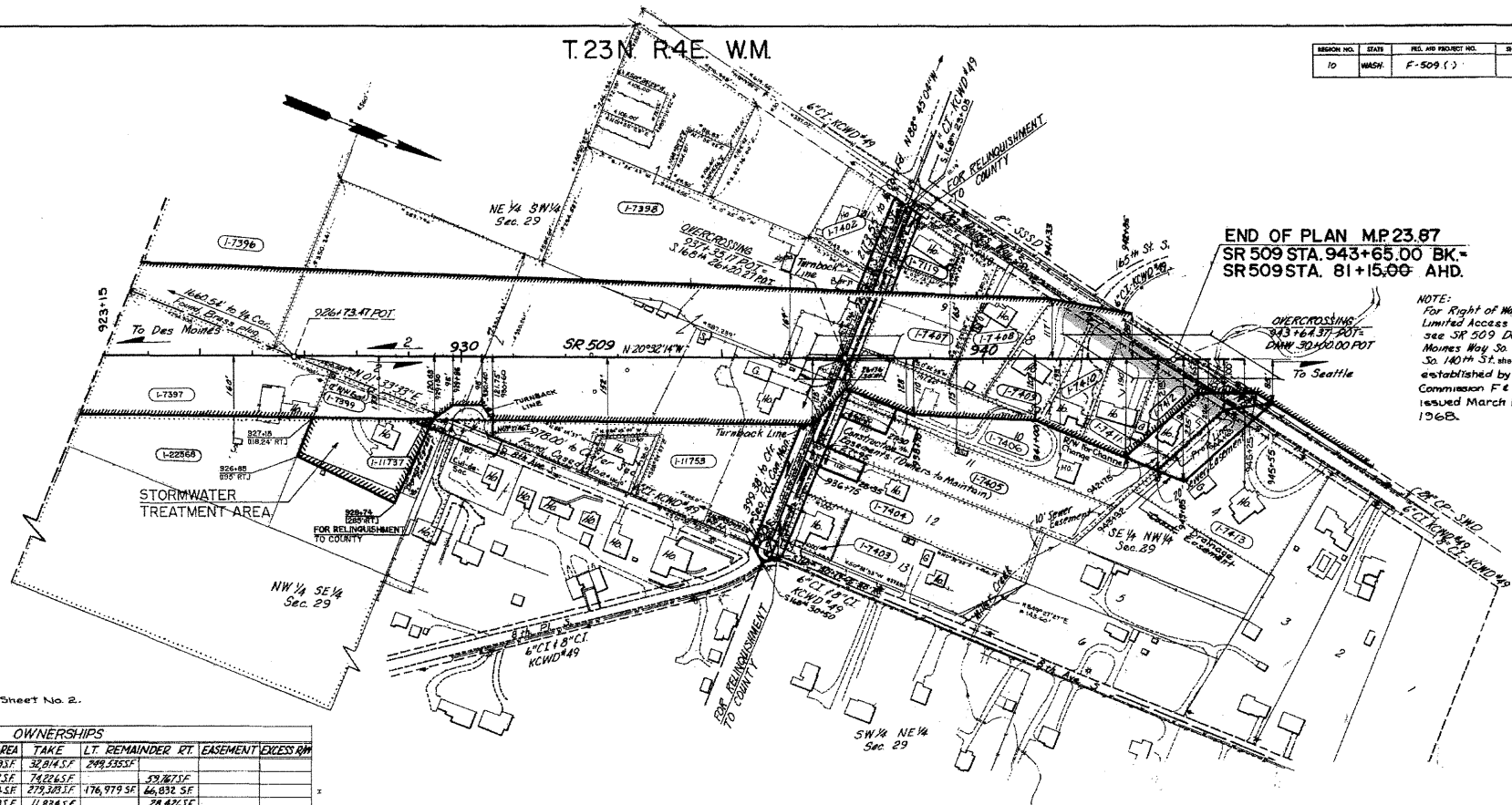
(Print or type name)

Notary Public in and for the State of Washington
residing at _____

My commission expires _____

T.23N. R.4E. W.M.

REGION NO.	SECT.	REL. AND PROJECT NO.	SHEET NO.
10	WASH.	F-509 ()	



END OF PLAN MP23.87
 SR 509 STA. 943+65.00 BK-
 SR 509 STA. 81+15.00 AHD.

NOTE:
 For Right of Way and Limited Access ahead, see SR 509 Des Moines Way So. to So. 140th St. sheet 2, established by Commission F & O, issued March 19, 1968.

DES MOINES WAY
 TRACED BY: A.L.M. & A.E.L.
 CHECKED BY: R. J. B.
 2772
 6284/3

For Total Parcel Detail See Sheet No. 2.

PARCEL NO.	NAME	TOTAL AREA	TAKE	LT. REMAINDER	RT. EASEMENT	EXCESS RM
1-7396	PE & D. Bray	282,363 SF	32,814 SF	249,549 SF		
1-7397	L.E. & L.E. Childers	133,993 SF	74,026 SF	59,967 SF		
1-7398	E.L. & L. Woods	523,144 SF	279,381 SF	243,763 SF		
1-7399	Pound	48,240 SF	11,834 SF	36,406 SF		
1-7400	Not Used					
1-7401	Not Used					
1-7402	F & J. Dal Vilar	20,382 SF	3,005 SF	17,377 SF		
1-7403	R.A. & W.M. Dowell	10,000 SF	10,000 SF		9,000 SF	
1-7404	A.H. & D.L. Plackeb	45,419 SF	1,400 SF	44,019 SF	3,200 SF	
1-7405	K.U. & W.A. Freno	54,736 SF	1,000 SF	53,736 SF	3,200 SF	
1-7406	Caramenta	38,767 SF	20,700 SF	18,067 SF		
1-7407	Goodlander	40,479 SF	28,451 SF	12,028 SF		
1-7408	E.D. & B.M. Lewis	23,220 SF	13,265 SF	10,000 SF		
1-7409	L.R. & E.V. Swenden	23,360 SF	13,260 SF	10,100 SF		
1-7410	R.M. & R.R. Clabby	14,875 SF	14,875 SF			
1-7411	Emblem Home Inc.	19,938 SF	19,938 SF			
1-7412	G.A. & C.L. Smith	16,545 SF	16,545 SF			
1-7413	J.T. & M.M. Hawk	44,724 SF			4,450 SF	
1-7119	L.A. & R.E. Davis	8,910 SF	959 SF	7,950 SF		
1-11737	Beverly Pound	28,455 SF	940 SF	27,515 SF		
1-11763	E.L. Woods	68,948 SF	1,200 SF	67,748 SF		
1-22568	PORT OF SEATTLE	UNDETER.	27,691 SF	UNDETER.		

LEGEND

Access to be Prohibited shown thus [diagonal lines]

Property Ownership Numbers (F7396)

Property Lines [dashed line]

Scale Bar [0 to 200 feet]

ACCESS NOTES
 Traffic movement will be permitted under the highway structures at Station 937+35.17-3.168+st and at Station 943+64.31-Des Moines Way So.

NOTE:
 All bearings and distances preceded by an asterisk are taken from Title Reports and/or Plat Maps.

This plan conforms to the access provisions in the Findings and Order issued by the Highway Commission on July 22, 1969.

ALL PLANS ARE SUBJECT TO CHANGE. PARTIES DESIRING PRECISE, CURRENT INFORMATION SHOULD CONSULT THE OFFICIAL PLAN ON FILE IN THE DEPT. OF TRANSPORTATION IN OLYMPIA.

SR 509 MP 19.43 TO MP 23.87
 SR 516 TO DES MOINES WAY SOUTH
 KING COUNTY

RIGHT OF WAY AND LIMITED ACCESS FULLY CONTROLLED
 Station 923+15 to Station 943+65.00
 WASHINGTON STATE HIGHWAY COMMISSION
 DEPARTMENT OF HIGHWAYS
 OLYMPIA, WASHINGTON

DATE: Dec. 1, 1969
 SHEET 11 OF 22-11-SHEETS
 AUTHORITY DATE

Letter 6-4-67	6-28-67	Added Parcel 1-22568;	
Letter 6-31-67	7-20-67	Revised R/W and L/A and Added Stormwater Treatment Area on Pl. Sta. 927+10 to 928+00	PLM
Letter 7-30-79	9-21-79	Revised R/W and L/A and Added Stormwater Treatment Area on Pl. Sta. 927+10 to 928+00	PLM
Letter 12-4-72	12-22-72	Revised boundary parcel 1-7396	PLS
Letter 9-30-71	10-15-71	Revised boundary & areas parcel 1-7408	PLS
Letter 1-18-71	1-30-71	Revised boundary & areas parcel 1-7408	PLS
Letter 2-18-71	2-3-71	Revised R/W and L/A and Added Stormwater Treatment Area on Pl. Sta. 927+10 to 928+00	PLM
Letter 1-18-70	1-18-70	Revised R/W and L/A and Added Stormwater Treatment Area on Pl. Sta. 927+10 to 928+00	PLM

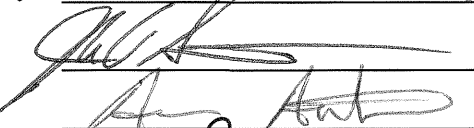


SeaTac City Council

REQUEST FOR COUNCIL ACTION

Department Prepared by: Community & Economic Development

Agenda Bill #: **3553**

TITLE: A Motion accepting the Phase Two Design Planning and Site Analysis Report for the Riverton Heights Property.

November 6, 2013	
<input type="checkbox"/> Ordinance <input type="checkbox"/> Resolution <input checked="" type="checkbox"/> Motion <input type="checkbox"/> Info. Only <input type="checkbox"/> Other	
Date Council Action Requested: <u>RCM 11-26-13</u>	
Ord/Res Exhibits: _____	
Review Dates: <u>CSS 3-26-13; 11-12-13</u>	
Prepared By: <u>Jeff Robinson, Economic Development Manager</u>	
Director: 	City Attorney: <u>Mark J. Spivey, Sr. Asst City Atty</u>
Finance: 	BARS #: <u>N/A</u>
City Manager: 	Applicable Fund Name: <u>N/A</u>



SUMMARY: This Motion accepts as completed the Phase Two Design Planning and Site Analysis Report for the Riverton Heights Property.

DISCUSSION / ANALYSIS / ISSUES: In January, 2011, after the City Council accepted the report titled "A Community-owned Vision for the Riverton Heights Property" Staff was directed to undertake a more detailed analysis of the Riverton property for the purpose of further exploring the options derived during the community engagement process.

This report is a compilation of the community outreach process, site analysis and conceptual planning that has been completed between 2010 and 2013 on the potential future uses of the former Riverton School property. Also incorporated into the report is initial feedback from the community and from the City Council received at the March 26, 2013 Study Session.

As the conceptual plan has evolved, certain realities have become evident:

- Not all of the concepts and desired public uses can be accommodated on the site due to size and site limitations;
- The placement of the fire facility does not have to be situated in the northwest quadrant of the property;
- The development and construction of the park components will be accomplished over a period of several years;
- Additional community participation is necessary to plan for and focus the park's amenities and the implementation schedule; and
- Residential development, whether detached or attached single-family units, is not currently feasible and is projected to remain unfeasible into the foreseeable future.

The report is neither presented as a plan nor a development proposal. The report neither prescribes nor provides a specific guide to the actual types of amenities to be developed. The implementation schedule and budget for completion are also not included. The report does provide guidance based upon an analysis of the property's spatial capacity and other pertinent features such as its location and its relationship to other important aspects such as transportation facilities and future area-wide plans.

The City Council's acceptance of this report allows the following actions:

- The Parks and Recreation Department can apply for funding from the King County Conservation District;
- The City can proceed with the initial development proposal; and
- The Fire and Parks agencies can proceed to investigate other potential development features in the future, as appropriate.

RECOMMENDATION(S): It is recommended that the Motion be carried.

FISCAL IMPACT: There is no fiscal impact as a result of accepting this report.

ALTERNATIVE(S): Do not carry this Motion.

ATTACHMENTS: 1. Riverton Phase Two Design Planning and Site Analysis Report.



RIVERTON HEIGHTS PROPERTY



PHASE TWO DESIGN PLANNING & SITE ANALYSIS REPORT

City of SeaTac

October, 2013

Introduction:

This Report is a compilation of the community outreach process, site analysis and conceptual planning that has been completed between 2010 and 2013 on the potential future uses of the former Riverton School property. Also incorporated into the report is initial feedback from the community and the City Council received at the March 26, 2013 Study Session.

As the conceptual plan has evolved, certain realities have become evident:

- Not all of the concepts and desired public uses can be accommodated on the site due to size and site limitations;
- The placement of the fire facility does not have to be situated in the northwest quadrant of the property;
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- Additional community participation is necessary to plan for and focus the park's amenities and the implementation schedule; and,
- Residential development, whether detached or attached single-family units is not currently feasible and is projected to remain so into the foreseeable future.

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Part I: The History

In 2007 the City of SeaTac purchased the Riverton Heights Elementary School site from the Highline School District. The school had been previously closed due to declining enrollment and was subsequently used by the school district for storage. The community and neighborhood has adopted the site as an informal park and pedestrian route between residential streets that lack other north-south connections. After acquiring the site, the City cleared the buildings and completed necessary environmental cleanup. The site is approximately .6 miles from the Tukwila International Boulevard light rail station located within the 154th Street Station Plan area. The Station Area Plan adopted by the City in 2006 anticipates future mixed-use transit oriented development.

In 2005, prior to the City’s acquisition of the property, an analysis titled the “Riverton Heights School Site Re-Use Study” was completed by the Cascade Design Collaborative.

The analysis considered several alternative site plans with a variety of uses including:

- A Park and Fire Facility;
- Standard Single-family Housing with Lot Sizes of 7,200 square feet;
- Neighborhood Scale Mixed Use with Commercial, Single- and Multi-family Housing;
- Small Lot Single-family Housing at 1,500 square feet per lot; and,
- An Institutional Use, such as a Church.

Following the re-use study and analysis, the acquisition of the property was completed by the City.

Site Aerial, 2007



The approximately 8-acre parcel is located in a diverse residential neighborhood with both single-, and multi-family housing. According to the Minutes of the May 8, 2007 City Council meeting, the City acquired the property with the intent that a portion of the site would house a new fire station/training facility, a neighborhood park, or a combination of the two. Until the fire facilities become a reality, the entire site is available to meet other community needs. Additionally, the 5 – 6.5 acres remainder of the property could be dedicated to other community uses even after a fire facility is on site.

In 2010 and 2011 in an effort to better utilize the potential of the property and meet the diverse needs of the local community, the City completed a community-based planning effort to transform this site into a resource that offers valuable amenities to the community.

Site Aerial, 2012



The Riverton Heights Public Engagement Process, funded by the King Conservation District, helped develop a community-generated vision for the former school site which was accepted by the City Council in June, 2011. The process was directed by a 25-member steering group comprised of a broad range of stakeholders reflective of the community's makeup. The process successfully engaged the community to develop a broad conceptual site plan with over 150 participants attending some or all of the eight community meetings, including the steering group meetings.

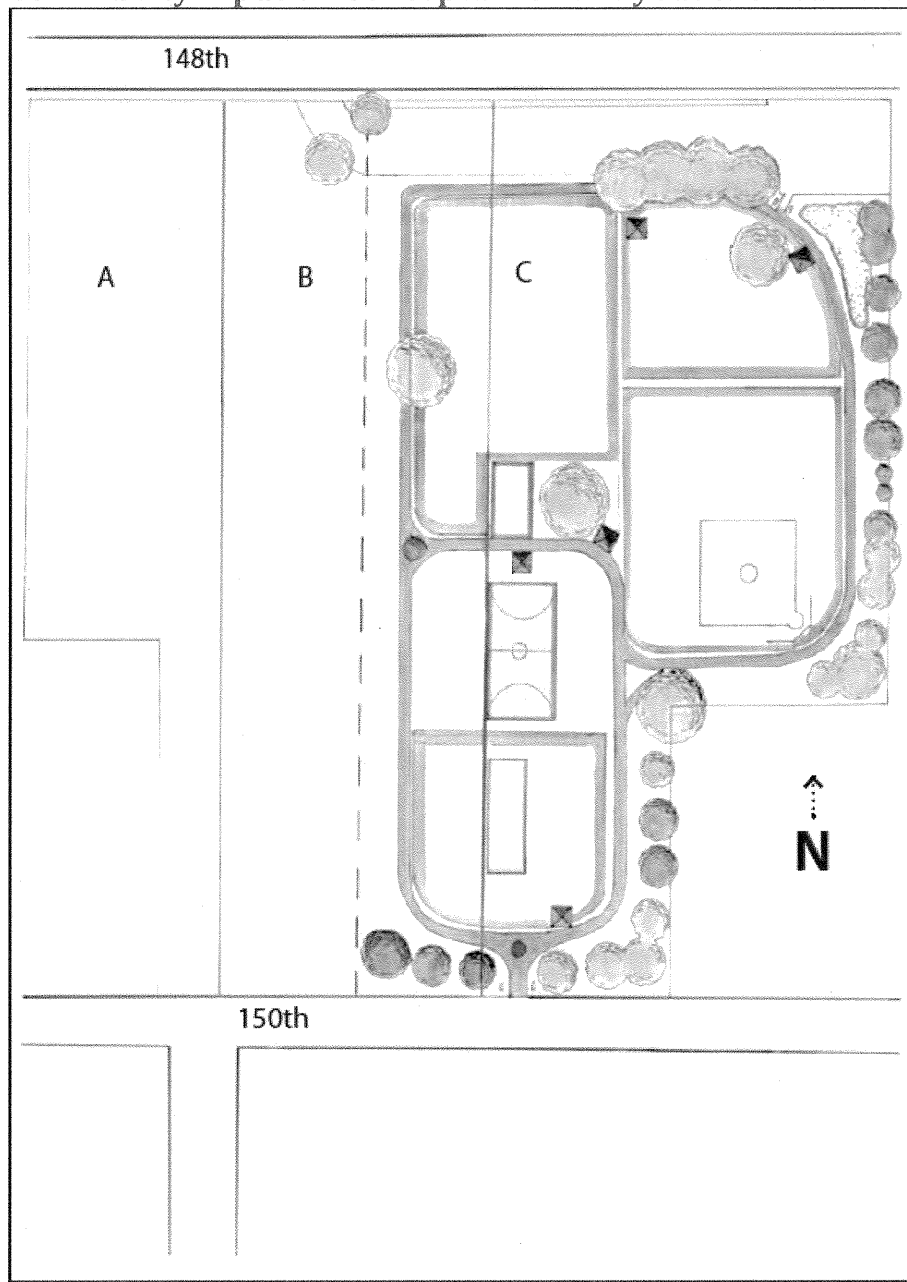
The following project criteria were agreed upon by the participants to guide their deliberations throughout the planning process.

- The process should consider all potential uses.
- The concepts should strive to make the area safe.
- It is imperative that the outcomes of the process balance the needs of the neighborhood with the needs of the larger community
- All potential uses must be mindful of the needs of the entire community, including children, families and many cultures.
- The ultimate plan should ensure it's healthy for the environment.
- And, if the preferred scenario is private ownership, the property should still offer some public use or benefit.

The conceptual site plan captures the community's input and vision for the entire site. The western section (A) was contemplated as a site for a future fire facility, the mid section (B) was to be explored for the feasibility as a mixed-use / housing development and the eastern section (C) was contemplated as a park.

For the purposes of the community discussion, the property was divided into three equal segments. When the selected option was determined the park component was increased to approximately half of the site - or four acres. The fire facility was allocated about two acres on the westernmost portion with the middle section conceived as a mixed-use or residential component of about two acres.

Community Input on Conceptual Site Layout & Circulation



Once the community identified these potential major uses for the site, focus was placed on identifying potential amenities for a future park, including: shelters, benches, gateways, plants, pathways, open play space, a frog pond, monument, baseball diamond, basketball court, model airplane landing strip, children's play area and parking.

Part II: What the Future May Hold

Phase Two Design and Site Plan

In June of 2011 the City Council directed staff to undertake a refinement of the as the initial concept plans and to consider a broader range of alternatives for the site. In May of 2011 the Berger Partnership was retained as the design team to complete the Phase Two Design and Site Plan. Subsequently, in November of 2011 Hlastala Consulting was added to the team for the purpose of undertaking an analysis of the potential for residential development on the site.

The purpose of the Phase Two Design and Site Planning project was to better define options for the design and site plan taking into consideration the actual space needs and most appropriate locations of potential components. The plan proposes implementation in semi-independent elements as funding, financing and the market allow.

Preparation of a refined and realistic site plan for Riverton Heights was an interesting process of discovery. The final mix of uses is substantially similar to the original community vision but the arrangement is quite different due to the actual space needs of each use and the need to create a workable dispersion of anticipated uses.

The original vision included a park, a fire station, and mixed-use residential/commercial. The retail/business element was removed from consideration for this site because the location would not be conducive to commercial establishments. The major factors in this decision were that the property is not on streets with sufficient traffic and the availability of commercial sites along International Boulevard and Military Road are more desirably located.

The land use for the 8-acre site was initially conceived by the Phase Two design team as follows:

- Park: 3 acres
- Fire Station: 2 acres
- Housing: 3 acres

It was later revised to:

- Park: 2 acres
- Fire station: 2 acres
- Housing: 3 acres
- Roads: 1 acre

Park

The creation of a neighborhood park that accommodates multiple activities and uses was the primary objective of the community. For this reason the location and configuration of the park was considered to be flexible throughout the planning process with the ultimate goal of providing a combination of active and passive uses. The plan as depicted envisions the creative use of materials and imagery reflective of the future potential planned uses of the site including the proposed future Fire Department facility. In part, the intent and focus of the proposed park improvements were that they be easily deconstructed and moved if or when future uses were decided upon and implemented.

Initial Development Concept



Potential Subsequent Development

- ① Park trails
- ② Basketball court
- ③ Play area
- ④ Shelter
- ⑤ Model airplane landing strip
- ⑥ Fireplug maze
- ⑦ Rain garden
- ⑧ Pea Patch
- ⑨ Challenge Course



Determination of the types, style and design of play structures, exercise “equipment”, benches and other park amenities will be determined through community engagement, professional input and the insight and perspective of the SeaTac Parks and Recreation Department, and ultimately of the City Council. Consideration will be given to the cost, functionality and durability of the proposed amenities.

Fire Facility

The location of the fire station and housing components influenced the layout of the site with the park location and configuration determined as the most flexible. Both north and south locations were explored for the fire station in consultation with Fire Department staff. The Riverton site is bordered by residential uses with the exception of the area on the southeast edge. Locating the fire station at this location reduces the potential impact of the fire station activity on the bordering residences. The southern location allows for 2 acres of space to be cleanly allocated, leaving the 6 northern acres for the park and potential future housing development. However the exact location of the prospective facility has not been established and will require further discussion.

Housing

Although the use of the site for residential development was a lower priority than the other identified uses it was necessary to undertake preliminary research into the viability of housing both in the current market and in the future. This is because it was a topic at several community meetings and was discussed at length. Apartments weren't given much consideration based upon input from the participants in the community meetings and because the neighborhood is currently primarily single family and this density was seen as too much of a contrast. However, single family housing seemed to be an acceptable option because it was already prevalent in the near vicinity.

Smaller lots allowed more flexibility in the layout and the introduction of a loop street that eliminated the fire turnaround. The loop configuration could create a neighborhood organized around a central park and provided for a higher unit count. A feasibility study of the housing established a target number of 80 units to get closer to a viable and financially feasible housing component.

The objective to have the housing and park work together resulted in a plan with the park centrally located. While some park area would potentially be decreased to allow for the potential housing use, the centrally located park proved a better solution. The townhouses could be configured to face the park and add to the safety and positive atmosphere of the park. The perimeter walkway around the park connects to the front walkway of each townhome and provides a walkable loop slightly less than ¼ mile. The basic park program includes a gathering space with a shelter, a children's play area, recreational basketball, and large central open space.

Potential Housing and Fire Features



The purpose of the housing analysis was to determine the feasibility of selling a portion of this site to a residential developer and to suggest a layout for a potential housing element.

Because it was favored by the community, the first consideration was a layout for 16 single family lots, each comprised of 7,200 sq. ft., which is consistent with the current zoning of the property. Also considered was a possible layout for up to 80 townhomes on 2.8 acres arranged around the to-be-developed park. For each of these two scenarios a proforma was created with estimated costs taken from other similar projects.

Several types and arrangements for the housing were considered. Single family lots at 7,200 SF (the current zoning) were arranged, but the site geometry made this a very inefficient layout so single family lots at 4,000-5,000 SF were considered. The challenge of single family lots was compounded by the need for a street with a turnaround for fire access. More efficiency in the layout was achieved by considering dwelling units with shared walls such as townhomes.

An assumed lot price of \$30,000 was used for the 7,200 sq. ft. lots and \$25,000 for the townhome lots. This would be very attractive pricing for lots of this kind in many other areas of King County. Cost proformas were developed for both scenarios estimating a total development cost of \$347,000 per detached home (sixteen 7,200 sq. ft. lots on 2.48 acres) and \$288,000 per townhome (80 lots on 2.8 acres).

The proformas include the cost of sales and a 15% profit margin and indicate that a detached home would need to be sold for approximately \$450,000 and the townhomes at about \$375,000. However, the median price for detached homes in this area are just over \$230,000, which is more than a \$100,000 below the cost estimates for construction of a new home. The current asking price for townhomes in Riverton Heights is also below \$250,000 which is also substantially below what the proforma indicates it would cost to build new townhomes.

Unfortunately even at these relatively low prices for such lots, the feasibility to develop either product on this site at this time does not exist. It was determined that the current market for residential housing in this location in Riverton Heights will not support a reasonable price for lots for either detached homes or even a much denser cluster of townhomes. This conclusion is based on a review the pricing of detached single family homes and attached townhomes currently for sale in the nearby area.

So, even with a much denser or more intensive townhome development plan the market conditions do not currently justify any positive value for residential lots. While the housing market and demand for lots across King County is currently improving prices are not expected to be at a level that would allow a developer to justify developing either detached or attached housing on this site in the foreseeable future.

With median homes values at just over \$230,000 and median incomes at \$44,000 at this time, the highest and best use for this site may be as a neighborhood park with sufficient land set aside for a future fire facility or residential development should the economy and financing allow for such scenarios.

Part III: The Plan Ahead:

One of the project goals is to provide the neighborhood with a park amenity prior to construction of the entire park. This can be met by implementing one or more of several steps after additional input from the community and direction from the City Council.

Among the options are to:

- Remove the school remnants such as paving, small structures, and vegetation.
- Clean up the future park area. Regrade as necessary and plant grass.
- Plant trees.
- Maintain the lawn and trees. Mow a central lawn area regularly and the perimeter area annually. Mow paths through the tall grass in the areas of future development.
- Provide picnic tables.
- Review city-owned surplus equipment (e.g., basketball poles or play equipment, benches, tables, banner poles, etc.) and install as appropriate.
- Install a park sign.

Proposed Pavement to be Removed

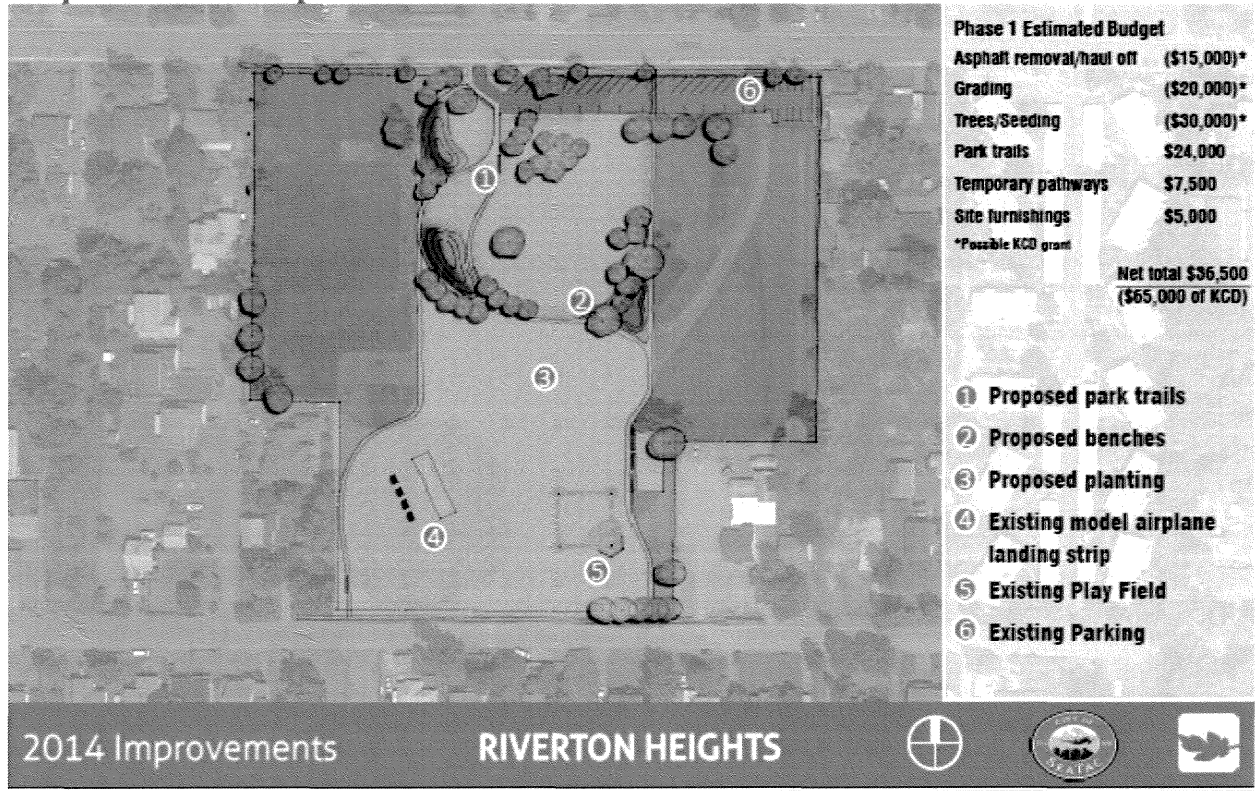


The Parks and Recreation Department would like to provide the neighborhood with some park improvements that could be completed in 2014. The project would start with applying for King

Conservation District funds designated for the City of SeaTac for the removal of the asphalt and gravel driveway shown in the first drawing below. The City Council would be presented with bids for the Park improvements for the asphalt removal, grading, top soil, hydro seeding, pathway installation, benches and trees.

Future improvements of the park design will need more community engagement, professional input and the insight and perspective of the SeaTac Parks and Recreation Department, landscape architect construction drawings, and ultimately the approval of the City Council.

Proposed 2014 Improvements



Summary

Based on the City Council’s acceptance of this report the following actions will occur:





- The Parks and Recreation Department can apply for funding from the King County Conservation District;
- The City can proceed with the initial park development proposal; and
- The Fire and Parks agencies can proceed to investigate other potential development features in the future, as appropriate.

SeaTac City Council
REQUEST FOR COUNCIL ACTION

Department Prepared by: Community & Economic Development

Agenda Bill #: **3558**

TITLE: A Motion authorizing the City Manager to execute a Property Management Agreement with Kidder Matthews for the purpose of providing services at the SeaTac Center.

<i>November 5, 2013</i>	
__ Ordinance __ Resolution <u>X</u> Motion __ Info. Only __ Other	
Date Council Action Requested:	<u>RCM 11-26-13</u>
Ord/Res Exhibits:	
Review Dates:	<u>CSS 11-12-13</u>
Prepared By:	<u>Jeff Robinson, Economic Development Manager</u>
Director:	<u></u> City Attorney: <u></u>
Finance:	<u></u> BARS #: <u>108.000.12.518.21.41.094</u>
City Manager:	<u></u> Applicable Fund Name: <u>Building Management Fund</u>

SUMMARY: This Motion authorizes the City Manager to execute an Agreement with Kidder Matthews for the purpose of providing property management services at the SeaTac Center.

DISCUSSION / ANALYSIS / ISSUES: Since the City began operating the SeaTac Center in 2010, Colliers International has provided all aspects of property management including repairs, maintenance, tenant relations, all aspects of accounting including the administration of accounts receivable and payable. After an annual review, staff determined it may be beneficial to seek requests for property management proposals from a selected group of firms, including Colliers. The City received four proposals and rated each prior to interviewing each firm. The proposals and the interviews were evaluated on:

- The firm's and the key staff's prior experience in managing comparable properties with a diverse tenant base in similar communities and neighborhoods;
- Their experience in managing publicly-owned property;
- The pricing structure for the basic and elective services;
- The ability to accommodate the City's financial reporting requirements and formats;
- The range of services offered and the ability to provide customization for the SeaTac Center; and
- The approach to establishing working relationships with the City and the existing tenants.

After both the proposal rating and the interview process were completed the decision was made to offer the contract to Kidder Matthews for an initial one-year period with automatic extensions if no termination notice is given or received.

RECOMMENDATION(S): It is recommended that the Motion be carried.

FISCAL IMPACT: The fee structure is comparable to that of the existing management firm which is a minimum monthly charge of \$3,000 or 3% of gross monthly income, whichever is greater. There is also a one-time set-up fee of \$4,000 paid in conjunction with the first month management fees. All fees are paid through the income generated from the property.

ALTERNATIVE(S): Do not carry this Motion and continue utilizing the services of Colliers for the property management functions.

ATTACHMENTS: 1. Agreement for Real Estate Management Services.

AGREEMENT FOR REAL ESTATE MANAGEMENT SERVICES

PROPERTY MANAGEMENT AGREEMENT ("Agreement") dated _____ 2013, between **City of SeaTac, A Washington Municipal Corporation** ("Owner") and **Kidder Mathews and Segner, Inc., a Washington corporation dba Kidder Mathews** ("Agent").

RECITALS

A. Owner is the owner of certain real property ("Property"), commonly known as **SeaTac Center** and located at **15247 International Blvd, SeaTac, WA 98188** consisting of one or more parcels and the improvements thereon having the characteristics described on Exhibit A-1 hereto.

B. Owner desires to engage Agent to provide property management services as Owner's exclusive managing agent to manage and operate the Property, and Agent is willing to accept such engagement, all as set forth in this Agreement.

AGREEMENTS

Owner and Agent agree as follows:

1. Engagement of Agent; Standard of Care; Duties. Owner hereby engages Agent to provide property management services for the Property as provided herein and Agent hereby accepts such engagement. Agent shall use diligent efforts to promote the interests of Owner in the performance of such property management services, and shall apply such level of care and skill as is at least commensurate with that prevailing in the industry in the vicinity of the Property. Agent shall have the duties set forth in this Section 1, and is granted all authority reasonably necessary to carry out such duties:

1.1 Leasing. Agent shall have no responsibility or obligation with respect to representing Owner in the marketing of the Property for sale or lease, preparation of lease documents, or qualification of prospective tenants, or any other duties with respect to marketing of the Property for sale or lease, unless provided for under separate agreement and except as provided herein. Agent shall reasonably cooperate with and assist Owner's designated representative in leasing the Property and shall keep Owner and Owner's designated representative apprised at all times of anticipated vacancies and Agent's communications with tenants concerning such tenants' intentions to exercise options to renew their Leases or to expand their premises. Agent shall not solicit or negotiate any Lease for space in the Property except in its capacity as Owner's leasing agent pursuant to a separate written agreement. All inquiries and requests received by Agent from or regarding any potential tenant or tenant representative shall be forwarded promptly to Owner and to Owner's designated representative. Owner shall sign all leases of space and related documents in the Property. Agent is not an attorney and is not qualified to provide legal advice or legal services. Owner shall retain appropriate legal counsel to negotiate, draft and finalize leases and related documentation at the Property. Owner hereby

authorizes Agent to incorporate relevant data from lease transactions at the Property into Agent's data base.

1.2 Tenant and Capital Improvements. Agent shall supervise the construction or installation of tenant improvements required under existing and new leases, and the construction and installation of capital improvements to the Property. Such supervision shall include development of project specifications; developing, managing and qualifying contractor and consultant bids and proposals; negotiating contractor and consultant contracts and finalizing contract documents; value engineering; coordinating activities of contractors and consultants; periodic site inspections; reviewing and approving draw requests; lien releases; and job close-out.

1.3 Collection of Revenue; Enforcement of Leases. Agent shall utilize its best efforts to collect all rents and all other charges and payments due from tenants under their leases. Agent shall determine tenants' respective responsibilities under their leases for operating expenses, common area maintenance charges, and similar items, shall collect the same from tenants as they become due, and shall perform any periodic reconciliation and adjustment of such payments and charges against actual expenses as may be required under tenants' leases. Agent shall take such actions as are appropriate to enforce the terms of leases, including the furnishing of notices of default to tenants and proceeding with such enforcement actions as are authorized by Owner.

1.4 Maintenance. Agent shall hire, discharge, supervise and pay all engineers, janitors, employees or consultants providing work, labor or services to the Property, shall purchase maintenance and cleaning supplies not provided by independent contractors as part of their services, and shall otherwise take such actions as are reasonably necessary to keep the Property clean, safe, neat and preserved in its present condition, reasonable wear and tear excepted. Except for Agent's employees, all such contracts, services, supplies and related purchases or payments made in conjunction with this Paragraph 1.4 shall be entered into and made by Agent in the name of Owner and on behalf of Owner and shall be an expense of the Property.

1.5 Security Deposits. Agent shall manage the collection, deposit, refund and retention of security deposits of tenants in accordance with the terms of their leases and applicable law.

1.6 Operating Account. Agent shall open and maintain a separate commercial checking account at a reputable bank in the name of Owner ("Operating Account"). Agent shall deposit all revenues collected from the Property into the Operating Account, shall have exclusive signature authority for such account and shall pay all expenses of the Property in accordance with this Agreement by checks drawn on such account. All activity charges and service charges associated with the Operating Account shall be paid from the Operating Account. Agent shall reconcile monthly statements from the Operating Account and shall furnish Owner with copies of all monthly statements for such account. Owner shall provide initial funding to the Operating Account sufficient to provide

for the payment of expenses related to Property until such time as income from the Property is adequate to fund such expenses.

1.7 Notices to Owner. Agent shall promptly furnish Owner with copies of all material notices received by Agent and affecting the ownership or operation of the Property.

1.8 Budgeting; Expenditure Authority. On or before October 31st of each calendar year, Agent shall prepare and furnish to Owner a proposed annual budget ("Budget") for the operation of the Property for the following calendar year, showing in reasonable detail all projected income and expenditures (including the funding of appropriate reserves for repairs and replacements) for the Property. Owner shall review and comment on the proposed Budget, and Owner and Agent shall use diligent efforts to resolve any objections to the proposed Budget by the commencement of the year. If the proposed Budget is not objected to or is revised with Owner's approval, it shall become the Budget for such year. If no Budget is so approved, Agent may operate under the proposed new Budget until final approval. Agent shall have the authority on behalf of Owner to make the expenditures and incur the obligations set forth in or reflected in the Budget. Agent shall not amend the Budget without Owner's approval, which shall not be unreasonably withheld. Agent shall also have the authority to make expenditures or incur obligations not provided for in the Budget provided that any such expenditure or obligation is (i) less than \$3,000.00 and is reasonably deemed by Agent to be necessary to the proper operation of the Property in accordance with this Agreement or (ii) reasonably deemed by Agent to be of an emergency nature and necessary to prevent personal injury or damage to property or the uninterrupted flow of utilities or other necessary services to the Property or a material default by Owner under any lease or other agreement or obligation of Owner in connection with the Property.

1.9 Debt Service; Taxes; Insurance. To the extent that the same is reflected in an approved Budget, Agent shall timely pay on behalf of Owner mortgage or other debt service obligations for the Property, real property taxes assessed against the Property and all premiums for liability and hazard insurance for the Property.

2. Duties of Owner. Owner shall have the duties set forth in this Section 2.

2.1 Owner's Representative. Owner hereby designates Jeff Robinson, Economic Development Manager as its Owner's Representative pursuant to Section 10.1 herein.

2.2 Responsibility for Costs and Expenses. To the extent that revenues from operation of the Property are insufficient to pay all costs and expenses of operating the Property, whether because revenues are less than anticipated or because of unanticipated expenses, Owner shall make deposits into the Operating Account from time to time as necessary to cover such costs, within 3 days after request from Agent. Such request shall describe in reasonable detail the nature and amount of the shortfall. Agent shall have no responsibility or obligation to advance its own funds to cover operating costs or

expenses of the Property. In the event Agent advances Agent's own funds to purchase supplies or materials for the Property in accordance with this Agreement, Owner shall reimburse Agent for such actual expenses plus interest. Agent shall have the right, but not the obligation, to decline to make any commitment or incur any obligation on behalf of the Owner without reasonable assurances that there will be funds in the Operating Account from revenues or from deposits by Owner to pay for such commitment or obligation.

2.3 Insurance. Owner shall carry at its expense (i) public liability, elevator liability, and general comprehensive liability insurance on the Property, and (ii) fire and casualty insurance on the Property. Such insurance shall name Agent as an additional insured, shall be adequate to protect their respective interests and shall be in a form, substance and amount approved by Agent, which approval shall not be unreasonably withheld. At Agent's request, Owner shall provide Agent with a Certificate of Insurance evidencing such coverage.

2.4 Property Books, Records, and Documents. Owner shall provide to Agent all books, records, plans, contracts, agreements, notes and other documents related to the Property necessary for Agent to perform Agent's duties hereunder, and Agent shall rely on such documents in connection with performing its duties hereunder.

3. Management Compensation. For its services, Agent shall be compensated as provided in this Section 3. The payment of such compensation shall be provided for in the Budget and shall be payable from the Operating Account.

3.1 Management Fee. For month's 1 through 3 during the Initial Term of this Agreement, Agent shall be paid a monthly Management Fee calculated as the greater of a Percentage Fee in the amount of Four Percent (4%) of all gross receipts, or a Minimum Fee of Four Thousand and 00/100 (\$4,000.00) per month. For month's 4 and beyond, Agent shall be paid a monthly Management Fee calculated as the greater of a Percentage Fee in the amount of Three Percent (3%) of all gross receipts, or a Minimum Fee of Three Thousand and 00/100 (\$3,000.00). The Management Fee shall be payable from the Property Operating Account no later than the twenty-fifth day of each month with respect to the gross receipts received that month. "Gross Receipts" shall mean all rents however denominated, including without limitation base rent, additional rent and percentage rent, vending machine revenues, common area charges and assessments, parking, pass-throughs for operating expenses and property taxes, lease termination fees attributable to rent, and all other similar revenues, but does not include any income or charges relating to periods before the commencement of Agent's services (unless such income or charges are collected by Agent on behalf of Owner), security deposits (unless and until applied to rent), or insurance or condemnation proceeds. The Minimum Fee shall be adjusted on each anniversary date of this Agreement to reflect the increase in the Consumer Price Index for Seattle-Tacoma-Bremerton, Washington, for the previous year. In no event shall the Minimum Fee be adjusted any less than 5% nor more than 8% per year.

3.2 Set-Up Costs. Agent shall receive the sum of Four Thousand Dollars and 00/100 (\$4,000.00) for costs incurred by Agent during the initial set up phase of the Property, including but not limited to, preparing specifications for bids and contracting for all service agreements for the Property, commencement of utility service, lease abstracting, meetings with Owner and tenants, data input, and accounting systems start up ("Set-up Fee"). The Set-up Fee shall be paid in conjunction with the first month management fee.

3.3 Reimbursable Expenses. Out-of-pocket expenses incurred specifically for the Property such as software licenses specific to Owner or Property requirements, photocopying or blueprint reproduction, document binding, specific supplies or forms required for report production, specific printing, mileage and travel (at prevailing IRS rates), long distance telephone, postage, courier or messenger services, express or overnight delivery services shall be reimbursed to Agent by Owner.

3.4. For Leasing Services: Agent shall have no duties or obligations for leasing the Property except as provided herein, and shall not be entitled to any compensation or fee for doing so unless provided for under separate agreement

3.5 Fees For Extra Services. Owner acknowledges that the services to be performed by Agent hereunder are normal and customary general property management services. If Agent is called upon by Owner to perform services beyond the scope of Sections 1 and 4 herein concerning matters such as, but not limited to: leasing services; supervising reconstruction after major fire damage; supervising major building renovation or remodeling; license fees and/or costs associated with accounting, budgeting, and reporting software other than Agent's standard; complying with new and burdensome governmental regulations affecting the Property that require additional administrative duties; participating in union negotiations; due diligence; environmental review and mitigation; property tax appeal; preparation of Property records for marketing, sale or refinancing; selection of listing agency for sale or lease; market analysis; financial analysis, administrative support, and underwriting for sale, lease or financing; appearance in court on behalf of Owner, delivery of deposition, and preparation for same; development feasibility and permitting;, and other matters outside the scope of Agent's regular duties under ("Extra Services"), then Agent shall be paid additional compensation as then agreed in writing between Owner and Agent under separate agreement.

3.6 Construction Supervision. For all tenant and capital improvement construction, remodeling or alteration work supervised by Agent pursuant to Article 1.2 above, Owner shall pay Agent a Construction Supervision Fee (whether such cost is paid by the Owner or by the tenant) applied to the total cost of such improvement calculated as follows; the Construction Supervision Fee shall be calculated as the total of each Fee % applied to each Job Cost increment:

<u>Job Cost</u>	<u>Fee %</u>
To \$100,000	5%
\$ 100,001 to \$ 500,000	4%
Over \$500,001	3%

Such fee for each construction, remodeling or alteration project shall be paid to Agent pro rata in accordance with periodic progress funding for the overall work. Work performed by Agent relative to the investigation, cost analysis, and feasibility of tenant and capital improvements that does not result in the project being implemented shall be considered Extra Services as described in Section 3.5 herein.

3.7. Building Engineering Services. Agent may utilize its own staff or unrelated contractors for building engineering and maintenance services. For such services provided by Agent's staff in 2013, Agent shall be paid Sixty Two Dollars and 00/100 (\$62.00) per hour for such services provided between the hours of 8:00 a.m. and 5:00 p.m. Monday through Friday (excluding holidays), and Ninety Three Dollars and 00/100 (\$93.00) per hour at all other times. Hourly rates for building engineering and maintenance services may be adjusted without notice. Fees paid for engineering and maintenance services shall be considered an expense to the Property and shall be paid from the Operating Account.

3.8 Past Due Amounts. All fees and compensation due Agent that are outstanding for thirty (30) days and later shall bear interest at the rate of 1 ½ % per month, except that fees and compensation due Agent that Agent is entitled to collect directly from the Operating Account shall not be subject to such interest unless the Operating Account has insufficient funds to pay Agent's fees and compensation.

3.9 Agent's Expenses and Employees. Excepting Reimbursable Expenses as described in Section 3.3, Agent shall pay its own expenses not directly related to management of the Property, including without limitation (i) all salaries and payroll and personnel expenses for all personnel of Agent, (ii) all rent and other occupancy expenses for Agent's own office space and all office overhead expenses, including without limitation expenses for cleaning, maintenance, office supplies and equipment, utilities, automobile and travel, entertainment, subscriptions, memberships and donations, telephone, and postage and (iii) normal expenses incurred in preparing the reports required under Section 4. If at any time during the Term or an extension of the Term or within twelve (12) months following the end of the initial or extended Term, Owner or any of Owner's managing principals hires any of Agent's employee(s), Owner shall pay Agent an amount equal to twenty five percent (25%) of such Employee's total annual compensation, including burden. This payment shall be in addition to any other compensation due hereunder and shall be due and payable upon such employee(s) entering the employ of Owner.

3.10 Taxes. Any sales tax, value-added tax, or other tax levied by local, state, or federal taxing authorities on any services to be provided by Agent as described herein shall be reimbursed by Owner to Agent.

4. Accounting and Reporting.

4.1 Records. Agent shall maintain proper accounting books and records concerning the operation of the Property and shall maintain all other documents pertaining to the Property that come into its possession at the Property or at Agent's office. Upon Owner's request, Agent shall promptly deliver any or all of such books, records or documents to Owner or such other persons or entities as Owner designates.

4.2 Monthly and Annual Reports. On or before the 15th day of each calendar month, Agent shall prepare and furnish to Owner a monthly statement package, including the reports listed on Exhibit B. Any distribution of excess operating account funds to Owner shall accompany the monthly operating statement package.

4.3 Reporting Software. If Owner any time in the future mandates a change in the computer software system for maintaining office records, books, accounts, and reports with respect to the Property, then Owner shall reimburse to Agent all costs incurred in connection with software upgrades, hardware upgrades, and training required for such new system).

4.4 Tax Returns. Except as is provided in Section 1.9, Agent shall not be responsible for the preparation of filing of any federal, state or local tax returns or the payment of any tax obligations for Owner or the Property.

5. Term and Termination. The term of this Agreement shall commence on January 1, 2014 and expire on December 31, 2014 (Initial Term). Following such Initial Term, this Agreement shall continue for successive one-year terms unless either party terminates this Agreement by written notice to the other on or before 60 days before the expiration of any such year. Such termination shall be effective at the end of such year. This Agreement may also be terminated by Owner by written notice to Agent at any time in the event of a material default by Agent in the performance of any of its duties or obligations under this Agreement, if such default has not been cured (i) within 20 days after written notice of default from Owner or, (ii) if the nature of such failure is such that it is not susceptible to cure within 20 days, within such longer period as is reasonably necessary to cure such default, provided Agent diligently and continuously carries out such cure.

6. Agent Indemnity. To the maximum extent permitted by law, Agent shall indemnify, hold harmless, protect and defend Owner, the officers, directors, employees, agents, contractors of each of them, from and against any and all demands, actions, fines, penalties, liabilities, losses, taxes, damages, injuries and expenses (including, without limitation, reasonable attorneys' fees and costs) (collectively the forgoing referred to herein as "Owners Damages") arising from third party claims to the extent arising out of or resulting from:

- (a) any failure of Agent to perform its obligations under this Agreement;
- (b) any acts of Agent beyond the scope of its authority under this Agreement; or
- (c) any gross negligence or willful misconduct of Agent

but only to the extent any of the foregoing are not insurable perils under the insurance policies that Owner is required to maintain under the terms of this Agreement. To the extent that circumstances or events described in clauses (a) through (c) are covered by the Owner's commercial general liability insurance, then Agent's obligations under this Section 6 shall apply

only to the extent the Owner's Damages are not fully paid by such Owner's commercial general liability insurance. If Owner fails to carry a commercial general liability insurance policy as required under this Agreement, then Agent shall not be liable to indemnify Owner hereunder for any Damages arising from or related to an insurable peril.

Damages under Section 6 shall not include any amount resulting from the Owner's (i) negligent acts or omissions, intentional acts or wrongful acts, or (ii) breach or failure of performance of this Agreement. The indemnification obligation stated herein shall survive the termination, cancellation, or expiration of this Agreement.

7. Owner Indemnity. To the maximum extent permitted by law, Owner shall protect, defend, indemnify and hold harmless Agent, and its officers, directors, employees, agents, contractors, from and against any and all Damages arising from third party claims to the extent arising out of or resulting from:

- (a) the performance by Agent of its obligations and duties hereunder in accordance with the terms hereof with respect to the Property; or
- (b) Ownership or operation of the Property.
- (c) any failure of Owner to perform its obligations under this Agreement.

Damages under Section 7 shall not include any amount resulting from the Agent's (i) negligent acts or omissions, intentional acts or wrongful acts, or (ii) breach or failure of performance of this Agreement. The indemnification obligation stated herein shall survive the termination, cancellation, or expiration of this Agreement.

8. Environmental Indemnification. Additionally and to the maximum extent permitted by law, Owner shall protect, defend, indemnify and hold harmless Agent, and its officers, directors, employees, agents, contractors from and against any and all Damages arising from third party claims with respect to adverse environmental conditions on the Property resulting from the presence of hazardous waste and/or Hazardous Substances on, under, adjacent to or otherwise affecting the Property, which is not the result of any act or omission of Agent which constitutes willful misconduct and/or gross negligence. For purposes of this Agreement, "Hazardous Substances" means any hazardous, toxic or dangerous waste, substance or material, pollutant or contaminant, as defined for purposes of the Comprehensive Environmental Response, Compensation and Liability Act of 1980 (42 U.S.C. Section 6901 et seq.), as amended ("CERCLA"), or the Resource Conservation and Recovery Act (42 U.S.C. Sections 6901 et seq.), as amended ("RCRA"), or any other federal, state or local law, ordinance, rule or regulation applicable to the Property, or any substance which is toxic, explosive, corrosive, flammable, infectious, radioactive, carcinogenic, mutagenic or otherwise hazardous, or any substance which contains gasoline, diesel fuel or other petroleum hydrocarbons, polychlorinated biphenyls (PCBs), radon gas, urea formaldehyde, asbestos, lead or electromagnetic waves. The indemnification provided by Owner under this Section 8 shall survive termination, expiration or cancellation, and not be subject to limitation on liability.

Owner will provide Agent copies of any reports on the environmental condition of the Property and/or that describe the environmental risks associated with the Property (e.g. asbestos surveys; groundwater assessments; Level I, II, or III environmental reports; etc.) that Owner has in its possession at any time throughout the Term.

9. Notices. All notices, requests, demands or other communications hereunder shall be in writing and shall be deemed to have been duly given (i) upon delivery in person or (ii) four days after deposit in the United States mail, postage prepaid, return receipt requested or (iii) upon transmission by facsimile, with receipt confirmed by the recipient, to the following addresses:

If to Owner:

Jeff Robinson
Economic Development Manager
City of SeaTac
48100 South 188th Street
SeaTac, WA 98188
Telephone: 206-793-4812
Email: jrobinson@ci.seatac.wa.us

If to Agent:

KIDDER MATHEWS
Attention: -D. Keith Kaiser
601 Union Street, Suite 4720
Seattle, Washington 98101
Telephone: 425-450-1130
Facsimile: 425-283-5793
Email: kkaiser@kiddermathews.com

or such other address as a party may designate in writing to the other.

10. Miscellaneous.

10.1. Owner's Representative. Owner hereby designates Jeff Robinson as its "Owner's Representative" with respect to Owner's authority hereunder. Owner's Representative is the person with whom Agent shall communicate, and provide notice as required under this Agreement regarding all issues pertaining to the Property. Such representative(s) shall have authority to act on behalf of Owner on any and all matters requiring action hereunder with regard to the Property. All decisions made by the Owner's Representative shall be binding on Owner until Agent has received written notice of Owner's termination of such delegation.

10.2 Information and Cooperation with Agent. Owner shall provide to Agent one set of copies of all files in its possession pertaining to the Property. Owner shall thereafter furnish Agent such information as may be reasonably requested by Agent from Owner, including the environmental reports described in Section 8. Owner shall otherwise provide full cooperation and assistance to Agent to permit and facilitate the orderly performance of Agent's duties under this Agreement. If Owner becomes aware of any violations of Laws or of any Environmental Liabilities relating to the Property, Owner shall promptly advise Agent.

10.3 Owner's Consent. Owner agrees to use its commercially reasonable efforts to respond to all matters requiring Owner's consent or approval herein within three (3) business days of Owner's receipt of such information from Agent for which Owner's consent or approval is required. Owner further acknowledges and agrees that Agent may rely upon the instruction, direction, approval and consent given by the Owner's Representative; and that any submissions for such approval or consent may be directed by Agent solely to the Owner's Representative; and that delivery or notice to the Owner's Representative shall be deemed effective delivery or notice to Owner.

10.4 Changes to Agreement. Owner may, at any time, by written notification to Agent, make changes within the general scope of the services to be performed under this Agreement in its sole discretion. If any such changes cause an increase or decrease in the cost of, or the time required for the performance of this Agreement, an equitable adjustment mutually agreed by the parties shall be made in the Management Fee, or period of performance, or both, and this Agreement shall be modified in writing accordingly. Failure to agree to any adjustment may result in termination of this Agreement by either party in accordance with the provisions of Section 5.

10.5 Assignment. This Agreement shall not be assigned or transferred by Agent without the prior written consent of Owner, which assignment shall not be unreasonably withheld. Owner's rights and obligations under this Agreement shall be transferred or assigned automatically in the event of a sale or other disposition of the Property by Owner. Unless otherwise agreed at the time of any such disposition, such transfer or assignment shall include transfer of ownership of the Operating Account, and Owner, Agent, and the new owner shall execute such account transfer or new account documents as are necessary to confirm or reflect such transfer.

10.6 Law of Real Estate Agency. Owner acknowledges that Agent has delivered a written copy of the Law of Real Estate Agency, attached hereto as Exhibit C.

10.7 Scope. Nothing contained in this Agreement shall be deemed or construed to require Agent to perform the services of attorneys, certified public accountants, architects, engineers, or other professionals requiring special licenses or make Agent responsible for the failure of the various professionals hired by Owner (or Agent on Owner's behalf) to properly perform or provide their services.

10.8 Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the State of Washington.

EXECUTED as of the date first above written.

“OWNER”

By _____
(Signature)

By _____
(Print Name)

“AGENT”

KIDDER MATHEWS & SEGNER, INC., DBA KIDDER MATHEWS

By _____
Jeffrey S. Lyon, CCIM, SIOR
Designated Broker
Chairman & CEO

EXHIBIT A-1

Description of Building or Buildings Covered by Agreement

Common Name of Building: **SeaTac Center**
Street Address: 15247 International Blvd
City: SeaTac, WA 98188
Date of Construction: 1954
Type of Construction: Wood Frame
of Stories: 2
Rentable Square Feet: 64,146

EXHIBIT A-2

Legal Description(s) of Property – Intentionally deleted

EXHIBIT B

Monthly Report Package

Variance Analysis
Budget Comparison Report
General Ledger
Balance Sheet
Check Register
Accounts Payable Distribution Report
Aging (delinquency) Report
Activity Reconciliation Report
Bank Statement
Statement Reconciliation Report
Rent Roll

EXHIBIT C

The Law of Real Estate Agency

The following describes your legal rights in dealing with a real estate broker or salesperson. Please read it carefully before signing any documents.

The following is only a brief summary of the attached law.

SECTION 1. Definitions. Defines the specific terms used in the law.

SECTION 2. Relationships between Licensees and the Public. States that a licensee who works with a buyer or tenant represents that buyer or tenant -- unless the licensee is the listing agent, a seller's subagent, a dual agent, the seller personally or the parties agree otherwise. Also states that in a transaction involving two different licensees affiliated with the same broker, the broker is a dual agent and each licensee solely represents his or her client - unless the parties agree in writing that both licensees are dual agents.

SECTION 3. Duties of a Licensee Generally. Prescribes the duties that are owed by all licensees, regardless of who the licensee represents. Requires disclosure of the licensee's agency relationship in a specific transaction.

SECTION 4. Duties of a Seller's Agent. Prescribes the additional duties of a licensee representing the seller or landlord only.

SECTION 5. Duties of a Buyer's Agent. Prescribes the additional duties of a licensee representing the buyer or tenant only.

SECTION 6. Duties of a Dual Agent. Prescribes the additional duties of a licensee representing both parties in the same transaction, and requires the written consent of both parties to the licensee acting as a dual agent.

SECTION 7. Duration of Agency Relationship. Describes when an agency relationship begins and ends. Provides that the duties of accounting and confidentiality continue after the termination of an agency relationship.

SECTION 8. Compensation. Allows brokers to share compensation with cooperating brokers. States that payment of compensation does not necessarily establish an agency relationship. Allows brokers to receive compensation from more than one party in a transaction with the parties' consent.

SECTION 9. Vicarious Liability. Eliminates the common law liability of a party for the conduct of the party's agent or subagent, unless the agent or subagent is insolvent. Also limits the liability of a broker for the conduct of a subagent associated with a different broker.

SECTION 10. Imputed Knowledge and Notice. Eliminates the common law rule that notice to or knowledge of an agent constitutes knowledge to or knowledge of the principal.

SECTION 11. **Interpretation.** This law replaces the fiduciary duties owed by an agent to a principal under the common law, to the extent that it conflicts with the common law.

SECTION 12. **Short Sale.** Prescribes an additional duty of a licensee representing the seller of owner-occupied real property in a short sale.

SECTION 1: DEFINITIONS.

Unless the context clearly requires otherwise, the definitions in this section apply throughout this chapter.

(1) "Agency relationship" means the agency relationship created under this chapter or by written agreement between a licensee and a buyer and/ or seller relating to the performance of real estate brokerage services by the licensee.

(2) "Agent" means a licensee who has entered into an agency relationship with a buyer or seller.

(3) "Business opportunity" means and includes a business, business opportunity, and goodwill of an existing business, or any one or combination thereof.

(4) "Buyer" means an actual or prospective purchaser in a real estate transaction, or an actual or prospective tenant in a real estate rental or lease transaction, as applicable.

(5) "Buyer's agent" means a licensee who has entered into an agency relationship with only the buyer in a real estate transaction, and includes sub-agents engaged by a buyer's agent.

(6) "Confidential information" means information from or concerning a principal of a licensee that:

(a) Was acquired by the licensee during the course of an agency relationship with the principal;

(b) The principal reasonably expects to be kept confidential;

(c) The principal has not disclosed or authorized to be disclosed to third parties;

(d) Would, if disclosed, operate to the detriment of the principal; and

(e) The principal personally would not be obligated to disclose to the other party.

(7) "Dual agent" means a licensee who has entered into an agency relationship with both the buyer and seller in the same transaction.

(8) "Licensee" means a real estate broker, associate real estate broker, or real estate salesperson, as those terms are defined in chapter 18.85 RCW.

(9) "Material fact" means information that substantially adversely affects the value of the property or a party's ability to perform its obligations in a real estate transaction, or operates to materially impair or defeat the purpose of the transaction. The fact or suspicion that the property, or any neighboring property, is or was the site of a murder, suicide or other death, rape or other sex crime, assault or other violent crime, robbery or burglary, illegal drug activity, gang-related activity, political or religious activity, or other act, occurrence, or use not adversely affecting the physical condition of or title to the property is not a material fact.

(10) "Owner-occupied real property" means real property consisting solely of a single-family residence, a residential condominium unit, or a residential cooperative unit that is the principal residence of the borrower.

(11) "Principal" means a buyer or a seller who has entered into an agency relationship with a licensee.

(12) "Real estate brokerage services" means the rendering of services for which a real estate license is required under chapter 18.85 RCW.

(13) "Real estate transaction" or "transaction" means an actual or prospective transaction involving a purchase, sale, option, or exchange of any interest in real property or a business opportunity, or a lease or rental of real property. For purposes of this chapter, a prospective transaction does not exist until a written offer has been signed by at least one of the parties.

(14) "Seller" means an actual or prospective seller in a real estate transaction, or an actual or prospective landlord in a real estate rental or lease transaction, as applicable.

(15) "Seller's agent" means a licensee who has entered into an agency relationship with only the seller in a real estate transaction, and includes subagents engaged by a seller's agent.

(16) "Subagent" means a licensee who is engaged to act on behalf of a principal by the principal's agent where the principal has authorized the agent in writing to appoint subagents.

SECTION 2: RELATIONSHIPS BETWEEN LICENSEES AND THE PUBLIC.

(1) A licensee who performs real estate brokerage services for a buyer is a buyer's agent unless the:

(a) Licensee has entered into a written agency agreement with the seller, in which case the licensee is a seller's agent;

(b) Licensee has entered into a subagency agreement with the seller's agent, in which case the licensee is a seller's agent;

(c) Licensee has entered into a written agency agreement with both parties, in which case the licensee is a dual agent;

(d) Licensee is the seller or one of the sellers; or

(e) Parties agree otherwise in writing after the licensee has complied with section 3(1)(f) of this act.

(2) In a transaction in which different licensees affiliated with the same broker represent different parties, the broker is a dual agent, and must obtain the written consent of both parties as required under section 6 of this act. In such a case, each licensee shall solely represent the party with whom the licensee has an agency relationship, unless all parties agree in writing that both licensees are dual agents.

(3) A licensee may work with a party in separate transactions pursuant to different relationships, including, but not limited to, representing a party in one transaction and at the same time not representing that party in a different transaction involving that party, if the licensee complies with this chapter in establishing the relationships for each transaction.

SECTION 3: DUTIES OF A LICENSEE GENERALLY.

(1) Regardless of whether the licensee is an agent, a licensee owes to all parties to whom the licensee renders real estate brokerage services the following duties, which may not be waived:

- (a) To exercise reasonable skill and care;
- (b) To deal honestly and in good faith;
- (c) To present all written offers, written notices and other written communications to and from either party in a timely manner, regardless of whether the property is subject to an existing contract for sale or the buyer is already a party to an existing contract to purchase;
- (d) To disclose all existing material facts known by the licensee and not apparent or readily ascertainable to a party; provided that this subsection shall not be construed to imply any duty to investigate matters that the licensee has not agreed to investigate;
- (e) To account in a timely manner for all money and property received from or on behalf of either party;
- (f) To provide a pamphlet on the law of real estate agency in the form prescribed in section 13 of this act to all parties to whom the licensee renders real estate brokerage services, before the party signs an agency agreement with the licensee, signs an offer in a real estate transaction handled by the licensee, consents to dual agency, or waives any rights, under section 2(1)(e), 4(1)(e), 5(1)(e), or 6(2)(e) or (f) of this act, whichever occurs earliest; and
- (g) To disclose in writing to all parties to whom the licensee renders real estate brokerage services, before the party signs an offer in a real estate transaction handled by the licensee, whether the licensee represents the buyer, the seller, both parties, or neither party. The disclosure shall be set forth in a separate paragraph entitled "Agency Disclosure" in the agreement between the buyer and seller or in a separate writing entitled "Agency Disclosure."

(2) Unless otherwise agreed, a licensee owes no duty to conduct an independent inspection of the property or to conduct an independent investigation of either party's financial condition, and owes no duty to independently verify the accuracy or completeness of any statement made by either party or by any source reasonably believed by the licensee to be reliable.

SECTION 4: DUTIES OF A SELLER'S AGENT.

(1) Unless additional duties are agreed to in writing signed by a seller's agent, the duties of a seller's agent are limited to those set forth in section 3 of this act and the following, which may not be waived except as expressly set forth in (e) of this subsection:

- (a) To be loyal to the seller by taking no action that is adverse or detrimental to the seller's interest in a transaction;
 - (b) To timely disclose to the seller any conflicts of interest;
 - (c) To advise the seller to seek expert advice on matters relating to the transaction that are beyond the agent's expertise;
 - (d) Not to disclose any confidential information from or about the seller, except under subpoena or court order, even after termination of the agency relationship; and
 - (e) Unless otherwise agreed to in writing after the seller's agent has complied with section 3(1)(f) of this act, to make a good faith and continuous effort to find a buyer for the property; except that a seller's agent is not obligated to seek additional offers to purchase the property while the property is subject to an existing contract for sale.
- (2) (a) The showing of properties not owned by the seller to prospective buyers or the listing of competing properties for sale by a seller's agent does not in and of itself breach the duty of loyalty to the seller or create a conflict of interest.
- (b) The representation of more than one seller by different licensees affiliated with the same broker in competing transactions involving the same buyer does not in and of itself breach the duty of loyalty to the sellers or create a conflict of interest.

SECTION 5: DUTIES OF A BUYER'S AGENT.

(1) Unless additional duties are agreed to in writing signed by a buyer's agent, the duties of a buyer's agent are limited to those set forth in section 3 of this act and the following, which may not be waived except as expressly set forth in (e) of this subsection:

- (a) To be loyal to the buyer by taking no action that is adverse or detrimental to the buyer's interest in a transaction;
- (b) To timely disclose to the buyer any conflicts of interest;
- (c) To advise the buyer to seek expert advice on matters relating to the transaction that are beyond the agent's expertise;
- (d) Not to disclose any confidential information from or about the buyer, except under subpoena or court order, even after termination of the agency relationship; and

(e) Unless otherwise agreed to in writing after the buyer's agent has complied with section 3(1)(f) of this act, to make a good faith and continuous effort to find a property for the buyer; except that a buyer's agent is not obligated to:

(i) seek additional properties to purchase while the buyer is a party to an existing contract to purchase; or

(ii) show properties as to which there is no written agreement to pay compensation to the buyer's agent.

(2) (a) The showing of property in which a buyer is interested to other prospective buyers by a buyer's agent does not in and of itself breach the duty of loyalty to the buyer or create a conflict of interest.

(b) The representation of more than one buyer by different licensees affiliated with the same broker in competing transactions involving the same property does not in and of itself breach the duty of loyalty to the buyers or create a conflict of interest.

SECTION 6: DUTIES OF A DUAL AGENT.

(1) Notwithstanding any other provision of this chapter, a licensee may act as a dual agent only with the written consent of both parties to the transaction after the dual agent has complied with section 3(1)(f) of this act, which consent must include a statement of the terms of compensation.

(2) Unless additional duties are agreed to in writing signed by a dual agent, the duties of a dual agent are limited to those set forth in section 3 of this act and the following, which may not be waived except as expressly set forth in (e) and (f) of this subsection:

(a) To take no action that is adverse or detrimental to either party's interest in a transaction;

(b) To timely disclose to both parties any conflicts of interest;

(c) To advise both parties to seek expert advice on matters relating to the transaction that are beyond the dual agent's expertise;

(d) Not to disclose any confidential information from or about either party, except under subpoena or court order, even after termination of the agency relationship;

(e) Unless otherwise agreed to in writing after the dual agent has complied with section 3(1)(f) of this act, to make a good faith and continuous effort to find a buyer for the property; except that a dual agent is not obligated to seek additional offers to purchase the property while the property is subject to an existing contract for sale; and

(f) Unless otherwise agreed to in writing after the dual agent has complied with section 3(1)(f) of this act, to make a good faith and continuous effort to find

a property for the buyer; except that a dual agent is not obligated to:

(i) seek additional properties to purchase while the buyer is a party to an existing contract to purchase; or

(ii) show properties as to which there is no written agreement to pay compensation to the dual agent.

(3) (a) The showing of properties not owned by the seller to prospective buyers or the listing of competing properties for sale by a dual agent does not in and of itself constitute action that is adverse or detrimental to the seller or create a conflict of interest.

(b) The representation of more than one seller by different licensees affiliated with the same broker in competing transactions involving the same buyer does not in and of itself constitute action that is adverse or detrimental to the sellers or create a conflict of interest.

(4) (a) The showing of property in which a buyer is interested to other prospective buyers or the presentation of additional offers to purchase property while the property is subject to a transaction by a dual agent does not in and of itself constitute action that is adverse or detrimental to the buyer or create a conflict of interest.

(b) The representation of more than one buyer by different licensees affiliated with the same broker in competing transactions involving the same property does not in and of itself constitute action that is adverse or detrimental to the buyer or create a conflict of interest.

SECTION 7: DURATION OF AGENCY RELATIONSHIP.

(1) The agency relationships set forth in this chapter commence at the time that the licensee undertakes to provide real estate brokerage services to a principal and continue until the earliest of the following:

(a) Completion of performance by the licensee; (b) Expiration of the term agreed upon by the parties;

(c) Termination of the relationship by mutual agreement of the parties; or

(d) Termination of the relationship by notice from either party to the other. However, such a termination does not affect the contractual rights of either party.

(2) Except as otherwise agreed to in writing, a licensee owes no further duty after termination of the agency relationship, other than the duties of:

(a) Accounting for all moneys and property received during the relationship; and

(b) Not disclosing confidential information.

SECTION 8: COMPENSATION.

- (1) In any real estate transaction, the broker's compensation may be paid by the seller, the buyer, a third party, or by sharing the compensation between brokers.
- (2) An agreement to pay or payment of compensation does not establish an agency relationship between the party who paid the compensation and the licensee.
- (3) A seller may agree that a seller's agent may share with another broker the compensation paid by the seller.
- (4) A buyer may agree that a buyer's agent may share with another broker the compensation paid by the buyer.
- (5) A broker may be compensated by more than one party for real estate brokerage services in a real estate transaction, if those parties consent in writing at or before the time of signing an offer in the transaction.
- (6) A buyer's agent or dual agent may receive compensation based on the purchase price without breaching any duty to the buyer.
- (7) Nothing contained in this chapter negates the requirement that an agreement authorizing or employing a licensee to sell or purchase real estate for compensation or a commission be in writing and signed by the seller or buyer.

SECTION 9: VICARIOUS LIABILITY.

- (1) A principal is not liable for an act, error, or omission by an agent or subagent of the principal arising out of an agency relationship:
 - (a) Unless the principal participated in or authorized the act, error, or omission; or
 - (b) Except to the extent that:
 - (i) the principal benefited from the act, error, or omission; and
 - (ii) the court determines that it is highly probable that the claimant would be unable to enforce a judgment against the agent or subagent.

(2) A licensee is not liable for an act, error, or omission of a subagent under this chapter, unless the licensee participated in or authorized the act, error or omission. This subsection does not limit the liability of a real estate broker for an act, error, or omission by an associate real estate broker or real estate salesperson licensed to that broker.

SECTION 10: IMPUTED KNOWLEDGE AND NOTICE.

(1) Unless otherwise agreed to in writing, a principal does not have knowledge or notice of any facts known by an agent or subagent of the principal that are not actually known by the principal.

(2) Unless otherwise agreed to in writing, a licensee does not have knowledge or notice of any facts known by a subagent that are not actually known by the licensee. This subsection does not limit the knowledge imputed to a real estate broker of any facts known by an associate real estate broker or real estate salesperson licensed to such broker.

SECTION 11: INTERPRETATION.

This chapter supersedes only the duties of the parties under the common law, including fiduciary duties of an agent to a principal, to the extent inconsistent with this chapter. The common law continues to apply to the parties in all other respects. This chapter does not affect the duties of a licensee while engaging in the authorized or unauthorized practice of law as determined by the courts of this state. This chapter shall be construed broadly.

SECTION 12: SHORT SALE.

When the seller of owner-occupied residential real property enters into a listing agreement with a real estate licensee where the proceeds from the sale may be insufficient to cover the costs at closing, it is the responsibility of the real estate licensee to disclose to the seller in writing that the decision by any beneficiary or mortgagee, or its assignees, to release its interest in the real property, for less than the amount the borrower owes, does not automatically relieve the seller of the obligation to pay any debt or costs remaining at closing, including fees such as the real estate licensee's commission.

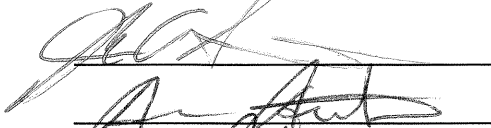
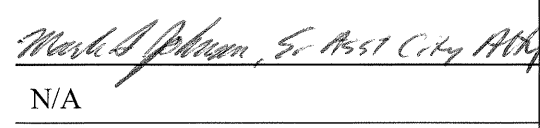
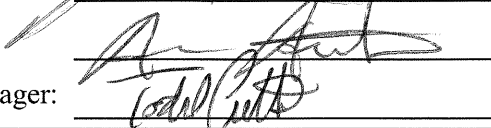

SeaTac City Council REQUEST FOR COUNCIL ACTION

Department Prepared by: Community & Economic Development

Agenda Bill #:3562

TITLE: A Resolution authorizing the City Manager to execute a Development Agreement between the City of SeaTac and Park-N-Jet, LLC.

November 6, 2013

<input type="checkbox"/> Ordinance <input checked="" type="checkbox"/> Resolution <input type="checkbox"/> Motion <input type="checkbox"/> Info. Only <input type="checkbox"/> Other	
Date Council Action Requested: <u>RCM 11/26/13</u>	
Ord/Res Exhibits: <u>Exhibit A – Proposed Development Agreement</u>	
Review Dates: <u>CSS 11/12/13</u>	
Prepared By: <u>Albert Torrico, Senior Planner and Jeff Robinson, Economic Development Manager</u>	
Director: 	City Attorney: <u>Mark S Johnson, Sr. Asst City Atty</u> 
Finance: 	BARS #: <u>N/A</u>
City Manager: 	Applicable Fund Name: <u>N/A</u>

SUMMARY: The proposed Resolution authorizes the City Manager to execute a Development Agreement between the City of SeaTac and Park-N-Jet, LLC.

DISCUSSION / ANALYSIS / ISSUES: In July 2012, Park-N-Jet, LLC’s request to rezone three parcels located at 18420 8th Avenue South from Industrial and Business Park to Community Business was approved. The purpose of the rezone was to enable the expansion of their current park-n-fly operation by 467 stalls for a total of 707. The rezone also helps facilitate the future redevelopment of the site when State Route (SR) 509 extension is constructed.

The proposed Development Agreement would allow the site to be developed in the short-term with an expanded park-n-fly operation and grant four (4) temporary departures from the SeaTac Municipal Code in exchange for a public benefit of equal or greater value. These departures and public benefits are summarized below.

Departures:	Benefits:
Depart from providing at least ten percent (10%) of the interior parking area with landscaping when the total number exceeds twenty (20) parking stalls (SMC 15.14.090 (A)).	<ul style="list-style-type: none"> • Since Park-N-Jet, LLC will not have to construct and install interior landscaping, the 56 trees that would otherwise be required will be provided to the City in the form of a monetary equivalent. Park-N-Jet, LLC will transfer funds to the City in the amount of \$19,622.40, which includes material, labor and sales tax for 56 trees. <i>These trees will be available to plant on City owned property, street trees within City right-of-ways or at City parks.</i> • Park-N-Jet, LLC will extend and construct off-site improvements along 8th Avenue South. These improvements include curb, gutter, sidewalk and extending sidewalk to the existing crosswalk at 8th Avenue South. These improvements are outside the project area and would not otherwise be required under the Municipal Code. These improvements have an estimated value of \$48,612.23. • <i>The combined value of cash and frontage improvements is \$68,234.63 as a public benefit.</i>
Depart from provide at least one (1) interior landscape island for every seven (7) stalls within the parking lot (SMC 15.14.090 (B)).	
Depart from providing at least one (1) tree in each landscape island (SMC 15.14.090 (C)).	
Depart from providing pedestrian circulation through surface parking lots (SMC 15.15.140 A-F).	

For the purposes of the Development Agreement, “redevelopment is defined as the increase in the current land use to a more intensive utilization of the subject parcels including but not limited to the construction and placement of permanent structures on the site or structured parking facilities.” Expanding the current park-n-fly operation under the Community Business zone is an allowed use, but requires the site to be brought up to current standards.

The engineering plans (Exhibit B) are currently under review by the Engineering Division. Once these plans have been approved, the Development Agreement can be executed.

The Development Agreement includes a non-performance clause of \$100,000 and has a term of 20 years (December 31, 2033). Since this Agreement is linked to the construction of SR 509, if SR 509 is not extended within the term of the Agreement, Park-N-Jet, LLC and the City may negotiate a mutually agreed extension.

RECOMMENDATION(S): It is recommended that the City Council pass the proposed Resolution.

FISCAL IMPACT: \$68, 234.63 back to the City in cash and frontage improvements.

ALTERNATIVE(S): Do not pass the Resolution.

ATTACHMENTS: None.

RESOLUTION NO. _____

A RESOLUTION of the City Council of the City of SeaTac, Washington, authorizing the City Manager to enter into Development Agreement with Park-N-Jet, LLC.

WHEREAS, RCW 36.70B.170 through 36.70B.200 and SMC 15.05.057 authorize the City to enter into Development Agreement with persons or entities having ownership or control of real property within the City; and

WHEREAS, notice was published and mailed to surrounding owners pursuant to SMC 16.07.030, and the Council having held a public hearing on November 26, 2013; and

WHEREAS, the Council finds the proposed Development Agreement satisfies the criteria of SMC 15.22.055 and remains generally consistent with current City development regulations and that the departures therefrom are offset by benefits to be received by the City;

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF SEATAC, WASHINGTON HEREBY RESOLVES as follows:

1. The City Manager is authorized to execute, on behalf of the City, a Development Agreement with Park-N-Jet, LLC, generally in the form attached to this Resolution as Exhibit A; and
2. The City Clerk shall cause the fully executed document to be filed with the King County Recorder, consistent with the terms of RCW 36.70B.190 and the Development Agreement.

PASSED this _____ day of _____, 2013 and signed in authentication thereof on this _____ day of _____, 2013.

CITY OF SEATAC

Tony Anderson, Mayor

ATTEST:

Kristina Gregg, City Clerk

Approved as to Form:

Mary E. Mirante Bartolo, City Attorney

[Park-N-Jet, LLC Development Agreement]

FINAL DRAFT

DEVELOPMENT AGREEMENT BETWEEN PARK-N-JET, LLC and THE CITY OF SEATAC, WASHINGTON

Pursuant to the authority granted by RCW 36.70B.170 through 210, the city of SeaTac, a Washington municipal corporation (“City”) and Park-N-Jet, LLC, a Washington limited liability corporation (“Owner”), enter into the following agreement to promote development of certain real property located within the City, upon the following terms and conditions (“Agreement”).

1.0. RECITALS

1.1 Location of the Property. The real property is subject to this agreement is located at 18420 8th Avenue South, SeaTac, Washington. This agreement covers parcel(s) 322304-9049, 322304-9113, and 322304-9081 as shown in *Exhibit A*.

1.2 Use of the Property. Park-N-Jet, LLC currently uses the property for “public/private parking” which is an allowed use under the Community Business (CB-C) zone.

1.3 Consistency with Development Regulations. The proposed use of the property by Park-N-Jet, LLC is permitted and will be generally consistent with current City development regulations, and the departures therefrom provided by this Agreement are offset by the public benefits to be received from Park-N-Jet, LLC.

1.4 Council Approval. Pursuant to RCW 36.70B.200 and Sections 15.22.055 and 16.07.030 of the SeaTac Municipal Code (“SMC”), a public hearing has been held before the City Council and the Council has enacted a Resolution authorizing the City manager to enter into this Agreement.

1.5 Other Applicable Standards. Unless otherwise specified herein, all other applicable City standards shall be met.

2.0. BENEFITS

2.1 Benefits to City. The City recognizes that the following benefits will accrue from the use and development of the property as proposed by Park-N-Jet, LLC:

a. Since Park-N-Jet, LLC will not have to construct and install interior landscaping, the 56 trees that would otherwise be required will be provided to the City in the form of a monetary equivalent. Park-N-Jet, LLC will within 90 days of the execution of this Agreement transfer funds to the City in the amount of \$19,622.40, which includes material, labor and sales tax for 56 trees.

b. Park-N-Jet, LLC will extend and construct off-site street improvements along 8th Avenue South on or before December 31, 2014, as a public benefit. The off-site improvements include curb, gutter and sidewalk adjacent to parcel numbers 322304-9113 and 322304-9081 and sidewalk extending to the existing crosswalk at 8th Avenue South adjacent to parcel number 322304-9141. These improvements, which are outside the project area, would not otherwise be required under the Municipal Code as substantially described in Exhibit B, will be included with frontage improvements that are required by the SeaTac Municipal Code Chapter 13.200. The combination of both types of improvements will extend curb, gutter and sidewalk for approximately 618 lineal feet (LF) and an additional 160 lineal feet (LF) of sidewalk improvements. These additional improvements have an estimated value of \$48,612.23. The combined value of cash and frontage improvements is \$68,234.63 as a public benefit.

3.0. TEMPORARY DEPARTURE FROM LANDSCAPE STANDARDS

The following temporary departures to SeaTac Municipal Code (SMC) 15.14.090 Landscaping of Surface Parking Areas are granted, subject to the terms of this Agreement.

3.1 The Owner does not have to provide at least ten percent (10%) of the interior parking area with landscaping when the total number exceeds twenty (20) parking stalls, per SeaTac Municipal Code 15.14.090 (A).

3.2 The Owner does not have to provide at least one (1) interior landscape island for every seven (7) parking stalls within the parking lot, per SeaTac Municipal Code 15.14.090 (B).

3.3 The Owner does not have to provide at least one (1) tree in each landscape island, per SeaTac Municipal Code 15.14.090 (C).

3.4 The Owner is granted a temporary departure from Sections A through F of SeaTac Municipal Code 15.15.140 – Pedestrian Circulation Through Surface Parking Lots.

4.0. TERM

4.1 Because the redevelopment of the site is expected by December 31, 2033, the City agrees to grant a temporary departure from SMC 15.14.090 and SMC 15.15.140, as outlined in Section 3.0.

4.2 In the event that the Washington State Department of Transportation does not construct State Route (SR) 509 adjacent to or in close proximity to the Park-N-Jet, LLC site by the December 31, 2033 term of this Agreement then Park-N-Jet, LLC may delay application and redevelopment of the site and request an extension in writing from the City for mutually agreed upon period of time.

4.3 For the purpose of this Agreement, redevelopment is defined as the increase in the current land use to a more intensive utilization of the subject parcels including but limited to the construction and placement of permanent structures on the site or structured parking facilities.

4.4 At any time during the term of this Agreement, Park-N-Jet, LLC has the option to install interior landscaping to comply with the SeaTac Municipal Code in existence at the time this Agreement is approved by the City Council. Upon completion of the installation and inspection by the City of the interior landscaping, the City will deem this Development Agreement to be fulfilled. However, in such case, there will be no reimbursement or credit given for any payments transferred to the City pursuant to this Development Agreement.

4.5 In the event Park-N-Jet, LLC does not redevelop the site in accordance with this Development Agreement or has executed an extension to this Agreement, the City shall have the right to declare that Park-N-Jet, LLC has not performed and is in default. If the default is not timely cured, then this Agreement shall automatically terminate and Park-N-Jet, LLC shall be assessed a non-performance penalty of \$100,000.00.

5.0. GENERAL OBLIGATIONS

5.1 Unless otherwise specified herein, all applicable city standards shall be met.

5.2 In the event that this Agreement is terminated due to non-performance, all required and agreed to frontage and site improvements shall be constructed in conformance with the Municipal Code in existence at the time this Agreement is terminated.

5.3 Park-N-Jet, LLC shall apply for a business license within thirty (30) days of the City Council approval of the Agreement, which shall be processed and not unreasonably delayed or withheld.

5.4 This Agreement, once approved by the City Council and executed by Park-N-Jet, LLC shall be filed as a matter of public record in the office of the King County Recorder and shall be in the nature of a covenant running with the land and premises.

5.5 This Agreement shall be governed by and interpreted in accordance with the laws of the State of Washington.

5.6 This Agreement shall be binding upon and inure to the benefit of Park-N-Jet, LLC and its successors or assignees. The City acknowledges that Park-N-Jet, LLC shall have the right to assign and transfer all or a portion of the interests, rights and obligations under this Agreement to other parties acquiring an interest or estate in the Park-N-Jet, LLC Property. Consent by the City shall not be required for any transfer of rights pursuant to this Agreement.

5.7 If any provision of this Agreement is determined to be unenforceable or invalid by a court of law, then the Development Agreement shall thereafter be modified to implement the intent of the parties to the maximum extent allowable under law.

5.8 This Agreement shall not be modified or amended except through written approval by the City as authorized by the City Council and Park-N-Jet, LLC or their respective successor's interest.

5.9 Each party hereto shall cooperate with the other in good faith to achieve the objectives of this Agreement. The parties shall not unreasonably withhold requests for information, approvals or consents provided for, or implicit, in this Agreement.

5.10 Park-N-Jet, LLC agrees that in the event of a proposed sale, gift, transfer, segregation, assignment or other conveyance of the Property, Park-N-Jet, LLC shall disclose the existence of this Agreement to the interested party. Park-N-Jet, LLC also agrees that, upon closing a sale, gift, transfer, segregation, assignment or other conveyance of the Property, Park-N-Jet, LLC shall give notice to the City.

5.11 This Agreement represents the entire agreement of the parties with respect to the subject matter hereof. There are no other agreements, oral or written, except as expressly set forth herein.

5.12 All communications, notices and demands of any kind which a party under this Agreement is required or desires to give to any other party shall be in writing and be either (1) delivered personally, (2) sent by facsimile transmission with an additional copy mailed first class, or (3) deposited in the U.S. mail, certified mail postage prepaid, return receipt requested, and addressed as follows:

If to the City: City of SeaTac
 4800 S. 188th Street
 SeaTac, WA 98188
 Attn: City Manager

If to Owner: Park-N-Jet, LLC
 Attn: Jag Basra
 P. O. Box 2127
 Kirkland, WA 98083

Notice by hand delivery or facsimile shall be effective upon receipt. If deposited in the mail, notice shall be deemed received 48 hours after deposit. Any party at any time by notice to the other party may designate a different address or person to who such notice shall be given.

6.0. DISPUTE RESOLUTION

6.1 Party Consultation. In the event of any dispute as to the interpretation or application of the terms or conditions of this Agreement, a representative of Park-N-Jet, LLC, and the City Manager shall meet within ten (10) business days after request from any party for the purpose of attempting in good faith to resolve the dispute. The meeting may, by mutual agreement, be continued to a date certain in order to include other parties or persons, or to obtain additional information.

6.2. Mediation. If mediation is requested by either party, the City and Park-N-Jet, LLC shall proceed expeditiously and shall promptly respond to the requests of the mediator. Either the City

City of SeaTac and Park-N-Jet, LLC Development Agreement

or Park-N-Jet, LLC may terminate mediation by written notice to the other if the mediation has not successfully concluded within sixty (60) days after request for mediation.

6.3. Judicial Process. In the event that a dispute cannot be resolved by the foregoing methods, any aggrieved party may commence an action in King County Superior Court, as may be allowed by law and court rules.

IN WITNESS WHEREOF, the undersigned have set their hands the day and date set out next to their signatures.

DATE: _____

PARK-N-JET, LLC,
a Washington limited liability corporation

By _____

DATE: _____

CITY OF SEATAC

By _____
Todd Cutts, City Manager

Approved as to Form:

Mary Mirante Bartolo, City Attorney

LEGAL DESCRIPTION

PARCEL B

THAT PORTION OF THE NORTH 200 FEET OF THE SOUTH 300 FEET OF THE SOUTH HALF OF THE SOUTHWEST QUARTER OF THE NORTHEAST TOWNSHIP 23 NORTH, RANGE 4 EAST, W.M., IN KING COUNTY, WASHINGTON, LYING WESTERLY OF DES MOINES WAY;
 EXCEPT THE WESTERLY 20 FEET THEREOF, CONVEYED TO KING COUNTY FOR 8TH AVENUE SOUTH BY DEED RECORDED UNDER RECORDING NO. 742870;
 AND EXCEPT THOSE PORTIONS CONVEYED TO THE STATE OF WASHINGTON, AND KING COUNTY FOR DES MOINES WAY SOUTH BY DEEDS R 1 JULY 1, 1971 UNDER RECORDING NOS. 528787A AND 71070105S;
 TOGETHER WITH THAT PORTION OF THE NORTH 100 FEET OF THE SOUTH 400 FEET OF THE SOUTH HALF OF THE SOUTHWEST QUARTER C OF SECTION 32, TOWNSHIP 23 NORTH, RANGE 4 EAST, W.M., IN KING COUNTY, WASHINGTON, LYING WESTERLY OF DES MOINES WAY;
 EXCEPT THE WESTERLY 20 FEET THEREOF, CONVEYED TO KING COUNTY FOR 8TH AVENUE SOUTH BY DEED RECORDED UNDER RECORDING NO. 143328;
 EXCEPT THAT PORTION CONVEYED TO KING COUNTY FOR ROAD PURPOSES BY DEED RECORDED UNDER RECORDING NO. 528484; AND
 EXCEPT THAT PORTION FOR 8TH AVENUE SOUTH, CONTAINED IN KING COUNTY SUPERIOR COURT NO. 742870;
 AND EXCEPT THOSE PORTIONS CONVEYED TO KING COUNTY AND THE STATE OF WASHINGTON, FOR DES MOINES WAY SOUTH BY DEEDS R 1 JULY 1, 1971 UNDER RECORDING NOS. 528787A AND 71070105S.

PARCEL C

THE SOUTH 100 FEET IN WIDTH OF THAT PORTION OF THE SOUTH HALF OF THE SOUTHWEST QUARTER OF THE NORTHEAST QUARTER OF SECTION 32, TOWNSHIP 23 NORTH, RANGE 4 EAST, W.M., IN KING COUNTY, WASHINGTON, LYING SOUTHWESTERLY OF DES MOINES WAY;
 EXCEPT THE WEST 20 FEET THEREOF, CONVEYED TO KING COUNTY FOR ROAD PURPOSES BY DEED RECORDED UNDER RECORDING NO. 143328;
 EXCEPT THAT PORTION CONVEYED TO KING COUNTY FOR ROAD PURPOSES BY DEED RECORDED UNDER RECORDING NO. 528484; AND
 EXCEPT THAT PORTION CONVEYED BY THE STATE OF WASHINGTON IN KING COUNTY SUPERIOR COURT CAUSE NUMBER 742870; AND
 EXCEPT THAT PORTION CONVEYED TO THE CITY OF SEACAC BY RECORDING NO. 830460A-S.

PARCEL D

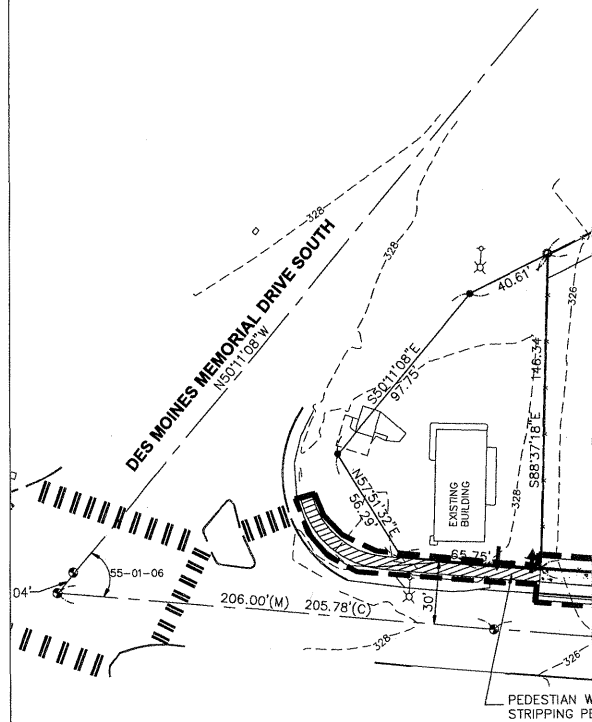
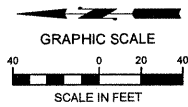
THE NORTH HALF OF THE NORTHWEST QUARTER OF THE NORTHWEST QUARTER OF THE SOUTHWEST QUARTER OF SECTION 32, TOWNSHIP 23 NORTH, RANGE 4 EAST, W.M., IN KING COUNTY, WASHINGTON;
 EXCEPT THE EAST 132 FEET;
 EXCEPT THE WEST 20 FEET THEREOF CONVEYED TO KING COUNTY FOR ROAD BY DEED RECORDED UNDER RECORDING NO. 1720800;
 AND EXCEPT THAT PORTION CONVEYED TO STATE OF WASHINGTON RECORDED JULY 8, 1972 UNDER RECORDING NO. 720706301 FOR HIGHWAY.

DATUM

NAVD83
 SURVEY CONTROL DATABASE - POINT ID: 823
 FOUND 1" DISC WITH PUNCH SET IN CONCRETE 1.72' DOWN FROM MONUMENT CASE RIM BETWEEN 17431 AND 17434 1ST PLACE SOUTHWEST - 3 FEET EAST OF CENTERLINE
 ELEVATION = 279.440

BASIS OF BEARINGS

N09°51'16"W ALONG THE MONUMENTED CENTERLINE OF 8TH AVENUE SOUTH



PROJECT CONTACT LIST:

CONTACT/APPLICANT JAG BASRA
 PO BOX 2127
 KIRKLAND, WA 98083
 PHONE: (206) 235-9000

CIVIL ENGINEER: LITCHFIELD ENGINEERING
 12840 91ST AVENUE N.E.
 KIRKLAND, WASHINGTON 98033
 CONTACT: KEITH LITCHFIELD, P.E.
 PHONE: (425) 821-5038

SURVEYOR: ALLIED LAND SURVEYING, INC.
 20611 BOTHELL-EVERETT HWY, #E216
 BOTHELL, WASHINGTON 98012
 PHONE: 425-885-7877

GEOTECHNICAL ENGINEER: JASON ENGINEERING & CONSULTING
 BUSINESS, INC.
 P.O. BOX 181
 AUBURN, WASHINGTON 98071
 PHONE: 206-786-8645

SITE CALCULATIONS:

EXISTING SITE AREA: 134,014 SF 3.08 AC
 LESS PROPOSED R/W TO BE DEEDED: 3,185 SF 0.073 AC
 NET SITE AREA: 130,829 SF 3.00 AC

LANDSCAPING CALCULATIONS:

PROPOSED LANDSCAPING AREAS

10' TYPE III STREET FRONTAGE
 8TH AVE. S.: 3,118 SF
 10' TYPE II REAR EAST PL.: 3,256 SF
 10' TYPE II SIDE SOUTH PL.: 4,217 SF

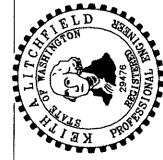
ONSITE PARKING LANDSCAPING PROVIDED:
 PLANTER @ EACH 7TH STALL
 (56 PLANTERS x 18 x 9 = 9,072 SF)

PARKING:

PERIMETER STALLS ARE 18' DEEP. INTERIOR STALLS ARE 16' DEEP.
 AISLES ARE 22.5' WIDE (MIN.); STALLS ARE 9' WIDE. SMALLER WIDTH OR DEPTH STALLS ARE IDENTIFIED WITH "C".
 TOTAL OF 661 STALLS PROVIDED.

SURVEY NOTE:

THE ON-SITE TOPOGRAPHICAL MAPPING WAS PROVIDED BY ALLIED LAND SURVEYING, INC.
 EXISTING SURVEY FEATURES, BOUNDARY & TOPOGRAPHIC DATA SHOWN ON THESE DRAWINGS HAS BEEN PREPARED, BASED UPON INFORMATION FURNISHED BY OTHERS. WHILE THIS INFORMATION IS BELIEVED TO BE RELIABLE, LITCHFIELD ENGINEERING CANNOT ENSURE THE ACCURACY & THIS IS NOT RESPONSIBLE FOR THE ACCURACY OF DATA/INFORMATION PROVIDED BY OTHERS, OR FOR ANY ERRORS OR OMISSIONS WHICH MAY HAVE BEEN INCORPORATED INTO THESE DRAWINGS AS A RESULT.



DATE	NOTES
3-4-2013	SUBMITTED TO CLIENT
4-6-13	REVISED PER OWNER COMMENTS

LITCHFIELD ENGINEERING

12840 91ST AVENUE NE
 Kirkland, WA 98034
 Tel (425) 821-5038 Fax (425) 821-5729

SITE PLAN DEVELOPMENT AGREEMENT SEACAC PARK n JET

JAG BASRA
 PO BOX 2127
 KIRKLAND, WA 98083
 PHONE: (206) 235-9000

EXHIBIT A
 DATE 10/30/13

SeaTac City Council REQUEST FOR COUNCIL ACTION

Department Prepared by: Finance

Agenda Bill #: 3399

TITLE: A Motion Declaring City Property Surplus and Authorizing its Disposal.

November 7, 2013	
___ Ordinance ___ Resolution <u>X</u> Motion ___ Info. Only ___ Other	
Date Council Action Requested:	RCM 11/26/13
Ord/Res Exhibits:	N/A
Review Dates:	CSS 11/12/13
Prepared By:	Brenda Rolph, Assistant Finance Director <i>BR</i>
Director:	<i>[Signature]</i> City Attorney: <i>Mark S. Johnson, Sr Asst City Atty</i>
Finance:	<i>[Signature]</i> BARS #: Various
City Manager:	<i>[Signature]</i> Applicable Fund Name: Various

SUMMARY: This motion declares City property surplus and authorizes its disposal.

DISCUSSION / ANALYSIS / ISSUES: Various obsolete and/or inoperable items have been identified by City departments and are being recommended for City Council declaration as surplus property. This list includes items such as computers and other hardware, fire and police equipment, exercise equipment, Equipment Rental vehicles and equipment, and landscape maintenance equipment. The City last compiled a surplus list in November 2010.

As shown on the attached surplus list, departments have specified their intended method of disposal for their assets along with the estimated value of the assets. Each department will be responsible for the actual disposal of their assets following City Council approval. Due to the approval of the Fire Consolidation Plan in September 2013, it is anticipated that an additional asset surplus list will be presented to the City Council in the near future to declare any additional fire assets surplus.

RECOMMENDATION(S): It is recommended that the City Council approve this Motion to declare City property surplus and to authorize its disposal.

FISCAL IMPACT: Any proceeds from selling the assets will be deposited into the appropriate fund.

ALTERNATIVE(S): Do not surplus these assets at this time and continue to store them at City facilities.

ATTACHMENTS: November 2013 Asset Surplus List

City of SeaTac - November 2013 Asset Surplus List

ASSET TAG #	DATE ACQUIRED	ASSET DESCRIPTION	SERIAL #	DEPT OR DIVISION	ESTIMATED VALUE	METHOD OF DISPOSAL
005507	7/22/1997	PERMIT PLAN SOFTWARE	UNKNOWN	CED-BUILDING	NONE	OBSOLETE
000057	11/21/1989	LANIER TRANSCRIBER	160924	CITY CLERK	NONE	DONATE
000678	5/8/1990	RHSD ADVOCATE REFORMATTER	10078	CITY CLERK	NONE	DONATE
005551	1/13/1998	GARLAND ELEC RANGE/OVEN (SR CENTER)	UNKNOWN	FACILITIES	\$100	SELL ON CRAIGS LIST
009477	12/23/2004	20" TV AVENTURA AT427E	T35423925	FACILITIES	NONE	BROKEN-RECYCLE
002962-L/N/O	12/23/1997	CATERPILLAR GENERATOR FROM FS 46	97A056935	FACILITIES	\$8,000	SOLD TO MEDIC ONE/MARCH 2013
NONE	UNKNOWN	USED DISHWASHER FROM CC	UNKNOWN	FACILITIES	\$200	SELL ON CRAIGS LIST
NONE	UNKNOWN	STEEL SINK FROM CC	UNKNOWN	FACILITIES	\$100	SELL ON CRAIGS LIST
001013	11/12/1991	SURVIVING HAZ MAT II (VIDEO TAPES)	UNKNOWN	FIRE	\$50	DONATE TO ACADEMY
001068	1/1/1991	MOTOROLA BASE RADIO	482CKU0211	FIRE	NONE	RECYCLE
001069	1/1/1991	RCA BASE RADIO	FO 2738	FIRE	NONE	RECYCLE
001083	1/1/1991	CUSTOM COUCH	NONE	FIRE	NONE	DAMAGED, TO BE DESTROYED
001136	1/1/1991	AMDEK DISPLAY MONITOR	3100705	FIRE	\$20	MATHERS AUCTION
001142	1/1/1991	PALTEX VIDEO EDITOR	4062	FIRE	\$50	MATHERS AUCTION
001143	1/1/1991	FORE A VIDEO TYPEWRITER	2790106	FIRE	\$50	MATHERS AUCTION
001145	1/1/1991	SONY VHS VIDEO RECORDER	11155	FIRE	\$50	MATHERS AUCTION
001147	1/1/1991	PRIME IMAGE S-SWITCH IDEO EDITING	5044	FIRE	NONE	RECYCLE
001148	1/1/1992	JVC SVHS VIDEO RECORDER	6510503	FIRE	\$50	MATHERS AUCTION
001149	1/1/1991	JVC SVHS EDITING DECKS	7510604	FIRE	\$50	MATHERS AUCTION
001150	1/2/1992	JVC SVHS EDITING DECKS	7510687	FIRE	\$50	MATHERS AUCTION
001200	1/1/1991	CUSTOM DOUBLE PEDESTAL DESK	UNKNOWN	FIRE	\$20	SELL ON FIRE SERVICE ADD
001204	1/1/1991	PANASONIC SVHS VIDEO CAMERA	BOHT00048	FIRE	\$100	MATHERS AUCTION
001318	1/1/1991	3 CUSHION COUCH-BURGUNDY	NONE	FIRE	NONE	DAMAGED, TO BE DESTROYED
001320	1/1/1991	OAK 36X72 DOUBLE PEDESTAL DESK	NONE	FIRE	\$50	MATHERS AUCTION
001357	1/1/1991	WALL CABINET W/MOVIE SCREEN	NONE	FIRE	\$50	MATHERS AUCTION
001373	1/1/1991	PANASONIC VHS VCR	E4HK00277	FIRE	\$20	MATHERS AUCTION
001399	1/1/1991	PANASONIC SVHS CAMCORDER	BOHT00033	FIRE	\$25	MATHERS AUCTION
001404	1/1/1991	WALLENSAK 3M CASSETTE PLAYER	2946	FIRE	\$20	MATHERS AUCTION
001408	1/1/1991	PANASONIC VHS VCR	J9HG01134	FIRE	\$20	MATHERS AUCTION
001414	1/1/1991	LEARDAL CPR MANIKIN	NONE	FIRE	\$25	SELL ON FIRE SERVICE ADD
001417	1/1/1991	LEARDAL CPR MANIKIN	NONE	FIRE	\$25	SELL ON FIRE SERVICE ADD
001504	1/1/1991	C.A.S. YELLOW GAS FAN	UNKNOWN	FIRE	\$75	ON LOAN-N BEND TRNG ACAD-DONATE
001522	1/1/1991	MOTOROLA PORTABLE RADIO	402 AKU 1363	FIRE	NONE	RECYCLE
001539	1/1/1991	MOTOROLA CONVERTA COM RADIO	230AF03300	FIRE	\$25	SELL ON FIRE SERVICE ADD
001551	1/1/1991	WATEROUS FLOATING PUMP	8506	FIRE	\$50	SELL ON FIRE SERVICE ADD
001568	1/1/1991	AERODYNIC LIGHTBAR	A1G	FIRE	\$75	SELL ON FIRE SERVICE ADD
001570	1/1/1991	MOTOROLA CONVERTA COM RADIO	UNKNOWN	FIRE	\$25	SELL ON FIRE SERVICE ADD
001634	1/1/1991	FOR A COLOR CORRECTOR VIDEO EQUIP	2330260	FIRE	NONE	RECYCLE
001635	1/1/1991	FOR A COLOR CORRECTOR VIDEO EQUIP	233026	FIRE	NONE	RECYCLE

City of SeaTac - November 2013 Asset Surplus List

ASSET TAG #	DATE ACQUIRED	ASSET DESCRIPTION	SERIAL #	DEPT OR DIVISION	ESTIMATED VALUE	METHOD OF DISPOSAL
001636	1/1/1991	DIGITAL TIME BASE VIDEO EDITING EQUIP	912500311R	FIRE	\$20	MATHERS AUCTION
001637	1/1/1991	DIGITAL TIME BASE VIDEO EDITING EQUIP	9003750256	FIRE	\$20	MATHERS AUCTION
001658	1/1/1991	TELEVIDEO VIDEO MONITORS	20A-B85120737	FIRE	\$25	MATHERS AUCTION
001659	1/1/1991	TELEVIDEO VIDEO MONITORS	20A-B85120234	FIRE	\$25	MATHERS AUCTION
001746	12/31/1992	MINOLTA 34MM CAMERA	22113725	FIRE	NONE	BROKEN-DISPOSE
002025	12/31/1993	DS-4PP UNIFIRE 5.5 HP PPV FAN	GC02-2706058	FIRE	\$100	SELL ON FIRE SERVICE ADD
002396	5/25/1999	LIFESTRIDE 9100 TREADMILL	376563	FIRE	\$50	MATHERS AUCTION
002489	5/8/1998	E46 BIO SYS PHD PLU AIR MONITOR	16760	FIRE	NONE	DONATE TO LEWIS COUNTY FD #13
002490	5/8/1998	E47 BIO SYS PHD PLU AIR MONITOR	16738	FIRE	NONE	DONATE TO LEWIS COUNTY FD #13
002896	1/1/1991	B/S FAN 3HP YELLOW	UNKNOWN	FIRE	\$50	ON LOAN-N BEND TRNG ACAD-DONATE
002917	1/1/1991	FEDERAL SIGNAL LIGHT	UNKNOWN	FIRE	\$50	SELL ON FIRE SERVICE ADD
002918	1/1/1991	3M OPTICOM UNIT (PART OF LIGHTBAR)	UNKNOWN	FIRE	\$25	SELL ON FIRE SERVICE ADD
002958	1/1/1991	1985 FORD HORTON SUPPORT E350 APP 110	E350	FIRE	\$1,500	MATHERS AUCTION
003215	9/28/1999	SCHWINN MULTISTATION GYM	UNKNOWN	FIRE	\$0	RECYCLE
004990	12/31/1993	AIR MONITOR	7744	FIRE	\$50	DONATE TO ACADEMY
005552	2/24/1998	LIFESTRIDE 9100HR TREADMILL	362617	FIRE	\$75	MATHERS AUCTION
005895	6/8/1993	LIFE FITNESS LIFECYCLE	803520	FIRE	\$75	MATHERS AUCTION
007804	12/30/1999	MARCADET FILE CABINET	NONE	FIRE	\$25	MATHERS AUCTION
007805	12/30/1999	MARCADET FILE CABINET	NONE	FIRE	\$25	MATHERS AUCTION
008367	10/21/2010	CANON POWERSHOT A495 CAMERA	2109206007162	FIRE	NONE	BROKEN-DISPOSE
NONE	VARIOUS	CIVIL SERVICE BOOKS SURPLUS-QTY 51	N/A	HUMAN RESOURCES	\$1,344	DONATE-PS SKILLS CTR/BATES TECH COLL
000106-B	8/28/1990	PANASONIC KX--1624 DOT MATRIX	OBMATH 43060	INFO SYSTEMS	NONE	RECYCLE
000662	3/26/1991	GBC/POLAROID 202 ID CAMERA	CF09451	INFO SYSTEMS	NONE	RECYCLE
005682	4/30/1999	HP LASERJET 4000TN PRINTER	USEK083517	INFO SYSTEMS	NONE	RECYCLE
005684	5/25/1999	QUANTUM DLT4000 TAPE DRIVE	04149901	INFO SYSTEMS	NONE	RECYCLE
005686	5/25/1999	SHARP XG-NV2U LCD PROJECTOR	903324987	INFO SYSTEMS	NONE	RECYCLE
005794	11/9/1999	66X-28CD SCSI CD SERVER	5ZF99I00026	INFO SYSTEMS	NONE	RECYCLE
005798	2/22/2000	HP PRINTER 4000	USCC058146	INFO SYSTEMS	NONE	RECYCLE
007900	4/5/2002	EPI SUITE SE DIGITAL CAMERA	A1480326	INFO SYSTEMS	NONE	RECYCLE
008237	3/9/2005	HP DESKTOP COMPUTER DC5000	MXL50507PQ	INFO SYSTEMS	NONE	RECYCLE
008239	3/9/2005	HP MONITOR 1702	CNC4510K14	INFO SYSTEMS	NONE	RECYCLE
008254	3/9/2005	HP DESKTOP COMPUTER DC5000	MXL50507PM	INFO SYSTEMS	NONE	RECYCLE
008256	3/9/2005	HP DESKTOP COMPUTER DC5000	MXL50507VH	INFO SYSTEMS	NONE	RECYCLE
008260	3/9/2005	HP DESKTOP COMPUTER DC5000	MXL50507V7	INFO SYSTEMS	NONE	RECYCLE
008287	6/5/2008	DELL OPTIPLEX 755 COMPUTER	32X81G1	INFO SYSTEMS	NONE	RECYCLE
008288	6/5/2008	DELL OPTIPLEX 755 COMPUTER	95X81G1	INFO SYSTEMS	NONE	RECYCLE
008306	5/31/2006	COMPAQ DC5100 DESKTOP PC	MXL55009SR	INFO SYSTEMS	NONE	RECYCLE
008308	5/31/2006	COMPAQ DC5100 DESKTOP PC	MXL55009QR	INFO SYSTEMS	NONE	RECYCLE
008329	3/31/2007	HP COMPAQ DESTOP COMPUTER DC7700	MXL7070DG7	INFO SYSTEMS	NONE	RECYCLE

City of SeaTac - November 2013 Asset Surplus List

ASSET TAG #	DATE ACQUIRED	ASSET DESCRIPTION	SERIAL #	DEPT OR DIVISION	ESTIMATED VALUE	METHOD OF DISPOSAL
008420	3/27/2003	EVO COMPUTER	U307KN9Z1721	INFO SYSTEMS	NONE	RECYCLE
008445	3/27/2003	EVO COMPUTER	U307KN91753	INFO SYSTEMS	NONE	RECYCLE
008452	4/24/2003	LAPTOP COMPUTER	9X33KQOZH1CB	INFO SYSTEMS	NONE	RECYCLE
008482	5/2/2003	EVO COMPUTER	U307KN99ZC059	INFO SYSTEMS	NONE	RECYCLE
008513	5/2/2003	EVO COMPUTER	U307KN9K325	INFO SYSTEMS	NONE	RECYCLE
008517	5/2/2003	EVO COMPUTER	U307KN9ZK117	INFO SYSTEMS	NONE	RECYCLE
008557	2/20/2004	HP COMPAQ DC5000 COMPUTER	2UB40200HZ	INFO SYSTEMS	NONE	RECYCLE
008634	10/1/2003	AIRONET FIRE WIRELESS NETWORK	FHK0721PR01	INFO SYSTEMS	NONE	RECYCLE
008637	3/9/2005	HP COMPAQ DC5000 COMPUTER	MXL50507TQ	INFO SYSTEMS	NONE	RECYCLE
008688	3/9/2005	HP COMPAQ DC5000 COMPUTER	MXL5050TY	INFO SYSTEMS	NONE	RECYCLE
008694	3/9/2005	HP COMPAQ DC5000 COMPUTER	MXL50507VB	INFO SYSTEMS	NONE	RECYCLE
008695	3/9/2005	HP COMPAQ DC5000 COMPUTER	MXL50507VF	INFO SYSTEMS	NONE	RECYCLE
008696	3/9/2005	HP COMPAQ DC5000 COMPUTER	MXL50507VJ	INFO SYSTEMS	NONE	RECYCLE
008697	3/9/2005	HP COMPAQ DC5000 COMPUTER	MXL50507PL	INFO SYSTEMS	NONE	RECYCLE
008698	3/9/2005	HP COMPAQ DC5000 COMPUTER	MXL50507VV	INFO SYSTEMS	NONE	RECYCLE
008707	3/9/2005	HP COMPAQ DC5000 COMPUTER	MXL70707BG	INFO SYSTEMS	NONE	RECYCLE
008711	3/9/2005	HP 17" FLAT PANEL MONITOR	CNC4510K11	INFO SYSTEMS	NONE	RECYCLE
008726	4/18/2005	HP COMPAQ DC5000 COMPUTER	MXL5080LC4	INFO SYSTEMS	NONE	RECYCLE
008729	4/18/2005	HP COMPAQ DC5000 COMPUTER	MXL5080LBW	INFO SYSTEMS	NONE	RECYCLE
008732	3/9/2005	HP 17" FLAT PANEL MONITOR	CNC4510K10	INFO SYSTEMS	NONE	RECYCLE
008951	8/3/2001	CANON 9001 FAX MACHINE	UYS51925	INFO SYSTEMS	NONE	RECYCLE
008966	1/18/2002	LEICA TERMINAL FOR SYSTEM	18900	INFO SYSTEMS	NONE	RECYCLE
008967	1/18/2002	LEICA LASER METER PKG	244571	INFO SYSTEMS	NONE	RECYCLE
009012	10/4/2002	PANASONIC LAPTOP COMPUTER	2EKYB03162	INFO SYSTEMS	NONE	RECYCLE
009031	5/31/2006	COMPAQ DC5100 DESKTOP PC	MXL55009R3	INFO SYSTEMS	NONE	RECYCLE
009033	5/31/2006	COMPAQ DC5100 DESKTOP PC	MXL55009R0	INFO SYSTEMS	NONE	RECYCLE
009035	5/31/2006	COMPAQ DC5100 DESKTOP PC	MXL55009XT	INFO SYSTEMS	NONE	RECYCLE
009038	5/31/2006	COMPAQ DC5100 DESKTOP PC	MXL5500B4B	INFO SYSTEMS	NONE	RECYCLE
009056	3/31/2007	HP MONITOR 1706	CND6420098W	INFO SYSTEMS	NONE	RECYCLE
009070	7/31/2005	HP LASERJET COLOR PRINTER 4650N	SJPHAD27355	INFO SYSTEMS	NONE	RECYCLE
009071	5/31/2006	COMPAQ DC5100 DESKTOP PC	MXL55009BT	INFO SYSTEMS	NONE	RECYCLE
009076	5/31/2006	COMPAQ DC5100 DESKTOP PC	MXL5500B34	INFO SYSTEMS	NONE	RECYCLE
009078	5/31/2006	COMPAQ DC5100 DESKTOP PC	MXL55009RS	INFO SYSTEMS	NONE	RECYCLE
009091	5/31/2006	COMPAQ DC5100 DESKTOP PC	MXL6130J8G	INFO SYSTEMS	NONE	RECYCLE
009095	5/31/2006	COMPAQ DC5100 DESKTOP PC	MXL6130J1Y	INFO SYSTEMS	NONE	RECYCLE
009097	5/31/2006	COMPAQ DC5100 DESKTOP PC	MXL61408S9	INFO SYSTEMS	NONE	RECYCLE
009099	5/31/2006	COMPAQ DC5100 DESKTOP PC	MXL61408SX	INFO SYSTEMS	NONE	RECYCLE
009101	5/31/2006	COMPAQ DC5100 DESKTOP PC	MXL6130J6R	INFO SYSTEMS	NONE	RECYCLE
009103	5/31/2006	COMPAQ DC5100 DESKTOP PC	MXL6130J7C	INFO SYSTEMS	NONE	RECYCLE

City of SeaTac - November 2013 Asset Surplus List

ASSET TAG #	DATE ACQUIRED	ASSET DESCRIPTION	SERIAL #	DEPT OR DIVISION	ESTIMATED VALUE	METHOD OF DISPOSAL
009107	5/31/2006	COMPAQ DC5100 DESKTOP PC	MXL6130J6V	INFO SYSTEMS	NONE	RECYCLE
009111	5/31/2006	COMPAQ DC5100 DESKTOP PC	MXL6130J7H	INFO SYSTEMS	NONE	RECYCLE
009113	5/31/2006	COMPAQ DC5100 DESKTOP PC	MXL5500J7T	INFO SYSTEMS	NONE	RECYCLE
009114	3/9/2005	HP 17" FLAT PANEL MONITOR	CND6070LX8	INFO SYSTEMS	NONE	RECYCLE
009124	12/31/2006	HP FLAT SCREEN MONITOR	CND6070J4Q	INFO SYSTEMS	NONE	RECYCLE
009362	5/1/2004	ARCSERVE V.11 FOR WINDOWS	N/A	INFO SYSTEMS	NONE	RECYCLE
009375	7/1/2004	HP COMPACT DC5000 SFF	USU4210HN4	INFO SYSTEMS	NONE	RECYCLE
009377	7/1/2004	HP COMPACT DC5000 SFF	USU4210HN3	INFO SYSTEMS	NONE	RECYCLE
009378	7/1/2004	HP COMPACT DC5000 SFF	USU4210HM7	INFO SYSTEMS	NONE	RECYCLE
009379	7/1/2004	HP COMPACT DC5000 SFF	USU4210HML	INFO SYSTEMS	NONE	RECYCLE
009380	7/1/2004	HP COMPACT DC5000 SFF	USU4210HMN	INFO SYSTEMS	NONE	RECYCLE
009381	7/1/2004	HP COMPACT DC5000 SFF	USU4210HMZ	INFO SYSTEMS	NONE	RECYCLE
009384	7/1/2004	HP COMPACT DC5000 SFF	USU4210HN1	INFO SYSTEMS	NONE	RECYCLE
009385	7/1/2004	HP COMPACT DC5000 SFF	USU4210HMP	INFO SYSTEMS	NONE	RECYCLE
009405	7/1/2004	COMPAQ MONITOR L1702	CNN41706X1	INFO SYSTEMS	NONE	RECYCLE
009412	7/1/2004	COMPAQ MONITOR L1702	CNN4170QTT	INFO SYSTEMS	NONE	RECYCLE
009420	7/1/2004	HP MONITOR L1702	CNN4170924	INFO SYSTEMS	NONE	RECYCLE
009534	3/31/2007	HP COMPAQ COMPUTER DC7700	MXL7070DH4	INFO SYSTEMS	NONE	RECYCLE
009536	3/31/2007	HP COMPAQ COMPUTER DC7700	MXL7070DFJ	INFO SYSTEMS	NONE	RECYCLE
009540	3/31/2007	HP COMPAQ COMPUTER DC7700	MXL7070DK3	INFO SYSTEMS	NONE	RECYCLE
009547	3/31/2007	HP COMPAQ COMPUTER DC7700	MXL7070DF2	INFO SYSTEMS	NONE	RECYCLE
009549	3/31/2007	HP COMPAQ COMPUTER DC7700	MXL7070DMG	INFO SYSTEMS	NONE	RECYCLE
009553	11/17/2002	OPTIPLEX GX260T COMPUTER	H4LN221	INFO SYSTEMS	NONE	RECYCLE
009560	3/31/2007	HP COMPAQ COMPUTER DC7700	MXL7070DGW	INFO SYSTEMS	NONE	RECYCLE
009561	3/31/2007	HP COMPAQ COMPUTER DC7700	MXL7070DKX	INFO SYSTEMS	NONE	RECYCLE
009563	3/31/2007	HP COMPAQ COMPUTER DC7700	MXL7070DG1	INFO SYSTEMS	NONE	RECYCLE
009565	3/31/2007	HP COMPAQ COMPUTER DC7700	MXL7070DG6	INFO SYSTEMS	NONE	RECYCLE
009571	3/31/2007	HP COMPAQ COMPUTER DC7700	MXL7070DF9	INFO SYSTEMS	NONE	RECYCLE
009573	3/31/2007	HP MONITOR L1706	CND642007TS	INFO SYSTEMS	NONE	RECYCLE
009575	3/31/2007	HP MONITOR L1706	CND64207TV	INFO SYSTEMS	NONE	RECYCLE
009581	3/31/2007	HP COMPAQ COMPUTER DC7700	MXL7070DFB	INFO SYSTEMS	NONE	RECYCLE
009582	3/31/2007	HP COMPAQ COMPUTER DC7700	MXL7070DG8	INFO SYSTEMS	NONE	RECYCLE
009584	3/31/2007	HP MONITOR L1706	CND64208XC	INFO SYSTEMS	NONE	RECYCLE
009594	3/9/2005	HP MONITOR L1706	CND6380Q8M	INFO SYSTEMS	NONE	RECYCLE
009599	3/9/2005	HP MONITOR L1706	CNN6070X0B	INFO SYSTEMS	NONE	RECYCLE
009796	7/1/2004	HP COMPACT DC5000 SFF	USU4210HMQ	INFO SYSTEMS	NONE	RECYCLE
009798	7/1/2004	HP COMPACT DC5000 SFF	USU4210HMOV	INFO SYSTEMS	NONE	RECYCLE
009800	7/1/2004	HP COMPACT DC5000 SFF	USU4210HMK	INFO SYSTEMS	NONE	RECYCLE
NONE	1/30/2007	HP OFFICEJET 5610 PRINTER/SCANNER/FAX	CN6BEDF37G	INFO SYSTEMS	NONE	RECYCLE

City of SeaTac - November 2013 Asset Surplus List

ASSET TAG #	DATE ACQUIRED	ASSET DESCRIPTION	SERIAL #	DEPT OR DIVISION	ESTIMATED VALUE	METHOD OF DISPOSAL
NONE	UNKNOWN	FELLOWS PS80C-2 SHREDDER	050803ED0186428	LEGAL	NONE	BROKEN
NONE	8/1/1994	WEST'S WA DIGEST 2D/VOLUMES 1-45	NONE	LEGAL	UNKNOWN	WILL TRY TO SELL
005829	UNKNOWN	OFFICE CHAIR	NONE	PARKS & REC	NONE	BROKEN
005850	12/31/1992	TRS STORAGE COUNTER/CENTER	UNKNOWN	PARKS & REC	NONE	RECYCLE
005853	12/31/1992	BLAKESLEE DISHWASHER	UNKNOWN	PARKS & REC	NONE	RECYCLE
005893	6/8/1993	TECTRIX MAX 150 STAIRCLIMBER	161209	PARKS & REC	\$100	TRADE IN
005894	6/8/1993	TECTRIX MAX 150 STAIRCLIMBER	163582	PARKS & REC	\$100	TRADE IN
005896	6/8/1993	LIFE FITNESS LIFECYCLE	803521	PARKS & REC	\$100	TRADE IN
005900	3/10/1993	LAINIER 4200 FAX MACHINE	416085	PARKS & REC	NONE	RECYCLE
005904	UNKNOWN	IBM WHEELWRITE 15 TYPERWRITER	UNKNOWN	PARKS & REC	\$10	SELL
005953	12/31/1995	LIFESTRIDE AEROBIC TREADMILL	347535	PARKS & REC	\$200	TRADE IN
005970	12/24/1996	LEDCO EDUCATOR 256" LAMINATOR	ED-25-3846	PARKS & REC	NONE	RECYCLE
005993	UNKNOWN	ITHACA SERIES 90PLUS RECEIPT PRINTER	HP002218621	PARKS & REC	NONE	RECYCLE
005995	UNKNOWN	JVC TV	UNKNOWN	PARKS & REC	NONE	RECYCLE
006001	11/4/2004	LIFE FITNESS TREADMILL	TTD 105547	PARKS & REC	\$300	SELL BACK TO VENDOR
006002	11/4/2004	LIFE FITNESS TREADMILL	TTD 105540	PARKS & REC	\$300	SELL BACK TO VENDOR
006010	3/3/2005	LIFE FITNESS CROSS TRAINER 93X	UNKNOWN	PARKS & REC	\$200	SELL BACK TO VENDOR
006011	4/21/2006	LIFECYCLE RECUMBENT BIKE 93R	CCN101160	PARKS & REC	\$100	SELL BACK TO VENDOR
006015	4/21/2006	LIFE FITNESS CROSS TRAINER 93X	AXA101086	PARKS & REC	\$200	SELL BACK TO VENDOR
006016	4/21/2006	LIFE FITNESS CROSS TRAINER 93X	AXA101087	PARKS & REC	\$200	SELL BACK TO VENDOR
008531	UNKNOWN	PRECOR BIKE	UNKNOWN	PARKS & REC	\$100	SELL BACK TO VENDOR
008532	6/17/2004	ELIPTICAL TRAINER	UNKNOWN	PARKS & REC	\$200	SELL BACK TO VENDOR
008917	4/5/2001	LIFE FITNESS 9100 TREADMILL	UNKNOWN	PARKS & REC	\$100	TRADE IN
009731	2001 Est	BROTHER INTELLIFAX 2900 FAX	UNKNOWN	PARKS & REC	\$10	DONATE
008991-A	4/19/2002	DISPOSER W/ADAPTER	WD345373	PARKS & REC	NONE	RECYCLE
NONE	9/10/2007	WALKIE TALKIES	UNKNOWN	PARKS & REC	NONE	RECYCLE
NONE	UNKNOWN	16 DUMBBELLS (15 LBS-75 LBS)	UNKNOWN	PARKS & REC	\$100	TRADE OR SELL
NONE	9/16/2008	TWO WAY RADIOS	UNKNOWN	PARKS & REC	NONE	RECYCLE
008564	7/17/2001	GRACO PAINT SPRAYER W/ROLLER KIT	BA38812	PARKS MTC	NONE	BROKEN
008583	2/1/2003	RYAN AERATOR 3 PT HITCH	99508308	PARKS MTC	\$250	AUCTION
008593	4/17/2001	ECHO AUGER EA-400	UNKNOWN	PARKS MTC	\$50	AUCTION
008594	8/12/2002	CLASSEN AERATOR TA-17D	142	PARKS MTC	\$250	AUCTION
008599	2/1/2003	CRAFTSMAN SKIL TABLE SAW	340015A08824	PARKS MTC	\$50	SELL INDUSTRIAL MATERIALS EXCH
008681	2/25/2005	DAYTON SHOP VAC 1UG91B	52728-03	PARKS MTC	\$10	SELL INDUSTRIAL MATERIALS EXCH
008682	2/25/2005	LASER MARK LEVEL LM30	UNKNOWN	PARKS MTC	NONE	BROKEN
008801	12/12/2000	26" STIHL CHAINSAW M36	UNKNOWN	PARKS MTC	\$100	TRADE IN
008808	12/12/2000	MILWAUKEE SAWZALL PLUS	917A396280029	PARKS MTC	\$15	SELL INDUSTRIAL MATERIALS EXCH
008838	10/21/2005	ECHO HEDGE TRIMMER HC-160	9002496	PARKS MTC	\$25	SELL INDUSTRIAL MATERIALS EXCH
008971	10/5/2001	CURTIS FAST CAST 175 SPREADER	7100841	PARKS MTC	\$40	SELL INDUSTRIAL MATERIALS EXCH

City of SeaTac - November 2013 Asset Surplus List

ASSET TAG #	DATE ACQUIRED	ASSET DESCRIPTION	SERIAL #	DEPT OR DIVISION	ESTIMATED VALUE	METHOD OF DISPOSAL
009442	9/22/2004	DEWALT DRILL DW988	878573	PARKS MTC	\$10	SELL INDUSTRIAL MATERIALS EXCH
009443	9/22/2004	DEWALT SAWSALL DW938	894834	PARKS MTC	\$10	SELL INDUSTRIAL MATERIALS EXCH
009444	9/22/2004	DEWALT RADIAL SAW DW939	833804	PARKS MTC	\$10	SELL INDUSTRIAL MATERIALS EXCH
009445	9/22/2004	DEWALT CORDLESS DRILL LIGHT DW919	883968	PARKS MTC	\$10	SELL INDUSTRIAL MATERIALS EXCH
009446	9/22/2004	DEWALT DRILL DW959	851280	PARKS MTC	\$10	SELL INDUSTRIAL MATERIALS EXCH
009447	9/22/2004	LITTLE WONDER WALK BEHIND BLOWER	1040601316	PARKS MTC	\$75	SELL INDUSTRIAL MATERIALS EXCH
009458	12/12/2000	BLACK & DECKER JIG SAW	UNKNOWN	PARKS MTC	\$5	SELL INDUSTRIAL MATERIALS EXCH
009661	3/1/2007	PORTABLE SENIOR PITCHING LEAGUE MOUND	UNKNOWN	PARKS MTC	NONE	DESTROYED
009726	2/13/2008	OLYMPUS DIGITAL CAMERA FE210	X61518494	PARKS MTC	NONE	BROKEN
009933	5/14/2008	STIHL HS 45 HEDGE TRIMMER	275080940	PARKS MTC	\$25	SELL INDUSTRIAL MATERIALS EXCH
009962	2/25/2009	SOLO 425 BACKPACK SPRAYER #1	UNKNOWN	PARKS MTC	NONE	BROKEN
009969	4/3/2009	RANKIN 3 POINT FERTILIZER SPREADER	B13582	PARKS MTC	NONE	BROKEN
009971	4/7/2010	STIHL LINE TRIMMER FS110R	279732563	PARKS MTC	\$25	DONATED-HS BOTANICAL GARDEN
NONE	UNKNOWN	SHURFLO BACKPACK SPRAYER #2	UNKNOWN	PARKS MTC	NONE	DONATE
NONE	UNKNOWN	ECHO POLE PRUNER - BAR ONLY	UNKNOWN	PARKS MTC	NONE	DONATE
00800	11/8/2007	X-26 TASER BLACK W/SILVER GRIPS	X00-335665	POLICE	NONE	BROKEN-DESTROY
00868	11/8/2007	X-26 TASER BLACK W/SILVER GRIPS	X00-335471	POLICE	NONE	BROKEN-DESTROY
00870	11/8/2007	X-26 TASER BLACK W/SILVER GRIPS	X00-335646	POLICE	NONE	BROKEN-DESTROY
00903	UNKNOWN	POLICE TASER	X00-239983	POLICE	NONE	BROKEN-DESTROY
008022	12/20/2002	POLICE TASER	P3003246	POLICE	NONE	BROKEN-DESTROY
008026	12/20/2002	POLICE TASER	P4006164	POLICE	NONE	BROKEN-DESTROY
008027	12/20/2002	POLICE TASER	P2015700	POLICE	NONE	BROKEN-DESTROY
008314	12/20/2002	POLICE TASER	X00-063656	POLICE	NONE	BROKEN-DESTROY
008331	12/20/2002	POLICE TASER	P2015712	POLICE	NONE	BROKEN-DESTROY
008332	12/20/2002	POLICE TASER	P3003253	POLICE	NONE	BROKEN-DESTROY
008335	12/20/2002	POLICE TASER	P3003250	POLICE	NONE	BROKEN-DESTROY
008676	12/20/2002	POLICE TASER	04-007324	POLICE	NONE	BROKEN-DESTROY
008752	10/28/2005	X26 TASER	X00-128941	POLICE	NONE	BROKEN-DESTROY
008753	10/29/2005	X26 TASER	X00-150803	POLICE	NONE	BROKEN-DESTROY
008754	UNKNOWN	POLICE TASER	04-013245	POLICE	NONE	BROKEN-DESTROY
008766	UNKNOWN	TASER	233410	POLICE	NONE	BROKEN-DESTROY
008793	UNKNOWN	X26 TASER	X00-150871	POLICE	NONE	BROKEN-DESTROY
008795	10/14/2005	TONE TRANSMITTER 3 RECEIVERS,CASE	2628	POLICE	NONE	BROKEN-DESTROY
008796	UNKNOWN	FLOOR JACK	UNKNOWN	POLICE	NONE	BROKEN-DISPOSE
008798	UNKNOWN	POLICE TASER	04-011950	POLICE	NONE	BROKEN-DESTROY
008800	3/31/2006	PROLASER III RADAR	PL21649	POLICE	NONE	BROKEN-DESTROY
008983	UNKNOWN	PORTABLE INTOXIMETER	1091565	POLICE	NONE	BROKEN-DISPOSE
009483	6/5/2007	CANON POWERSHOT A550	4522136303	POLICE	NONE	BROKEN-DISPOSE
009484	6/6/2007	CANON POWERSHOT A550	4522136301	POLICE	NONE	BROKEN-DISPOSE

City of SeaTac - November 2013 Asset Surplus List

ASSET TAG #	DATE ACQUIRED	ASSET DESCRIPTION	SERIAL #	DEPT OR DIVISION	ESTIMATED VALUE	METHOD OF DISPOSAL
009485	6/5/2007	CANON POWERSHOT A550	4522136304	POLICE	NONE	BROKEN-DISPOSE
009495	6/5/2007	CANON POWERSHOT A550	4522133221	POLICE	NONE	BROKEN-DISPOSE
009496	6/5/2007	CANON POWERSHOT A550	4522133222	POLICE	NONE	BROKEN-DISPOSE
009499	6/5/2007	CANON POWERSHOT A550	4522133225	POLICE	NONE	BROKEN-DISPOSE
009501	6/5/2007	CANON POWERSHOT A550	4522133670	POLICE	NONE	BROKEN-DISPOSE
009502	6/5/2007	CANON POWERSHOT A550	4522133666	POLICE	NONE	BROKEN-DISPOSE
009517	6/5/2007	CANON POWERSHOT A550	4522133664	POLICE	NONE	BROKEN-DISPOSE
009857	12/20/2002	POLICE TASER	P3002357	POLICE	NONE	BROKEN-DESTROY
010256	6/16/2011	BLUETOOTH HEADSET	NONE	POLICE	NONE	BROKEN-DISPOSE
008023-1	12/20/2002	POLICE TASER	PP3003244	POLICE	NONE	BROKEN-DESTROY
008023-2	12/20/2002	POLICE TASER	P3003260	POLICE	NONE	BROKEN-DESTROY
008024-1	12/20/2002	POLICE TASER	P3003261	POLICE	NONE	BROKEN-DESTROY
008024-2	12/20/2002	POLICE TASER	P3003262	POLICE	NONE	BROKEN-DESTROY
008334-2	12/20/2002	POLICE TASER	P2015683	POLICE	NONE	BROKEN-DESTROY
NONE	UNKNOWN	M26 TASER	P4-011939	POLICE	NONE	BROKEN-DESTROY
000933	UNKNOWN	CHAIN SAW	222843465	PW MTC	\$35	TRADE IN OR AUCTION
004966	12/29/1993	1993 SWENSON PV350ES PICKUP SANDER S-002	65209	PW MTC	\$500	AUCTION
004973	12/14/1993	OMAHA HOIST 524 11.8 TON CAP	UNKNOWN	PW MTC	NONE	RECYCLE
004988	12/31/1993	YENCO 6000# PICKUP BED HOIST	4801	PW MTC	NONE	RECYCLE
005043	UNKNOWN	CHAIN SAW	234262879	PW MTC	\$30	TRADE IN OR AUCTION
005047	UNKNOWN	BILLY GOAT WALK BEHIND BLOWER	GC04-3645123	PW MTC	\$100	TRADE IN OR AUCTION
005048	2/24/1998	1998 MODEL 325 ELECTRIC EEL S-016	2360A	PW MTC	\$50	TRADE IN OR AUCTION
005049	3/25/1998	EDCO ASPHALT/CONCRETE SAW	2348	PW MTC	\$300	TRADE IN OR AUCTION
005403	2/28/1997	1997 CH&E DIAPHRAGM PUMP S-014	P96102005	PW MTC	\$50	TRADE IN OR AUCTION
005487	UNKNOWN	EPSON STYLUS PHOTO PRINTER	DJLE076150	PW MTC	NONE	RECYCLE
005488	1/11/2002	DIGITAL CAMERA OLYMPUS C700	183727537	PW MTC	NONE	RECYCLE
005779	UNKNOWN	HONDA HRC 21" MOWER	MZAN-6161793	PW MTC	\$150	TRADE IN OR AUCTION
005783	UNKNOWN	STIHL 036 PRO 24" CHAINSAW	248595074	PW MTC	\$50	TRADE IN OR AUCTION
005784	UNKNOWN	BILLY GOAT LEAF SUCKER	UNKNOWN	PW MTC	\$250	TRADE IN
007901	8/9/2000	2000 FORD F450 4X4 TRUCK B-028	1FDXF475XYEE09757	PW MTC	\$6,000	AUCTION
007967	5/18/2001	2001 DODGE RAM QUAD CAB B-031	1B7KC23Z51J591203	PW MTC	\$1,500	AUCTION
008501	4/21/2003	X-MARK TURF MOWER D-024	407558	PW MTC	\$300	TRADE IN OR AUCTION
008502	4/21/2003	X-MARK TURF MOWER D-025	407558	PW MTC	\$300	TRADE IN OR AUCTION
008503	5/9/2003	2003 FORD F250 XL TRUCK B-038	3FTNX20L93MB33882	PW MTC	\$4,000	AUCTION
008749	3/1/2005	2005 FORD SUPERCAB TRUCK B-050	1FTSX20Y15EC20733	PW MTC	\$5,000	AUCTION
008750	3/1/2005	2005 FORD SUPERCAB TRUCK B-049	1FTSX20Y35EC20734	PW MTC	\$5,000	AUCTION
008841	12/9/2005	STIHL HS-80 30" CUTING BAR	2666669041	PW MTC	\$60	TRADE IN OR AUCTION
008842	12/9/2005	STIHL HT101 TELESCOPIC PRUNER	266962194	PW MTC	\$25	TRADE IN OR AUCTION
008843	12/9/2005	STIHL BLOWER	266819533	PW MTC	NONE	BROKEN

City of SeaTac - November 2013 Asset Surplus List

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009467	10/14/2004	2005 FORD 12 PASSENGER VAN B-041	1FTNE14L08DB25960	PW MTC	\$6,000	AUCTION
009821	2/7/2008	STIHL 18" CHAINSAW O25	231354016	PW MTC	\$40	TRADE IN OR AUCTION
009823	12/20/2007	STIHL BR6000 BLOWER	272348115	PW MTC	\$60	TRADE IN OR AUCTION
009824	12/20/2007	STIHL BR6000 BLOWER	263386803	PW MTC	\$60	TRADE IN OR AUCTION
009830	2/7/2008	STIHL 60" HEDGE TRIMMER HL-100	262420785	PW MTC	NONE	RECYCLE
009836	12/20/2007	STIHL D HANDLE WEEDEATER	271327163	PW MTC	\$50	TRADE IN OR AUCTION
009837	12/20/2007	STIHL D HANDLE WEEDEATER	271327218	PW MTC	NONE	BROKEN
009838	2/7/2008	STIHL FS250R D-HANDLE WEEDEATER	261782057	PW MTC	\$50	TRADE IN OR AUCTION
009838	UNKNOWN	MAKITA 5" ANGLE GRINDER	916084-93.11	PW MTC	NONE	BROKEN
009861	12/12/2008	STIHL BACKPACK BLOWER BR-8DO	277047984	PW MTC	NONE	BROKEN

SeaTac City Council

REQUEST FOR COUNCIL ACTION

Department Prepared by: POLICE

Agenda Bill #: 3545

TITLE: A Motion authorizing the City Manager to enter into an Agreement between the Highline Public Schools and City of SeaTac for a School Resource Officer at Tye High School and Chinook Middle School.

September 11, 2013	
<input type="checkbox"/> Ordinance <input type="checkbox"/> Resolution <input checked="" type="checkbox"/> Motion <input type="checkbox"/> Info. Only <input type="checkbox"/> Other	
Date Council Action Requested: <u>RCM 11/26/13</u>	
Ord/Res Exhibits: _____	
Review Dates: <u>CSS 11/12/13</u>	
Prepared By: <u>Lisa Mulligan, Police Chief</u>	
Director: <u>[Signature]</u>	City Attorney: <u>Mary Mirlande Barreto [Signature]</u>
Finance: <u>[Signature]</u>	BARS #: <u>001.000.08.521.20.51.006</u>
City Manager: <u>[Signature]</u>	Applicable Fund Name: <u>GENERAL FUND</u>

SUMMARY:

This Motion authorizes the City Manager to enter into an Agreement between the Highline Public Schools and the City of SeaTac for a School Resource Officer at Tye High School and Chinook Middle School.

DISCUSSION / ANALYSIS / ISSUES:

This proposed Agreement would continue the Highline Public Schools' annual contribution to offset a portion of the cost for a School Resource Officer (SRO) at the Tye Educational Complex and Chinook Middle School for the 2013-2014 school year. The District has provided partial funding at this level since 2006.

The attached Agreement is similar to that used last year with the exception of the following changes:

- Total cost of SRO increased \$1900.00 from last year which translates to a \$475.00 increased cost to SeaTac and a \$1425.00 increased cost to Highline.

	2012-2013 Cost	2013-2014 Cost
City of SeaTac share	\$119,945	\$120,420
Highline Public Schools share	\$52,500	\$53,925
Total cost for SRO	\$172,445	\$174,345

- New language added to scope of services at request of Highline: *"Secondarily, as time permits, the SRO may similarly patrol and interact with other Highline Public Schools within the city of SeaTac, to promote positive relationships with staff and students."*

The Agreement documents cost sharing, indemnification, the employment status of the officer, how a replacement would be selected, the work schedule and duties of the SRO and the facilities to be provided by the School District. This Agreement does not commit the City to any additional staffing or enhancement of services at the schools. The term of the Agreement is through June 30, 2014 and allows for early termination with 60 days written notice. In the event of early termination, the City must return to Highline \$5,392.50 (1/10 of \$53,925) for each full month remaining in the 2013-2014 school year.

RECOMMENDATION(S):

It is recommended that the City Council pass this Motion.

FISCAL IMPACT:

This Agreement would result in compensation of \$53,925 by the School District to the general fund. The 2013 portion of the City's 2013-2014 biennial budget was approved with an anticipated revenue of \$52,500 from Highline to offset \$174,345 which is the total cost of an SRO.

ALTERNATIVE(S):

1. Do not pass this Motion, forego the additional revenue and continue providing a School Resource Officer, fully funded by the City.
2. Do not pass this Motion and consider removing or limiting the services of the School Resource Officer for Tyee High School and Chinook Middle School.

ATTACHMENTS:

1. Proposed 2013-2014 Agreement Between Highline Public Schools and City of SeaTac for a School Resource Officer.

**AGREEMENT BETWEEN
HIGHLINE PUBLIC SCHOOLS
AND
CITY OF SEATAC
FOR A SCHOOL RESOURCE OFFICER**

This AGREEMENT, made and entered into this ____ of _____, 2013 by and between Highline Public Schools (hereinafter referred to as School District) and the City of SeaTac (hereinafter referred to as City).

WHEREAS, the School District and the City agree that it is in the best interest of both parties to assign one School Resource Officer to the Tyee Educational Complex and Chinook Middle School Campus; and

WHEREAS, the City contracts with the King County Sheriff's Office for police services and for a School Resource Officer in its contract; and

WHEREAS, the School District and the City have agreed to jointly fund the cost of a School Resource Officer;

NOW, THEREFORE, on the basis of the foregoing premises and in consideration of the mutual undertakings of the parties herein, it is mutually agreed as follows:

1. Scope of Services. The City of SeaTac Police Department (hereinafter referred to as Department) will assign one regularly employed SeaTac police officer to serve as a School Resource Officer (hereinafter referred to as SRO). This SRO will provide a uniformed presence on the Tyee Education Complex and the Chinook Middle School Campus to promote safety and serve as a positive resource to the schools and surrounding neighborhoods. The SRO will patrol his/her assigned campus and surrounding areas in order to identify, investigate, deter, and prevent crime, especially those incidences involving weapons, youth violence, harassment, gang involvement, drugs, or other similar activities. In addition, the SRO will provide students, parents, teachers, administrators and neighborhood residents with information, support, and problem-solving mediation and facilitation. Secondly, as time permits, the SRO may similarly patrol and interact with other Highline Public Schools within the City of SeaTac, to promote positive relationships with staff and students.
2. Duration. This Agreement shall be in full force and effect for a period commencing the date of this agreement and ending June 30, 2014 unless sooner terminated under the provisions hereinafter specified. This Agreement covers the 2013-2014 School Year.
3. Compensation. The City currently contracts with the King County Sheriff's Office for a SRO on an annual basis. The City will invoice the School District for their full \$53,925 share sometime after October 1, 2013 and before December 31, 2013. The School District agrees to pay the \$53,925

within sixty (60) days of invoice and to provide facilities, as set forth in Section 11 of this Agreement, for the SRO. The City agrees to pay the balance of the full cost of the SRO. The following chart indicates the cost sharing between the City and the School District for the SRO:

	Annual Cost
City of SeaTac Share	\$120,420
Highline Public Schools Share	\$53,925
Total for SRO	\$174,345

4. Employee Status. The SRO shall at all times remain and employee of the King County Sheriff's Office, as contracted by the City, and shall not be an employee of the School District. The SRO shall remain responsive to the supervision and chain of command of the Department, which shall be responsible for their hiring, training, discipline, and dismissal. Any allegations of improper conduct by a SRO will be referred to the SRO's immediate supervisor or directly to the SeaTac Chief of Police.

Both parties understand and agree that the School District retains its legal responsibility for the safety and security of the school district, its employees, students, and property; and this Agreement does not alter that responsibility.

5. Scheduling. Each SRO will be assigned to a school on a full-time, forty (40) hours work week, minus any scheduled vacation time, sick time, training time, court time, or any other police-related activity, including any emergencies such as civil disasters.

Scheduling for SRO's while school is in session will be determined by mutual agreement of the School District administration, the SRO, and the SRO's Department supervisor.

Overtime hours for the SRO that relate to regular law enforcement duties or that reasonably relate to SRO duties must be authorized and approved by their Department supervisor prior to the performance of overtime work and will be paid in accordance with established Department procedures.

Nothing in this Agreement prevents the School District from continuing its practice of hiring off-duty police officers to provide security at sporting events or other special events. The terms of this Agreement do not cover off-duty police officers hired for these purposes.

6. Reporting. The Department shall furnish a monthly report to the School District detailing activities performed by the SRO's at their respective schools.
7. SRO currently at the Tye Educational Complex and Chinook Middle School Campus. At the time of execution of this Agreement, there is a SRO funded by the City assigned to the Tye Educational Complex and Chinook Middle School Campus who shall remain in that assignment unless replaced in accordance with Section 9 of this Agreement. In the event that the officer

currently serving as the SRO is reassigned, replaced, or otherwise is unable to serve as the SRO, the selection of a replacement SRO will be in accordance with Section 8 of this Agreement.

8. Selection of SRO. Selection and appointment of a replacement SRO will be made in cooperation with the School District and the Department. Requirements for the SRO assignment include:

- The SRO must volunteer for the assignment. The SRO must have a minimum of two years of police service and have an Associate (or higher) Degree or the equivalent in credit hours.
- The SRO must have an expressed desire and ability to engage in direct daily activity with students, school staff, parents, and the public. The SRO must convey a positive police presence on the school campus and community.
- The SRO must be highly motivated, productive, demonstrate high levels of self-initiative and innovation, and be able to work well with minimum supervision. The SRO must be in good physical condition and present and maintain an excellent uniform appearance.
- The SRO must have the ability to be a positive resource to the school staff, students, parents, and residence in the surrounding neighborhoods.
- The SRO's education, background, experience, interest level, and communication skills must be of such a caliber that the SRO can effectively and accurately be a resource, liaison, and mentor at the schools he/she serves.
- The SRO must agree to attend any necessary training schools or classes that are needed to increase his/her skills for the position.

The School District and the City may jointly interview, evaluate, and recommend the nominees for the SRO position, with the final selection of the SRO to be made by the SeaTac Chief of Police.

In the event of the resignations, dismissal, or long-term absence (more than 30 days) of the SRO, the Department shall provide a replacement within thirty (30) school days of the notification of the absence. In the interim, existing resources will be scheduled to provide partial coverage to all sites.

9. Replacement of SRO. In the event the Principal of the school to which the SRO is assigned has cause to believe that the particular SRO is not effectively performing in accordance with this Agreement, the Principal may recommend to the School District and the Department that the SRO be removed from the program.

To initiate the replacement of the SRO, the Principal will recommend to the School District Superintendent that the SRO be replaced, stating the reason in writing. Within a reasonable

period of time after receiving the recommendation, the School District Superintendent or his/her designee will meet with the SeaTac Chief of Police or his/her designee, to mediate or resolve the problem that may exist. If the problem cannot be resolved or mediated, and just cause exists, in the opinion of both the School District Superintendent and the SeaTac Chief of Police, or their designees, the SRO will be removed from the program at the school and a replacement SRO will be selected within thirty (30) days in accordance with this Agreement. In the event of the removal of an SRO, replacement shall occur in accordance with Section 8 of this Agreement.

10. SRO Duties. The duties and responsibilities of the SRO while on duty include, but are not limited to, the following:

- Regularly wear the official police uniform, including firearm, with civilian attire being worn on such occasions as may be mutually agreed upon by the Principal and the SRO.
- Establish and maintain a working rapport with the school administrator and school staff.
- Act as a resource person in the area of law enforcement education at the request of the staff, speaking to classes on the law, search and seizure, drugs, motor vehicle law, etc.
- Assist in providing school-based security during the regular school day; assist in the promotion of a safe and orderly environment as the assigned schools. The SRO shall not act as a disciplinarian; however, the SRO may assist the school with discipline problems and, if the problem or incident is a violation of law, will determine whether law enforcement action is appropriate.
- Investigate crimes or other school-related incidences on campus and in the surrounding neighborhoods, making arrests when appropriate, and making the necessary notifications to parents, school staff, and social service agencies.
- Assist in mediating disputes on campus, including working with students to help them resolve disputes in a non-violent manner.
- Participate in school staff meetings, PTA presentations, and other parent involvement programs.
- Maintain an activity log, to include all SRO activities such as meetings, conferences, extracurricular events, arrests, investigations, training, and any other items or occurrences which are required by the school or Department supervisor.
- Provide a monthly report to the Department supervisor and Principal.
- Perform other duties as mutually agreed upon by the Principal and the SRO provided the duty is legitimately and reasonably related to the SRO program as described in this

Agreement and is consistent with Federal and State law, local ordinances, Department and School District policies, procedures, rules, and regulations.

11. Facilities to be provided by the School District. The School District will provide the following facilities for the SRO:

- A private office within the assigned school that is properly lighted, with a telephone, to be used by the SRO for general office purposes.
- A 4-drawer locking cabinet, desk, chair, and reasonable office supplies.
- A police parking space at the designed school.

12. Notices.

The point of contact for the City is:

Chief Lisa K. Mulligan
SeaTac Police Department
4800 South 188th Street
SeaTac, WA 98188
Telephone: (206) 973-4901

The point of contact for the School District is:

Chief Operating Officer – Don Waring
Highline Public Schools
15675 Ambaum Boulevard Southwest
Burien, WA 98166
Telephone: (206) 988-7281

13. Indemnity. The City will protect, defend, indemnify, and hold harmless the School District, its officers, employees, and agents from any and all costs, claims, judgments, or awards of damages arising out of or in any way resulting from negligent acts or omissions of the City, its officers, employees, or agents. The School District will protect, defend, indemnify, and hold harmless the City, its officers, employees, and agents from any and all costs, claims, judgments, or awards of damages arising out of or in any way resulting from negligent acts or omissions of the School District, its officers, employees, or agents.

14. Amendments. This Agreement expresses the entire agreement of the parties and may not be altered or modified in any way unless such modifications are reduced to writing, signed by both parties, and affixed to the original Agreement.
15. Termination. Either party may terminate this Agreement upon sixty (60) calendar days written notice to the other party. In the event of termination of this Agreement prior to June 30, 2014, the City will refund the School District an amount of \$5,392.50 (1/10 of \$53,925) for each full calendar month remaining in the 2013-2014 school year at the time of termination of this Agreement.

DATED this 28th day of August, 2013

HIGHLINE PUBLIC SCHOOLS
By: [Signature]
Title: Superintendent
Date: 8-28-13

CITY OF SEATAC
By: _____
Title: _____
Date: _____

Approved as to form:

City Attorney

8. PRESENTATIONS:

● **Public Safety Statistics (10 minutes)**

By: Assistant Fire Chief Brian Wiwel

RCM PRESENTATIONS

● **Farewell Address (10 minutes)**

By: King County Councilmember Julia Patterson

● **Matt Griffin YMCA (5 minutes)**

By: Branch Executive Claudia Tanis

● **Update on Federal Way Link Extension and Sound Transit's Long Range Plan (30 minutes)**

By: Light Rail Development Manager Cathal Ridge

**PAYROLL/CLAIMS VOUCHERS WERE SENT
ELECTRONICALLY TO THE CITY COUNCIL**

**A HARD COPY OF THE VOUCHERS
CAN BE VIEWED IN THE CITY CLERK'S OFFICE**

**PAYROLL/CLAIMS VOUCHERS ARE ALSO
AVAILABLE ON OUR CITY WEBSITE**

www.ci.seatac.wa.us

City of SeaTac

Regular Council Meeting Minutes

July 9, 2013
6:30 PM

City Hall
Council Chambers

CALL TO ORDER: The SeaTac City Council Regular Meeting was called to order by Mayor Anthony (Tony) Anderson at 6:31 p.m.

COUNCIL PRESENT: Mayor Anthony (Tony) Anderson, Deputy Mayor (DM) Mia Gregerson, Councilmembers (CMs) Rick Forschler, Terry Anderson, Dave Bush, and Pam Fernald. Excused Absent: CM Barry Ladenburg.

STAFF PRESENT: Assistant City Manager (ACM) Gwen Voelpel, City Attorney Mary Mirante Bartolo, City Clerk Kristina Gregg, Police Chief Lisa Mulligan, Community & Economic Development (CED) Director Joe Scorcio, Economic Development (ED) Manager Jeff Robinson, and Human Services (HS) Program Manager Colleen Brandt-Schluter.

FLAG SALUTE: Mayor A. Anderson led the Council, audience and staff in the Pledge of Allegiance.

PUBLIC COMMENTS: Doris Cassan spoke against the initiative petition.

Earl Gipson spoke regarding the 4th of July fireworks and the initiative petition.

Jim Todd, representing the Angle Lake Shore Club read a statement from the Angle Lake Shore Club regarding the 4th of July fireworks display.

Vicki Lockwood questioned a voucher for City Council retreat costs at \$375 per CM. She also spoke against the initiative petition.

PRESENTATIONS:

● **Council Consideration of Mayoral Appointments of Victoria Lockwood as a member and F. Dennis Anderson as an alternate member to the Senior Citizen Advisory Committee**

MOVED BY T. ANDERSON, SECONDED BY FERNALD TO CONFIRM THE MAYORAL APPOINTMENT OF VICTORIA LOCKWOOD AS A MEMBER AND DENNIS ANDERSON AS AN ALTERNATE MEMBER TO THE SENIOR CITIZEN ADVISORY COMMITTEE.

MOTION CARRIED UNANIMOUSLY.

Mayor A. Anderson and CM T. Anderson presented the certificates to Ms. Lockwood and Mr. Anderson.

● **Acknowledgement of Southwest King County Chamber of Commerce (SWKCCC) Success Foundation Scholarship Winner Andrea Sanchez**

Mayor A. Anderson read Ms. Sanchez's bio.

● **South King Council of Human Services**

Director Nathan Phillips provided their 2012-2013 Annual Report. He also thanked the City for the Human Services funding the City provides.

CM T. Anderson thanked South King County of Human Services for the services they provide.

CONSENT AGENDA:

● **Approval of claims vouchers** (check nos. 103516 - 103719) in the amount of \$1,046,811.01 for the period ended July 5, 2013.

● **Approval of payroll vouchers** (check nos. 51532 – 51571) in the amount of \$566,248.83 for the period ended June 30, 2013.

● **Approval of payroll electronic fund transfers** (check nos. 77523 –77720) in the amount of \$408,051.28 for the period ended June 30, 2013.

● **Approval of payroll wire transfer** (Medicare and Federal Withholding Tax) in the amount of \$82,448.19 for the period ended June 30, 2013.

● **Pre-approval or final approval of City Council and City Manager travel related expenses** for the period ended July 9, 2013.

MOVED BY T. ANDERSON, SECONDED BY FERNALD TO ACCEPT THE CONSENT AGENDA AS PRESENTED.

MOTION CARRIED UNANIMOUSLY.

PUBLIC COMMENTS (related to Unfinished Business): There were no public comments.

UNFINISHED BUSINESS: There was no Unfinished Business.

NEW BUSINESS: There was no New Business.

CITY MANAGER'S COMMENTS: ACM Voelpel commented on the following: (1) July 12 - 6:30 p.m., Music In the Park at Angle Lake Park; (2) timeline for the Fire Consolidation Interlocal Agreement (ILA) has shifted slightly – presented to City Council at the August 13 Council Study Session (CSS), with potential for action at the September 10 Regular Council Meeting (RCM); and (3) shared a video of the spray park taken at the International Festival.

COUNCIL COMMENTS: CM Forschler thanked Mayor A. Anderson for the idea of hosting a workshop to hear public comment related to the initiative petition Ordinance.

CMs T. Anderson, Fernald, and Bush commented positively on the new spray park.

CM Bush also commented on the successful International Festival with 55 booths.

DM Gregerson reported on the National League of Cities (NLC) Youth and Education Families Council meeting.

Mayor A. Anderson commented on the following: (1) the transportation revenue package did not pass; (2) NLC Public Safety & Crime Prevention Committee meeting; (3) 4th of July; and (5) Music in the Park.

ADJOURNED:

MOVED BY FORSCHLER, SECONDED BY GREGERSON TO ADJOURN THE REGULAR MEETING OF THE SEATAC CITY COUNCIL AT 7:10 P.M.

MOTION CARRIED UNANIMOUSLY.

Tony Anderson, Mayor

Kristina Gregg, City Clerk

City of SeaTac

Regular Council Meeting Minutes

September 10, 2013
6:30 PM

City Hall
Council Chambers

CALL TO ORDER: The SeaTac City Council Regular Meeting was called to order by Mayor Anthony (Tony) Anderson at 6:32 p.m.

COUNCIL PRESENT: Mayor Anthony (Tony) Anderson, Deputy Mayor (DM) Mia Gregerson, Councilmembers (CMs) Barry Ladenburg, Rick Forschler, Terry Anderson, Dave Bush, and Pam Fernald.

STAFF PRESENT: City Manager Todd Cutts, City Attorney Mary Mirante Bartolo, City Clerk Kristina Gregg, Assistant City Manager (ACM) Gwen Voelpel, Police Chief Lisa Mulligan, Fire Chief Jim Schneider, Finance & Systems Director Aaron Antin, and Human Services (HS) Program Manager Colleen Brandt-Schluter.

FLAG SALUTE: Mayor A. Anderson led the Council, audience and staff in the Pledge of Allegiance.

PUBLIC COMMENTS: Fred Hause, Mel McClure, and Mark Blumenthal spoke in support of Agenda Bill #3529 - Contractual Consolidation Interlocal Agreement (ILA) between the City of SeaTac and the Kent Regional Fire Authority (RFA).

Goodspaceguy spoke about economics and the harm done by minimum wage, requesting that the minimum wage be abolished.

Kevin Kelly, representative for CleanScapes, thanked Council and staff for selection process and the transition timeline prepared by staff.

Thomas Wray, teamsters local 117, stated his concern that two elements were overlooked or not investigated in the hauler selection process: (1) job security, and (2) prevailing wages.

Kathleen Brave spoke regarding the sidewalk projects in SeaTac: (1) concern about trees coming down in order for project to be completed; and (2) 34th Avenue South – is difficult to walk with businesses parking employees on the street.

Doris Cassan spoke against Agenda Bill #3529.

Earl Gipson spoke regarding Agenda Bill #3529 stating his opinion that the projections are not accurate.

PRESENTATIONS (Continued):

•National Recovery Month Proclamation

Mayor A. Anderson read the proclamation declaring September as National Recovery Month.

•Council confirmation of Mayoral appointment of Misoon Kong to the Hotel/Motel Tax Advisory Committee MOVED BY GREGERSON, SECONDED BY FORSCHLER TO CONFIRM THE APPOINTMENT OF MISOON KONG TO THE HOTEL/MOTEL TAX ADVISORY COMMITTEE.

MOTION CARRIED UNANIMOUSLY.

•Refugee Women's Alliance (ReWA)

Family Support Program Director Amina Ahmed reviewed programs offered by ReWA and support provided by SeaTac funding.

Ms. Ahmed shared an upcoming event: ReWA Gala on September 20 at 5:30 p.m. at the downtown Sheraton. The keynote speaker is Governor Inslee.

CONSENT AGENDA:

•Approval of claims vouchers (check nos. 104178 - 104353) in the amount of \$1,511,052.15 for the period ended August 20, 2013.

•Approval of claims vouchers (check nos. 104354 - 104492) in the amount of \$466,023.60 for the period ended September 5, 2013.

•Approval of payroll vouchers (check nos. 51649 – 51687) in the amount of \$211,522.27 for the period ended August 15, 2013.

•Approval of payroll electronic fund transfers (check nos. 78123 – 78321) in the amount of \$404,273.89 for the period ended August 15, 2013.

•Approval of payroll wire transfer (Medicare and Federal Withholding Tax) in the amount of \$81,356.04 for the period ended August 15, 2013.

CONSENT AGENDA (Continued):

- **Approval of payroll vouchers** (check nos. 51689 – 51732) in the amount of \$466,145.73 for the period ended August 31, 2013.
- **Approval of payroll electronic fund transfers** (check nos. 78322 – 78519) in the amount of \$389,106.53 for the period ended August 31, 2013.
- **Approval of payroll wire transfer** (Medicare and Federal Withholding Tax) in the amount of \$77,198.88 for the period ended August 31, 2013.
- **Pre-approval or final approval of City Council and City Manager travel related expenses** for the period ended September 5, 2013.

Approval of Council Meeting Minutes:

- **Council Study Session** held August 13, 2013
- **Regular Council Meeting** held August 13, 2013
- **Special Council Study Session** held August 27, 2013

MOVED BY GREGERSON, SECONDED BY LADENBURG TO ACCEPT THE CONSENT AGENDA AS PRESENTED.

MOTION CARRIED UNANIMOUSLY.

PUBLIC COMMENTS (related to Action Items and Unfinished Business): There were no public comments.

ACTION ITEM:

Agenda Bill #3529; A Motion establishing a Contractual Consolidation Interlocal Agreement (ILA) between the City of SeaTac and the Kent Regional Fire Authority (RFA)

Summary: The City has been discussing consolidating its fire services with surrounding jurisdictions for a number of years. In the 1990s, the City participated in an exploration of regional consolidation called Saltwater Ridge. In the mid-2000s, the City engaged a third party consultant to explore fire consolidation with the City of Tukwila. Those efforts did not lead to consolidation.

At a June 2010 City Council retreat, potential fire consolidation was again discussed at the request of the Council. Staff provided Council with background on the existing state of fire services. While minimum staffing levels for effective fire suppression and emergency medical services have always been maintained, resources to provide services such as fire prevention, public education, training, and emergency management were either eliminated or have never been funded. Staff also presented Council with four scenarios to provide fire services: (1) City retain fire services; (2) explore consolidation with the City of Tukwila; (3) explore consolidation with South King Fire; (4) explore consolidation with the Kent RFA. At that time, Council directed staff to explore consolidation with the Kent RFA.

During the commencement of exploration of the merger, in consideration of the services that were not currently being provided (as highlighted above) and the existing Fire Chief vacancy, the City entered into an ILA concerning discrete services with the Kent RFA that commenced in 2011 and is still presently in place. This contract includes provision of the following services: Chief Administrative Services, Emergency Management Services, Fire Prevention Services, Fire Investigation Services, and Training Services. The Kent RFA has advised that it will be unable to continue providing services under the current contract terms beyond December 31, 2013. Above listed services are in addition to a pre-existing contract with the Kent RFA for Fleet Maintenance.

On a parallel track, the exploration of the Kent RFA providing a complete suite of fire services to the City of SeaTac commenced. Throughout 2011 and 2012, the two entities worked through an exploratory process utilizing a stakeholder task force to consider how to address consolidated operations, administration, labor issues, logistic, governance and information technology. In addition, a Citizen's Advisory Committee was assembled to provide input from citizens and businesses. While the parties involved agreed that the concept of consolidation was worth exploring, it was discovered that fiscally it was unfeasible to merge SeaTac fire services with the Kent RFA. This became apparent when the fiscal analysis brought to light that the Kent RFA does not collect personal property tax in the context of its Fire Benefit Charge and that SeaTac collects a large amount of property tax from personal property tax assessed at the airport. As such, this exploratory process ceased and a recommendation was made to the Council in December of 2012 for the two agencies to explore contractual consolidation. Council concurred with the recommendation and directed staff to explore contractual consolidation.

ACTION ITEM (Continued):

Agenda Bill #3529 (Continued):

CONTRACTUAL CONSOLIDATION PROCESS

Early in 2013, the City and the Kent RFA commenced exploration of a contractual consolidation. A contractual consolidation steering committee was formed including staff from the City and the RFA and a resident and business representative. The first step in this process was to create the Contractual Consolidation Plan. The plan served as the foundation for defining the need for consolidation, outlining the formation authority, jurisdictional boundaries, governance model and organizational structure. It also highlighted financial implications of the consolidation and the services to be provided. The plan, along with the fiscal implications and pros and cons of implementation, were presented at the June 2013 City Council retreat to a joint meeting of the Council and the RFA Board of Directors.

During the time the plan was being developed, both International Association of Fire Fighters (IAFF) Kent Local Number 1747 and SeaTac Local Number 2919 were meeting to discuss how labor contracts would be merged. Shortly after the Council retreat, both locals voted to approve a Memorandum of Understanding (MOU) on a common contract.

The next step was to draft an ILA between the City and the RFA to formalize the contractual consolidation. The ILA serves to flesh out what had been developed in the aforementioned plan. The intention is to bring this ILA to the City Council Study Session on August 13 for review and discussion, with the potential to bring the ILA forward at the September 10 RCM for action.

ANALYSIS

Below is a qualitative analysis of the pros and cons of contractual fire consolidation with the RFA. Items with asterisks indicate when items adjacent are related:

PROS	CONS
Decreased costs to operate fire services in the long term* <ul style="list-style-type: none"> • Economies of scale with Fire Chief, Fire Marshal, public education • Ability to take advantage of early retirement program 	Increased costs to operate fire services in the short term* <ul style="list-style-type: none"> • Significant increase in labor costs
Annual increases to operating and administrative costs capped at Consumer Price Index (CPI)*	Loss of direct ability to bargain labor contracts*
Offers flexibility to revert back to City administered fire services*	Conversion back to City administered fire services would be onerous*
Liability shifts to the RFA	Loss of local control (City would hold one nonvoting advisory position on RFA Board)
Increased ability to perform Emergency Management regional integration	Loss of local in-house fire service expertise in emergency management discipline
Proven and effective RFA leadership*	No direct control over decision regarding future department leadership*
Efficiency in regional services coordination	Annual "B" business inspections currently performed by firefighters no longer conducted
All current SeaTac employees would retain positions within the Kent RFA	
Kent RFA takes on some of the support services work currently performed by the various City departments, including Finance, Human Resources (HR), and Legal; helping balance capacity within available resources	
Greater depth of service (hazmat, technical rescue, water rescue)	

Staff recommends that Council authorize approval of this ILA. Over the life of the existing ILA, the RFA has exhibited quality leadership for fire services in SeaTac, including fire suppression and emergency medical services. The RFA would provide a depth of services and existing extensive knowledge base beyond the capabilities of a department the size of SeaTac. This depth of services and knowledge base would extend to fire prevention, emergency management, public education and fire investigation. The RFA also would provide both

ACTION ITEM (Continued):

Agenda Bill #3529 (Continued): general training for firefighters as well as opportunities for firefighters to participate on technical teams (hazmat, technical rescue, water rescue), which SeaTac firefighters would not otherwise have the opportunity to participate on. Considering the above factors holistically, the RFA has the ability to provide higher quality service to the citizens of SeaTac.

This recommendation does not come without some reservations. While fiscal projections indicate cost savings in the future, projections such as these can be difficult to predict given the volatile nature of variables such as future inflationary factors and labor costs. SeaTac also loses direct control over its fire services. (However, as always in a contract situation, SeaTac has the option to terminate this agreement after a period of time.)

The fiscal impact analysis of contractual consolidation is driven by the implications of the ILA. Finance personnel from the City and the RFA worked together to compile the estimated costs for 2014. A joint effort was also used to develop the schedule for capital costs, deducing the City's annual capital contribution to the RFA.

Given the long-term nature of this agreement, it is responsible to consider the long-term fiscal impact to the City. As such, the City modeled consolidation costs for the next ten years. When creating a ten year model, it should be noted that assumptions are made based on existing data, historical trends, and market projections. However, these are assumptions, and changes when actual costs are available will certainly alter current projections.

The City projected costs over a ten year period for two scenarios, a City base scenario and a Kent RFA consolidation scenario, include the following assumptions:

- The City base scenario represents:
 - The City retaining its fire services
 - 4% annual increase assumed
 - Delayed equipment replacements and no dedicated funding stream for this in the future
 - This cost is \$480,000 higher than the 2014 adopted budget amount due to service adds (Fire Chief, Fire Marshal, Fire Investigation, Emergency Manager, Public Education) included in ILA service levels.
 - Kent RFA early retirement program not feasible at non-regional level (8 spots per 175 fire FTE's, utilization of overtime, 6-month academy plus 12-month training program for recruits)
- The Kent RFA consolidation scenario represents:
 - The service levels detailed in the ILA
 - 2.1% annual increase assumed
 - Cost savings realized through:
 - RFA early retirement program
 - RFA absorbing new firefighter training costs
 - Less overtime costs given larger organization to absorb absences
 - Indirect costs on City are removed (insurance liability, negotiations, etc.)
 - Labor cost (44 firefighters) higher initially, level of service changes done via ILA
 - Cost increase for maintenance & operations and administration capped at CPI (2.1%)
 - City passes through \$600,000 for purchase of ladder truck in 2014 (from Sound Transit mitigation)
 - City pays Unfunded Liabilities (\$1.3M) and RFA pays for current capital equipment (\$1.1M)
 - Dedicated funding for equipment replacement (\$460,000 annually) with provisions for return of fund balance and inventory buy back at end of contract

In the scenarios above, the City could anticipate the following fiscal impact:

- Total cost in year one of the City base scenario is projected to be \$9 million. (It should again be emphasized that fully funding a standalone fire department in the City of SeaTac would cost approximately \$480,000 more than what the City is expending today.)
- Total cost in year one of the Kent RFA consolidation scenario is projected to be \$9.7 million. Fire reserve budget could cover onetime cost of \$200,000 (this is the net of City unfunded liability and RFA purchasing City current capital equipment), yielding an impact to the City's general fund of \$9.5 million.
- Assuming projections are accurate, the City would begin to save money on an annual basis with the ILA model in 2017. The cumulative breakeven point for this cost projection is 2020.

City Manager Cutts, Fire Chief Schneider, Finance & Systems Director Antin, and RFA Attorney Brian Snure reviewed the agenda bill summary and the proposed ILA.

ACTION ITEM (Continued):

Agenda Bill #3529 (Continued):

Mr. Cutts reviewed minor changes since the last review.

MOVED BY GREGERSON, SECONDED LADENBURG TO PASS AGENDA BILL #3529.*

Council discussion ensued regarding the agreement.

*UPON A ROLL CALL VOTE, MOTION CARRIED WITH LADENBURG, A. ANDERSON, GREGERSON AND BUSH VOTING YES, AND FORSCHLER, T. ANDERSON, AND FERNALD VOTING NO.

UNFINISHED BUSINESS: There was no Unfinished Business.

NEW BUSINESS: There was no New Business.

CITY MANAGER'S COMMENTS: City Manager Cutts commented on the following: (1) September 20 - 1st Annual Litter Cleanup; (2) Finance & Systems Director Antin received the Professional Finance Officer Award; and (3) ACM Voelpel received the Assistant Excellence in Leadership Award.

COUNCIL COMMENTS: CM Ladenburg thanked staff for their due diligence on the agenda items.

CM Forschler and Mayor A. Anderson stated their appreciation of the Legal staff for their hard work.

CM T. Anderson thanked everyone for attending the Council meetings.

CM Bush commented on the following: (1) attended the opening day at McMicken Heights Elementary School; and (2) Music for Life is collecting instruments and giving them to kids that can't afford them.

Mayor A. Anderson also thanked the citizen volunteers for participating in the fire study.

ADJOURNED:

MOVED BY T. ANDERSON, SECONDED BY A. ANDERSON ADJOURN THE REGULAR MEETING OF THE SEATAC CITY COUNCIL AT 8:03 P.M.

MOTION CARRIED UNANIMOUSLY.

Tony Anderson, Mayor

Kristina Gregg, City Clerk

SeaTac City Council
REQUEST FOR COUNCIL ACTION

Department Prepared by: Community & Economic Development

Agenda Bill #: **3556**

TITLE: A Motion authorizing the City Manager to enter into a lease extension with Reji Mathew, doing business as Hi-Tech Gadgets, in the SeaTac Center.

October 14, 2013

<input type="checkbox"/> Ordinance <input type="checkbox"/> Resolution <input checked="" type="checkbox"/> Motion <input type="checkbox"/> Info. Only <input type="checkbox"/> Other	
Date Council Action Requested: <u>RCM 11-12-13</u>	
Ord/Res Exhibits: _____	
Review Dates: <u>CSS 10-22-12</u>	
Prepared By: <u>Jeff Robinson, Economic Development Manager</u>	
Director: _____	City Attorney: <u>Mark S. Johnson, Sr. Asst. City Atty</u>
Finance: _____	BARS #: <u>108.362.50.00.002</u>
City Manager: _____	Applicable Fund Name: <u>Building Management Fund</u>

SUMMARY: This Motion authorizes the City Manager to execute a three-year lease extension with Hi-Tec Gadgets in the SeaTac Center.

DISCUSSION / ANALYSIS / ISSUES: Hi-Tech Gadgets has been a tenant in the SeaTac Center since March, 2008 with an initial five-year term. This extension provides for a three year extension with annual increases of 2%. The tenant began making the increased rent payment on a month-to-month basis in July, 2013. The lease is scheduled to terminate on June 30, 2016 and contains a Redevelopment Clause that allows the City to terminate the lease with nine months notice. The Andover Company will receive compensation in the amount of \$1,645.00, or 4% of the gross lease revenues for their services. The tenant is not requesting any improvements to the space.

RECOMMENDATION(S): It is recommended that the Motion be carried.

FISCAL IMPACT: The total gross rent revenue generated by the three-year lease is \$41,123.00 excluding projected triple net charges.

ALTERNATIVE(S): Do not pass the Motion.

ATTACHMENTS: 1) Addendum/Amendment to CBA Lease with Rent Schedule



The Andover Company, Inc.
415 Baker Boulevard, Suite 200
Tukwila, WA 98188
Phone: (206) 244-0770
Fax: (206) 246-9229

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CBA Form LA
Lease Addendum
Rev. 5/07
Page 1 of 1

ADDENDUM/AMENDMENT TO
CBA LEASES

CBA Text Disclaimer: Text deleted by licensee indicated by strike.

The following is part of the Commercial Lease Agreement dated March 10, 2008,

Between K&S Development, LLC ("Landlord")

And Reji Mathew dba Hi-Tech Gadgets, LLC ("Tenant")

regarding the lease of the Property known as: SeaTac Center, Suite 204, 15247 International Blvd.,
SeaTac, WA

IT IS AGREED BETWEEN THE LANDLORD AND TENANT AS FOLLOWS:

- 1. The Landlord is the City of SeaTac
2. Landlord and Tenant agree to extend the termination date to June 30, 2016.
3. Annual rent increases shall be 2% above the current years rent.
4. The rent schedule shall be as follows:
July 2013 - June 2014 \$1,124.17 monthly + NNN (\$14.92/SF)
July 2014 - June 2015 \$1,146.65 monthly + NNN (\$15.22/SF)
July 2015 - June 2016 \$1,169.59 monthly + NNN (\$15.53/SF)
5. In the event that the Landlord will be pursuing redevelopment of the property, Landlord shall give
notice to Tenant no later than September 16, 2015 of their intent to redevelop and relocate Tenant or
terminate the lease after nine months from date of notice.

AGENT (COMPANY): The Andover Company By: Connie Boyle, CCIM




ALL OTHER TERMS AND CONDITIONS of said Agreement remain unchanged.

INITIALS:
Tenant/Lessee: Reji Date 10-1-13 Landlord/Lessor Date
Tenant/Lessee: Reji Date 10-1-13 Landlord/Lessor Date

SeaTac City Council
REQUEST FOR COUNCIL ACTION
Department Prepared by: CED

Agenda Bill #: 3544

TITLE: A Resolution confirming the appointment by the City Manager of Stephen K. Causseaux, Jr. as the City Hearing Examiner, providing for appointment of a Hearing Examiner Pro-Tem, and authorizing the City Manager to enter into contracts for Hearing Examiner services.

<i>September 16, 2013</i>	
<input type="checkbox"/> Ordinance <input checked="" type="checkbox"/> Resolution <input type="checkbox"/> Motion <input type="checkbox"/> Info. Only <input type="checkbox"/> Other	
Date Council Action Requested: <u>RCM 11/12/13</u>	
Ord/Res Exhibits: <u>Exhibit A—Proposed Contract</u>	
Review Dates: <u>CSS 10/22/13</u>	
Prepared By: <u>Debra McClung, Administrative Assistant III, Community & Economic Development</u>	
Director: 	City Attorney: <u>Mary Mirante Barolo</u>
Finance: 	BARS #: <u>001.000.13.558.60.41.032</u>
City Manager: 	Applicable Fund Name: <u>General Fund</u>

*JK
EA*

SUMMARY: The proposed Resolution confirms the appointment by the City Manager of Stephen K. Causseaux, Jr. as the City Hearing Examiner for a term of two years pursuant to Ordinance No. 90-1045. In addition, the proposed Resolution provides that the Hearing Examiner is authorized to appoint a Hearing Examiner Pro-Tem as needed. Finally, the proposed Resolution authorizes the City Manager to enter into contracts for Hearing Examiner services.

DISCUSSION / ANALYSIS / ISSUES: Ordinance No. 90-1045 established the Hearing Examiner system, which is now codified in Chapter 1.20 of the SeaTac Municipal Code. Section 1.20.030 provides for appointment by the City Manager, subject to confirmation by the Council of the Hearing Examiner to serve for a term of two years. Additionally, Section 1.20.060 provides for appointment of a Hearing Examiner Pro-Tem by the City Manager, subject to confirmation by the Council.

Stephen K. Causseaux, Jr. was originally appointed as the City’s Hearing Examiner in November, 2004, and he has done an excellent job serving the City in that capacity. The City Manager wishes to reappoint Mr. Causseaux as the City’s Hearing Examiner for another term, and the proposed Resolution confirms that appointment for calendar years 2014 and 2015.

Second, the proposed Resolution provides that the Hearing Examiner be authorized to appoint a Hearing Examiner Pro-Tem, subject to the approval of the City Manager or designee, when necessary due to scheduling conflicts or conflicts of interest. While it is not possible to determine how many times the services of a Hearing Examiner Pro-Tem will be required, a Pro-Tem Examiner has only been needed one time since 2005.

Finally, the proposed Resolution authorizes the City Manager to enter into contracts for Hearing Examiner Services with Mr. Causseaux and any Pro-Tem Hearing Examiners. A proposed contract between the City of SeaTac and Mr. Causseaux is attached to the Resolution as Exhibit A.

RECOMMENDATION(S): It is recommended that the City Council pass the proposed Resolution.

FISCAL IMPACT: The Hearing Examiner Services will be paid for out of the BARS account listed above.

ALTERNATIVE(S): 1) Do not adopt the proposed Resolution and request that the City Manager select a new Hearing Examiner.

ATTACHMENTS: None.

RESOLUTION NO. _____

A RESOLUTION of the City Council of the City of SeaTac, Washington confirming the appointment of Stephen K. Causseaux, Jr. by the City Manager as the City Hearing Examiner, providing for appointment of a Hearing Examiner Pro-Tem, and authorizing the City Manager to enter into contracts for Hearing Examiner services.

WHEREAS, Section 1.20.030 of the SeaTac Municipal Code provides for appointment of the Hearing Examiner by the City Manager, subject to confirmation by the Council, to serve a term of two years; and

WHEREAS, Section 1.20.060 of the SeaTac Municipal Code provides for appointment of the Hearing Examiner Pro-Tem by the City Manager, subject to confirmation by the Council, to serve a term of two years; and

WHEREAS, the City Manager appoints Stephen K. Causseaux, Jr. as the City Hearing Examiner subject to confirmation of the City Council;

WHEREAS, the City Manager believes that Stephen K. Causseaux, Jr. is qualified to serve as the City's Hearing Examiner, based upon his qualifications, including his training, actual experience in, and knowledge of administrative and quasi-judicial hearings on zoning, subdivision, and other land use regulatory enactments; and

WHEREAS, the City Council finds that it is appropriate that the Hearing Examiner appoint a Hearing Examiner Pro-Tem, as necessary, to fulfill the duties of the Hearing Examiner set forth in the SeaTac Municipal Code;

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF SEATAC, WASHINGTON HEREBY RESOLVES as follows:

1) The appointment by the City Manager of Mr. Stephen K. Causseaux, Jr. to the position of City Hearing Examiner is hereby confirmed through December 31, 2014, as specified by Ordinance, and the jurisdiction of Mr. Causseaux to perform all previous official acts, hearings, and decisions are confirmed and ratified in all respects; and

2) The Hearing Examiner is authorized to appoint, as necessary, a Hearing Examiner Pro-Tern, in order to fulfill the duties of Hearing Examiner as set forth in the SeaTac Municipal Code; and

3) The City Manager is authorized to enter into contracts, in substantially similar form as attached hereto in Exhibit A, for Hearing Examiner services with the Hearing Examiner and Hearing Examiner Pro-Tem.

PASSED this _____ day of _____, 2013 and signed in authentication thereof on this _____ day of _____, 2013.

CITY OF SEATAC

ATTEST:

Tony Anderson, Mayor

Kristina Gregg, City Clerk

Approved as to Form:



Mary E. Mirante Bartolo, City Attorney

[Confirmation of Hearing; Examiner 2014-2015]

HEARING EXAMINER CONTRACT

THIS CONTRACT, is made and entered into effective on the date upon which the last party to sign this Contract so signs the Contract, by and between the City of SeaTac, a municipal corporation of the State of Washington, hereinafter referred to as the "City", and Stephen K. Causseaux, Jr., hereinafter referred to as the "Hearing Examiner."

WHEREAS, the Hearing Examiner has been appointed as the Hearing Examiner for the City; and;

WHEREAS, the City Council wishes to contract with the Hearing Examiner under the terms and conditions set forth herein; and

In consideration of the mutual benefits to be derived by the parties herein, the parties agree as follows:

1. **EMPLOYMENT.** The City hereby agrees to retain and employ the Hearing Examiner to preside over quasi-judicial and appellate matters in accordance with Chapter 1.20 of the SeaTac Municipal Code (hereafter SMC). The Hearing Examiner hereby agrees to serve the City pursuant to this Contract.

2. **SCOPE OF SERVICES.** The Hearing Examiner shall perform all of the duties set forth in Chapter 1.20 of the SeaTac Municipal Code, and all other actions reasonably necessary to fulfill the obligations of the position, as established by State statute or City Ordinance. The provisions of SMC 1.20 and Chapter 35.63.130 of the Revised Code of Washington (hereafter RCW) are incorporated by reference as if fully set forth herein.

3. **TIME FOR BEGINNING AND COMPLETION.** This Contract shall be effective January 1, 2014, and continue in effect through December 31, 2015.

4. **COMPENSATION.** The Hearing Examiner shall provide services to the City at an hourly rate of \$150.00 for the performance of the duties described herein. Any additional costs incurred in the performance of the Hearing Examiner's duties that are subject to reimbursement are stated below:

Secretary	\$50.00 per hour
Clerk	\$25.00 per hour

All compensation and costs that are billed at an hourly rate shall be billed in quarter-hour increments. Other costs not specifically specified in this Contract will only be paid if mutually agreed upon in writing between the City and the Hearing Examiner.

5. **BILLING AND PAYMENT.** The Hearing Examiner shall submit a final invoice to the City within thirty (30) days after a hearing decision is rendered. The City shall make payments to the Hearing Examiner within forty-five (45) days of receipt of the invoice. Each invoice shall contain a detailed description of charges. The Hearing Examiner shall provide additional information to the City explaining charges upon request.

6. **INDEPENDENT CONTRACTOR.** The Hearing Examiner is an independent contractor for the performance of services under this Contract. The City shall not be liable for, nor obligated to pay to the Hearing Examiner, or any employee of the Hearing Examiner, sick leave, vacation pay, overtime or any other benefit applicable to employees of the City, nor to pay or deduct any social security, income tax, or other tax from the payments made to the Hearing Examiner which may arise as an incident of the Hearing Examiner performing services for the City. The City shall not be obligated to pay industrial insurance for the services rendered by the Hearing Examiner. The Hearing Examiner will be solely responsible for the payment of any and all applicable taxes related to the services provided under this Contract and if such taxes are required to be passed through to the City by law, the same shall be duly itemized on any billings submitted to the City by the Hearing Examiner.

7. **RECORDS INSPECTION AND AUDIT.** The Hearing Examiner shall keep all records related to this Contract for a period of three (3) years following completion of the work for which the Hearing Examiner is retained. The Hearing Examiner shall return the City's original records to the City. The Hearing Examiner shall permit any authorized representative of the City, and any person authorized by the City for audit purposes, to inspect such records at all reasonable times during regular business hours of the Hearing Examiner. Upon request, the Hearing Examiner will provide the City with reproducible copies of any such records. The copies will be provided without cost if required to substantiate any billing of the Hearing Examiner, but the Hearing Examiner may charge the City no more than 15 cents (\$0.15) per page for copies requested for any other purpose.

8. **OWNERSHIP OF WORK PRODUCT.** Any and all documents, drawings, reports, and other work product produced by the Hearing Examiner under this Contract shall become the property of the City upon payment of the Hearing Examiner's fees and charges therefore. The City shall have the complete right to use and re-use such work product in any manner deemed appropriate by the City, provided, that use on any project other than that for which the work product is prepared shall be at the City's risk unless such use is agreed to by the Hearing Examiner.

9. **EQUAL EMPLOYMENT OPPORTUNITY.** The Hearing Examiner shall strictly abide by all local, state and federal equal employment opportunity laws and policies relating to the establishment of non-discrimination in hiring and employment practices, and assuring the service of all clients, customers or involved members of the public without discrimination.

10. **INDEMNIFICATION.** The Hearing Examiner shall indemnify and hold harmless the City and its officers, agents and employees or any of them from any and all claims, actions, suits, liability, loss, costs, expenses and damages of any nature whatsoever, by any reason of or arising out of any negligent act or omission of the Hearing Examiner, its officers, agents and employees, or any of them relating to or arising out of the performance of this Contract; and if final judgment be rendered against the City and its officers, agents and employees or any of them, or jointly against the City and the Hearing Examiner and their representative officers, agents and employees, or any of them, the Hearing Examiner shall satisfy the same to the extent that such judgment was due to the Contractor's negligent act or omissions.

The City shall indemnify and hold harmless the Hearing Examiner and its officers, agents and employees, or any of them from any and all claims, actions, suits, liability, loss, costs, expenses and damages of any nature whatsoever, by any reason of or arising out of any negligent act or

omission of the City, its officers, agents and employees, or any of them relating to or arising out of the performance of this Contract; and if final judgment be rendered against the Hearing Examiner and its officers, agents and employees or any of them, or jointly against the Hearing Examiner and the City and their representative officers, agents and employees, or any of them, the City shall satisfy the same to the extent that such judgment was due to the City's negligent act or omissions.

11. GENERAL COMPREHENSIVE LIABILITY INSURANCE. The Hearing Examiner shall secure and maintain a policy of comprehensive general liability insurance with an insurance company licensed to do business in the State of Washington, with policy limits of not less than \$1 million dollars. Written proof of the insurance policy shall be filed with the City.

12. RESTRICTION AGAINST ASSIGNMENT. The Hearing Examiner shall not assign this Contract or any interest herein, nor any money due or to become due hereunder without first obtaining the written consent of the City. The Hearing Examiner shall not subcontract part of the consulting services to be performed hereunder, without first obtaining the written consent of the City.

13. TERMINATION OF CONTRACT. Either the City or the Hearing Examiner may terminate the work in the event the other party fails to perform in accordance with the provisions of this Contract. Termination of this Contract is accomplished by either party giving the other party written notice of such termination, specifying the reason for the termination, the extent and effective date thereof, by not sooner than sixty (60) days from date of such notice, providing that the Hearing Examiner shall complete and be compensated for any duties previously assigned and accepted. The Hearing Examiner recognizes that he may be removed from office at any time for just cause by the affirmative vote of a majority of the whole membership of the City Council, pursuant to SMC 1.20.040.

14. CONTRACT ADMINISTRATION. This Contract shall be administered by Stephen K. Causseaux, Jr. on behalf of the Hearing Examiner and by the City Manager on behalf of the City. Any written notices required by terms of this Contract shall be served or mailed as follows:

If to the City:
City Manager
City of SeaTac
4800 S. 188th St.
SeaTac, WA 98188

If to the Hearing Examiner:
Stephen K. Causseaux, Jr.
McCarthy & Causseaux
902 South 10th Street
Tacoma, WA 98405

15. CONSTRUCTION AND VENUE AND DISPUTE RESOLUTION. This Contract shall be construed in accordance with the laws of the State of Washington. It is agreed that King County, Washington shall be the venue for any arbitration or lawsuit arising out of this Contract. Except as otherwise provided by law, it is expressly understood that neither party can institute any legal action against the other based on this Contract until the parties have exhausted the arbitration procedures required in the following paragraph.

If a dispute arises from or relates to this Contract or the breach thereof, and if the dispute cannot be resolved through direct negotiations between the parties, then the parties agree to first settle their dispute by arbitration, which shall be conducted under the American Arbitration Association's Arbitration Rules. The arbitrator may be selected by agreement of the parties or

through the American Arbitration Association. All fees and expenses for arbitration shall be borne by the parties equally. However, each party shall bear the expenses of its own counsel, experts, witnesses, and preparation of evidence.

16. MERGER AND AMENDMENT. This Contract contains the entire understanding of the parties with respect to the matters set forth herein and any prior or contemporaneous understandings are merged herein. This Contract shall not be modified except by written instrument executed by all parties hereto.

IN WITNESS WHEREOF, the parties hereto have executed this Contract.

CITY OF SEATAC

HEARING EXAMINER

By: _____
Title: City Manager

By: _____
Title: Hearing Examiner

Date: _____

Date: _____

Approved as to Form:

SeaTac Legal Department

SeaTac City Council

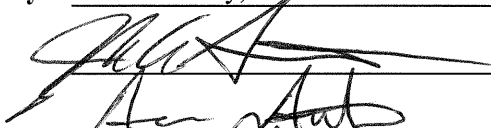
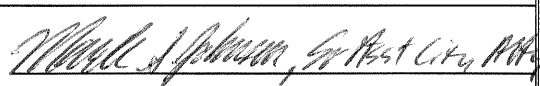
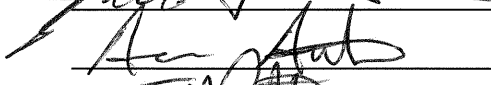

REQUEST FOR COUNCIL ACTION

Department Prepared by: Community & Economic Development

Agenda Bill #: **3554**

TITLE: A Motion authorizing the City Manager to execute a contract for Consultant Services to develop the Angle Lake Station Sub-Area Plan

October 16, 2013

<input type="checkbox"/> Ordinance <input type="checkbox"/> Resolution <input checked="" type="checkbox"/> Motion <input type="checkbox"/> Info. Only <input type="checkbox"/> Other	
Date Council Action Requested: <u>RCM 11/12/13</u>	
Ord/Res Exhibits: _____	
Review Dates: <u>CSS 10/22/13</u>	
Prepared By: <u>Kate Kaehny, Senior Planner</u>	
Director: <u></u>	City Attorney: <u></u>
Finance: <u></u>	BARS #: <u>106.000.03.519.70.41.001</u>
City Manager: <u></u>	Applicable Fund Name: <u>Angle Lake Station Sub-Area Plan</u>

37

SUMMARY: Staff is seeking Council approval for the City Manager to execute a consultant contract for the development of a sub-area plan for the Angle Lake Station Area. The consultant contract will include the process for the sub-area plan with the following components:

- A robust community and stakeholder engagement process;
- A pedestrian and bicycle study;
- A community-supported vision for redevelopment; and,
- An economically sound and achievable strategy for implementing the plan.

DISCUSSION / ANALYSIS / ISSUES:

Discussion: City Council has prioritized the creation of a strategic redevelopment plan for the Angle Lake Station Area in order to optimize the opportunities generated by Sound Transit’s new station. In order to supplement the station area planning project, the City applied for and received two Community Transformation Grants (CTG):

- 1) To enhance the project’s community engagement process, and
- 2) For use in a pedestrian and bicycle study of the area.

The project’s CTG-funded components must be completed by June 30, 2014.

Analysis: In addition to implementing City Council goals regarding “strategic planning efforts in the S. 200th Area,” and projects that “that help position SeaTac as a healthy community,” the creation of a plan would also help to implement multiple Comprehensive Plan policies. These adopted policies seek to encourage the establishment of higher density commercial and residential uses in walkable neighborhoods, and in areas close to mass transit. (See policies 1.1D, 1.1G, 1.2B, 1.3A, 1.3B, 1.3d and others).

Issues: Staff advertised a Request for Proposals (RFP) in local and national medias seeking a qualified station area planning consultant. Six teams submitted, the top three were interviewed. The interview panel included a representative from the Port of Seattle. The panel and the Department recommend CollinsWoerman, a nationally recognized, full-service architecture and planning firm, to lead the consultant team. The team includes Community Attributes Inc., with expertise in land use and economic analysis, SvR Design Company and Heffron Transportation, Inc., with expertise in urban design and transportation planning, and EnviroIssues, which will provide support for the significant community engagement process that will be the cornerstone of the station area planning project. CollinsWoerman has submitted a scope of work that is within the available project budget (see Attachment 2).

RECOMMENDATION(S): It is recommended that the City Council authorize the City Manager to enter into a consultant contract, not to exceed \$88,000, with CollinsWoerman.

FISCAL IMPACT: The consultant services contract is funded from two separate sources. The City's 2013-2014 biennial budget identifies \$40,000 from the Transit Planning Fund #106 for the project, and \$48,000 of project funding was awarded to the City via two grants from Seattle Children's Community Transformation Grant Small Communities Program. The total project cost is \$88,000. The additional (grant-funded) \$48,000 will be part of the budget modification.

ALTERNATIVE(S): 1. Reopen the RFP process and interview additional consultant candidates. If this option is selected, the City may not be able to meet the CTG grant deadline which could result in the forfeiture of \$48,000 of project funding.
2. Do not authorize entry into a consultant contract.

ATTACHMENTS: 1. Aerial photograph of the Angle Lake Station Area
2. Angle Lake Station Area Sub-Area Plan Scope of Work

Angle Lake Station Area

AERIAL MAP

City of SeaTac



AB 3554 ATTACHMENT 1



0 1,000 2,000 Feet
0 0.2 0.4 Miles

Date Prepared: 2/13/2013

Source: City of SeaTac, King County, and Sound Transit

Prepared by the City of SeaTac GIS. All rights reserved. This product has been compiled from the best available data. No warranty is expressed or implied as to accuracy, completeness, or fitness for any specific use. Not to be used for purposes of legal description or definition. Not a substitute for a professional survey.

© 2013 City of SeaTac. All rights reserved. 10/13/2013 10:00:00 AM

ANGLE LAKE STATION SUB-AREA PLAN SCOPE OF WORK

1. KICK-OFF MEETING WITH CITY

Consultant will facilitate a kick-off meeting with City to introduce project team and roles for all aspects of the project.

Tasks to be focused on include establishing outreach strategy, drafting sub-area project boundary and finalizing work plan and project schedule.

*Deliverable: Project Work Plan
Sub-area Boundary Map*

2. DEVELOP COMMUNITY ENGAGEMENT PROCESS

Consultant will develop and implement a community engagement process that will ensure multiple and focused opportunities for public input from the area's highly diverse residential communities, businesses, property owners and other major community stakeholders such as the Port of Seattle and Sound Transit. Activities will include stakeholder interviews, community workshops and targeted outreach efforts.

*Deliverable: Community Engagement Plan
Community Goals and Vision Workshop and Summary
Community Urban Design Framework Workshop and Summary
Community Engagement Report*

3. EXISTING CONDITIONS ASSESSMENT

Consultant will develop a comprehensive existing conditions assessment of the subarea boundary to inform community members, stakeholders and decision makers. The assessment will include:

- Transportation infrastructure/connectivity
- Zoning/regulatory (including previous plans and existing studies)
- Land use and built environment-building character and typology, property ownership

- Natural environment
- Active and passive recreation

Deliverable: Existing Conditions Assessment

4. PEDESTRIAN AND BICYCLE CONNECTIVITY STUDY

Consultant will build upon the Draft Safe and Complete Streets Plan and the Highline School District Safe Routes to School program. Consultant will confirm the appropriate facility types to support the proposed land uses and access to the light rail station. Recommendations in the Pedestrian and Bicycle Connectivity Study will support and be integrated throughout the station area plan including proposed land uses, transportation choices, urban design elements and economic development strategies within the subarea.

*Deliverable: Work Plan Document
Data Collection Memo
Data Analysis Memo
Enhanced Connectivity Recommendations
Community Input and Feedback Memo
Pedestrian and Bicycle Connectivity Study*

5. COMMUNITY SUPPORTED VISION FOR THE STATION AREA

Guided by tasks one through four, and based heavily on community input gained in step two, the consultant will develop the community supported vision for the station area subarea plan. Key to developing this vision will be active engagement with community, stakeholders and City. Workshops and engagement will be designed so that the community and stakeholders participate in creating and developing ownership of the vision.

Deliverable: Community Supported Vision for the Subarea Plan (Graphic and Summary Memo)

6. URBAN DESIGN FRAMEWORK

Consultant will develop urban design framework alternatives to guide the physical design, aesthetic qualities and development strategies for the station area. The framework alternatives will be informed and molded by the input received during the community and stakeholder engagement process, the pedestrian and bicycle connectivity study, as well as the research and data gathered during the existing conditions assessment.

Deliverable: Urban Design Framework Summary (three draft alternatives and one final alternative)

7. ANGLE LAKE STATION SUBAREA PLAN

Consultant will complete Station Area Plan including a detailed summary of the community-supported vision, technical assessments, and a phased redevelopment strategy to ensure realization of the vision and goals. This plan will be a resource for all parties involved to understand how to move forward with redevelopment within the subarea that achieves the goals and vision of the community and City.

Deliverable: Angle Lake Station Area Subarea Plan & Presentation Materials



CITY OF SEATAC



NOTICE OF PUBLIC HEARING

NOTICE IS HEREBY GIVEN THAT THE CITY OF SETAC CITY COUNCIL WILL CONDUCT A PUBLIC HEARING ON TUESDAY, NOVEMBER 12, 2013, DURING THEIR REGULAR COUNCIL MEETING, AT 6:30 P.M. IN THE COUNCIL CHAMBERS OF SEATAC CITY HALL, 4800 SOUTH 188TH STREET, SEATAC, WASHINGTON 98188, FOR THE PURPOSE OF CONSIDERING:

THE PROPOSED 2014 REGULAR CITY PROPERTY TAX LEVY





DATE OF POSTING AND PUBLISHED IN THE SEATTLE TIMES: TUESDAY, OCTOBER 29, 2013

SeaTac City Council
REQUEST FOR COUNCIL ACTION

Department Prepared by: Finance and Systems

Agenda Bill #: 3548

TITLE: An Ordinance setting the City's 2014 Property Tax Levy

<i>November 6, 2013</i>	
<input checked="" type="checkbox"/> Ordinance <input type="checkbox"/> Resolution <input type="checkbox"/> Motion <input type="checkbox"/> Info. Only <input type="checkbox"/> Other	
Date Council Action Requested: <u>RCM 11/26/13</u>	
Ord/Res Exhibits: _____	
Review Dates: <u>RCM 11/12/2013; Public Hearing on 11/12/2013</u>	
Prepared By: <u>Aaron Antin, Finance and Systems Director</u>	
Director: <u></u>	City Attorney: <u></u>
Finance: <u></u>	BARS #: <u>001.311.10.00.000</u>
City Manager: <u></u>	Applicable Fund Name: <u>General Fund</u>

SUMMARY: This Ordinance will establish the City's 2014 property tax levy, based on preliminary estimates provided as of this date, by the King County Assessor's Office.

DISCUSSION / ANALYSIS / ISSUES: As of November 8, 2013, the King County Assessor's Office has not yet certified the City's assessed valuation (AV), nor are they able to provide an exact date that this information is to be released. Based on past experience, this action typically occurs in December after the date by which City's must file their request to the County, which is November 30th.

Staff recommends no increase to the 2013 levy rate of \$3.10/\$1,000 AV for the 2014 levy period. The King County Assessor has given the city a preliminary estimate of the City's 2014 assessed value = \$3,937,459,452, which is a 0.37% increase over 2013. This is an estimated levy amount of \$12,206,124. This preliminary estimate excludes any refund levies, or increases in utility valuations and is the amount that is included in the 2013-2014 biennial budget modification.

Since the overall tax levy rate being proposed is the same in 2014 as was in place for 2013 (\$3.10/\$1,000 AV), the only change a homeowner would experience in the amount of tax that goes to pay for local city services would be related to any change the King County Assessor makes in assessing the value of their individual property. As an example for the owner of a \$250,000 home, experiencing a 0.37% increase in AV, applying the same \$3.10/\$1,000 AV rate in 2014 as was in place for 2013 would result in an additional city property tax amount of \$2.87/year (or \$0.24/month) compared with 2013. However, it should be noted that the actual increase or decrease in taxes is dependent upon the actual change in a particular property's assessed valuation.

RECOMMENDATION(S): It is recommended the City Council adopt this Ordinance establishing the City's 2014 property tax levy.

FISCAL IMPACT: This Ordinance provides for a 2014 property tax levy amount estimated to be \$12,206,124, based on a levy rate of \$3.10 per thousand AV. The actual levy amount cannot be determined until assessed valuations are certified. In 2013, the certified tax levy rate was also \$3.10 per thousand AV.

ALTERNATIVE(S): Adopt a 2013 property tax levy ordinance of a differing amount and identify a different funding source and/or solution to meet Council's direction for having a balanced budget.

ATTACHMENTS: None.

ORDINANCE NO _____

AN ORDINANCE of the City Council of the City of SeaTac, Washington, setting the 2014 property tax levy, and establishing the amount to be levied by taxation in 2014 on the assessed valuation of the property of the City.

WHEREAS, the City Council of the City of SeaTac has considered its budget for calendar year 2014 as part of its 2013-2014 Biennial Budget review and modification process; and

WHEREAS, RCW 84.52 requires that, upon fixing of the amount of property taxes to be levied, the City Clerk shall certify the same to the Clerk of the King County Council; and

WHEREAS, RCW 84.55 as amended in 1997 by Referendum 47, requires a statement of any increased tax in terms of both dollar amount and percentage change from the previous year; and

WHEREAS, During 2013, the city reached the Washington State statutory levy rate of \$3.10 per \$1,000 of assessed valuation; and

WHEREAS, the King County Assessor, has submitted an estimated assessed valuation of all taxable property situated within the boundaries of the City equal to \$3,937,459,452; and

WHEREAS, the SeaTac City Council, after hearing and after duly considering all relevant evidence and testimony presented, determined that the City of SeaTac requires a regular levy in the amount of \$12,206,124 plus any increase for the amounts resulting from the addition of new construction and improvements to property and any increase in the value of state-assessed property, and amounts authorized by law as a result of any annexations that have occurred and refunds made, in order to discharge the expected expenses and obligations of the City and in its best interest;

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF SEATAC,
WASHINGTON DO ORDAIN as follows:

SECTION 1. Estimated Amount to be Collected by Ad Valorem Taxation.

The amount of revenue to be collected by the City in the fiscal year 2014 by taxation on the assessed valuation of all taxable property situated within the boundaries of the City is estimated to be the sum of \$12,206,124.

SECTION 2. Increase in Property Tax Revenue From the Previous Year.

The 2014 levy amount includes increases from (1) increase necessary to maintain the 2013 levy rate of \$3.10 per \$1,000 assessed valuation. The estimated amount of this increase over the actual 2013 levy is \$44,706 or 0.37% (2) new construction and improvements to property, (3) increase in the value of state-assessed property, and (4) amounts authorized by law as a result of any annexations that have occurred, as well as applicable refunds already made.

SECTION 3. Authorized Levy Rate.

Based on the assessed valuation estimate received from King County prior to this City Council action, the regular ad valorem levy rate for collection during the fiscal year of 2014 is to be set at \$3.10 per thousand dollars of assessed value of all taxable property situated within the boundaries of the City, this is the same rate as was levied in 2013.

SECTION 4. Effective Date.

This Ordinance shall be in full force and effect five (5) days after passage and publication as required by law.

ADOPTED this _____ day of _____, 2013, and signed in authentication thereof
on this _____ day of _____, 2013.

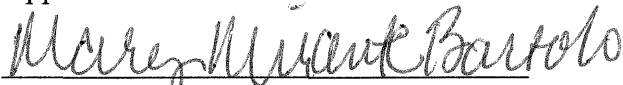
CITY OF SEATAC

Tony Anderson, Mayor

ATTEST:

Kristina Gregg, City Clerk

Approved as to Form:



Mary E. Mirante-Bartolo, City Attorney

[Effective Date: _____]

[2014 Ad Valorem Property Tax Levy]



CITY OF SEATAC



NOTICE OF PUBLIC HEARING

NOTICE IS HEREBY GIVEN THAT THE CITY OF SETAC CITY COUNCIL WILL CONDUCT A PUBLIC HEARING ON TUESDAY, NOVEMBER 12, 2013, DURING THEIR REGULAR COUNCIL MEETING, AT 6:30 P.M. IN THE COUNCIL CHAMBERS OF SEATAC CITY HALL, 4800 SOUTH 188TH STREET, SEATAC, WASHINGTON 98188, FOR THE PURPOSE OF CONSIDERING:

THE 2013-2014 BIENNIAL BUDGET MODIFICATION





DATE OF POSTING AND PUBLISHED IN THE SEATTLE TIMES: TUESDAY, OCTOBER 29, 2013

SeaTac City Council
REQUEST FOR COUNCIL ACTION

Department Prepared by: Finance & Systems

Agenda Bill #: 3549

TITLE: An Ordinance approving the 2013-2014 biennial budget modification.

<i>November 8, 2013</i>	
<input checked="" type="checkbox"/> Ordinance <input type="checkbox"/> Resolution <input type="checkbox"/> Motion <input type="checkbox"/> Info. Only <input type="checkbox"/> Other	
Date Council Action Requested: <u>RCM 11/26/2013</u>	
Ord/Res Exhibits: <u>Exhibit A – Modified Budget by Fund with beginning and ending balances</u>	
Review Dates: <u>RCM 11/12/2013; Public Hearing on 11/12/2013;</u>	
Prepared By: <u>Aaron Antin, Finance & Systems Director</u>	
Director: <u></u>	City Attorney: <u></u>
Finance: <u></u>	BARS #: <u>Multiple accounts</u>
City Manager: <u></u>	Applicable Fund Name: <u>Multiple Funds</u>

SUMMARY: This Ordinance modifies the city's original 2013-2014 Biennial Budget to include certain adjustments as presented to City Council. This agenda bill is coming directly to the Council regular meeting because there is also a public hearing on this same item scheduled for the same night. Action on this Ordinance itself is scheduled to occur on 11/26/13.

DISCUSSION / ANALYSIS / ISSUES: This ordinance modifies the original 2013-2014 Budget to incorporate an updated 2014 revenue forecast with more current projections and to provide expenditure appropriation adjustments that are consistent with City Council's intention to provide legal funding levels for all funds that have been appropriated in the 2013-2014 Budget for the purposes that such funds have been assigned. Consistent with the City Council's intent to review budget performance throughout 2013, and to consider a budget modification based upon that review at the mid-biennium, this budget modification request for 2014 is now being considered.

RECOMMENDATION(S): It is recommended that the Ordinance be adopted.

FISCAL IMPACT: The overall net adjustment to the General Fund's 2014 ending fund balance is anticipated to be a decrease of \$64,319. For all other funds, expenditures are expected to increase approximately \$5.8 million. The major components of these other funds expenditure increases are \$5.4 million related to the 28th/24th transportation capital project and \$0.4 million related to the fire equipment capital fund.

ALTERNATIVE(S): None at this time.

ATTACHMENTS: (1) Budget modification by line-item spreadsheet.

ORDINANCE NO. _____

AN ORDINANCE of the City Council of the City of SeaTac,
Washington, approving the 2013-2014 budget modification.

WHEREAS, the City Council desires to modify the 2013-2014 biennial budget originally set by Ordinance 12-1018 to include modifications;

WHEREAS, the City budget set forth anticipated revenues and expenditures for the forthcoming years; and

WHEREAS, during 2013, certain budgeted revenues and expenditures have increased or decreased and the City Council desires to modify the City Budget to reflect the projected increases and decreases in revenues and expenditures;

WHEREAS, the City Council has published notification in advance of a public hearing and held a public hearing on November 12, 2013 at the regular City Council meeting to provide an opportunity for public input; and

WHEREAS, State Law, Chapter 35A.34.130 allows for a mid-biennial review and modification of the originally adopted 2013-2014 biennial budget;

**NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF SEATAC,
WASHINGTON, DO ORDAIN as follows:**

Section 1. This Ordinance modifies the City's 2013-2014 biennial budget to modify budgeted revenues and expenditures to adopt the modified budget for the 2013-2014 biennium in the amounts and for the purposes shown separately and in the aggregate totals for all such funds as displayed on the attached Exhibit A.

The 2013-2014 Biennial Budget modification for the City of SeaTac, covering the period from January 1, 2013, through December 31, 2014, is hereby adopted with a modified total 2014 ending fund balance in the amount of \$29.4 Million for all budgeted funds.

Section 2. This Ordinance shall be in full force and effect for the fiscal years 2013-2014 five (5) days after passage and publication as required by law.

ADOPTED this _____ day of _____, 2013, and signed in authentication thereof on this _____ day of _____, 2013.


CITY OF SEATAC

Tony Anderson, Mayor

ATTEST:

Kristina Gregg, City Clerk

Approved as to form:



Mary E. Mirante Bartolo, City Attorney

[Effective Date: _____]

[2013-2014 Biennial Budget Modification Ordinance]

CITY OF SEATAC

2013-2014 BIENNIAL BUDGET: EXHIBIT A

2013-2014 BIENNIAL BUDGET (EXPENDITURES + ENDING BALANCES) = \$164,830,972					
FUND	BEGINNING BALANCE 2013-2014	REVENUES & OTHER SOURCES 2013-2014	EXPENDITURE APPROPRIATION 2013-2014	ENDING BALANCE 2013-2014	
001	General Fund	\$ 9,401,074	\$ 64,308,733	\$ 65,443,558	
102	Street Fund	10,034,736	12,911,474	19,417,772	
103	Contingency Reserve	774,420	1,550	0	
105	Port ILA	2,775,357	7,000	1,899,500	
106	Transit Planning	93,775	738,200	813,000	
107	Hotel/Motel Tax	7,415,204	1,708,370	2,626,717	
108	Building Management	1,341,000	2,956,205	2,342,913	
110	Facility Repair & Replacement	25,926	300,100	317,475	
111	Des Moines Creek Basin ILA	1,198,022	710,229	827,000	
204	Special Assessment Debt	7,201	520,250	300,000	
205	LID Guarantee	32,000	0	0	
207	SCORE Bond	9,977	1,095,720	1,095,700	
301	Municipal Capital Improvements	10	348,569	348,569	
303	Fire Equipment Reserve	3,119,187	3,065,850	5,782,229	
306	Municipal Facilities CIP	1,415,954	603,000	1,997,500	
307	Transportation CIP	3,734,119	8,600	3,120,118	
308	Light Rail Station Areas CIP	4,391,059	18,206,030	21,587,200	
403	SWM Utility	737,578	351,500	1,000,000	
406	SWM Construction	2,453,476	3,684,320	4,291,337	
501	Equipment Rental	1,435,520	2,800	0	
TOTAL BIENNIAL BUDGET		\$51,943,974	\$112,886,998	\$135,409,245	\$29,421,727

2013 BUDGET PORTION FOR MANAGEMENT PURPOSES

FUND	FY 2013	FY 2013	FY 2013	FY 2013	
001	General Fund	\$ 9,401,074	\$ 30,913,171	\$ 31,985,495	
102	Street Fund	10,034,736	6,857,368	4,334,667	
103	Contingency Reserve	774,420	775	0	
105	Port ILA	2,775,357	3,500	1,255,500	
106	Transit Planning	93,775	250,100	325,000	
107	Hotel/Motel Tax	7,415,204	827,234	1,328,395	
108	Building Management	1,341,000	1,455,140	1,318,350	
110	Facility Repair & Replacement	25,926	180,050	203,167	
111	Des Moines Creek Basin ILA	1,198,022	349,968	514,800	
204	Special Assessment Debt	7,201	164,472	107,625	
205	LID Guarantee	32,000	0	0	
206	2009 LTGO Bond Fund	9,977	747,310	747,300	
207	SCORE Bond	10	161,809	161,799	
301	Municipal Capital Improvements	3,119,187	1,372,800	4,283,182	
303	Fire Equipment Reserve	1,415,954	1,500	533,953	
306	Municipal Facilities CIP	3,734,119	4,300	1,659,870	
307	Transportation CIP	4,391,059	3,818,030	5,422,800	
308	Light Rail Station Areas CIP	737,578	100,750	750,000	
403	SWM Utility	2,453,476	1,915,144	2,542,281	
406	SWM Construction	1,435,520	1,400	0	
501	Equipment Rental	1,548,379	659,278	785,118	
TOTAL BUDGET		\$51,943,974	\$49,784,099	\$ 68,259,302	\$43,468,771

2014 BUDGET PORTION FOR MANAGEMENT PURPOSES

FUND	FY 2014	FY 2014	FY 2014	FY 2014	
001	General Fund	\$ 8,328,750	\$ 33,395,562	\$ 33,458,063	
102	Street Fund	12,557,437	6,054,106	15,083,105	
103	Contingency Reserve	775,195	775	0	
105	Port ILA	1,523,357	3,500	644,000	
106	Transit Planning	18,875	488,100	488,000	
107	Hotel/Motel Tax	6,914,043	881,136	1,298,322	
108	Building Management	1,477,790	1,501,065	1,024,563	
110	Facility Repair & Replacement	2,809	120,050	114,308	
111	Des Moines Creek Basin ILA	1,033,190	360,261	312,200	
204	Special Assessment Debt	64,048	355,778	192,375	
205	LID Guarantee	32,000	0	0	
206	2009 LTGO Bond Fund	9,987	348,410	348,400	
207	SCORE Bond	20	186,760	186,770	
301	Municipal Capital Improvements	208,805	1,693,050	1,499,047	
303	Fire Equipment Reserve	883,501	601,500	1,463,547	
306	Municipal Facilities CIP	2,078,549	4,300	1,460,248	
307	Transportation CIP	2,786,289	14,388,000	16,164,400	
308	Light Rail Station Areas CIP	88,328	250,750	250,000	
403	SWM Utility	1,826,339	1,769,176	1,749,056	
406	SWM Construction	1,436,920	1,400	0	
501	Equipment Rental	1,422,539	699,220	1,413,539	
TOTAL BUDGET		\$43,468,771	\$63,102,899	\$77,149,943	\$29,421,727

GENERAL FUND MODIFICATION ACTIVITY

<u>FUND #</u>	<u>Adjust Acct #</u>	2013-2014	2013-2014	<u>Adj. to EFB</u> <u>(Variance)</u>	<u>Description</u>
		<u>Original</u> <u>Amount</u>	<u>Amended</u> <u>Amount</u>		
REVENUE ADJUSTMENTS					
001	001.311.10.00.000 (Property Tax)	\$25,807,000	\$25,132,000	(\$675,000)	\$3.10 Statutory cap reached in 2013, Adj. 2014 projected revenue at \$3.10 cap (\$12.3M vs. \$12.2M actual in 2013)
	001.313.10.11.000 (Sales Tax)	\$20,306,000	\$21,156,000	\$850,000	Increase 2014 Sales Tax Forecast by 0.85% of \$100M of Sound Transit Transit station project construction related revenues.
	001.341.60.04.000	\$0	\$73,500	\$73,500	Revenue from Kent-RFA for Facility costs on Stations
	001.341.99.00.000 Transfer from Fund #303	\$12,000	\$18,000	\$6,000	Adjust passport revenue forecast for increase in activity in 2013
			\$900,000	\$900,000	Transfer capital portion of Fire ILA from Fund #303 (One-time action to maintain continuity of services)
			<i>subtotal revenues</i>	<u>\$1,154,500</u>	
EXPENDITURE ADJUSTMENTS					
001	001.000.09.522.20.51.030 (Fire ILA operating cost)	\$7,996,665	\$9,055,000	(\$1,058,335)	Consolidation ILA with Kent RFA in 2014; excludes equipment contribution of \$460,000; 2014 budget = \$8,526,224 with added similar services as RFA
	Civil Service Budget	\$21,516	\$0	\$21,516	Now part of ILA with Kent RFA in 2014; cut from budget in 2014
	Liability Insurance	\$250,256	\$220,256	\$30,000	Liability Insurance decrease \$30K in 2014 due to Fire Svc. Transition
	Police - KC Sheriff	\$17,440,000	\$17,381,000	\$59,000	Update to actual increase of 2.1% in 2013 (2.5% was budgeted); assume 2.1% inc.
	001.000.08.521.20.41.138	\$50,000	\$55,000	(\$5,000)	Move special patrol budget \$5K from ILA overtime budget
	City Clerk Dept. Adj.		(\$17,000)	\$17,000	Reduced publication costs due to electronic doc. conversion; staff vacancies in 20
	City Manager Dept. Adj.		(\$7,000)	\$7,000	Offset increase to Lobbyist contract with other dept. savings; net increase shown
	Public Works Dept. Adj.		\$5,000	(\$5,000)	Neighborhood Grant Program directed by Council at 10-22-13 meeting
	SCORE Operating Cost	\$628,900	\$913,900	(\$285,000)	ADP (15 to 19)for SCORE increased M&O cost in 2014 by \$285,000
			<i>subtotal expenditures</i>	<u>(\$1,218,819)</u>	
Subtotal General Fund Revenue - Expenditures				(\$64,319)	

2013-2014 BUDGET MODIFICATION

ALL OTHER FUNDS MODIFICATION ACTIVITY

<u>FUND #</u>	<u>Adjust Acct #</u>	<u>Original Amount</u>	<u>Amended Amount</u>	<u>Adj. to EFB (Variance)</u>	<u>Description</u>
TRANSFER EXPENDITURE ADJUSTMENTS					
102	102.000.11.597.25.00.000		\$4,000,000	(\$4,000,000)	Transfer \$4M parking tax revenue to Transportation Capital per Port of Seattle ILA amendment previously approved by Council
105	105.000.04.597.71.00.000	\$1,358,417	\$1,509,500	(\$151,083)	Transfer to Transportation Capital for sidewalk project funding
REVENUE ADJUSTMENTS					
106	Sound Transit Reimb.	\$0	\$150,000	\$150,000	Outside consultant structural review reimbursement, per Sound Transit D.A.
106	2 Federal Grants	\$0	\$48,000	\$48,000	2 CED lead grants to be received, per prior Council presentations.
106	Sound Transit Reimb.		\$40,000	\$40,000	Reimbursement from Sound Transit for additional personnel costs
EXPENSE ADJUSTMENTS					
106	106.000.03.519.70.41.000	\$0	\$150,000	(\$150,000)	Outside consultant structural review reimbursement, per Sound Transit D.A.
106	106.000.03.519.70.41.001	\$0	\$48,000	(\$48,000)	Additional Grant funded Sub-Area Plan expense
106	Sound Transit Reimb.		\$40,000	(\$40,000)	Additional personnel expenses; to be reimbursed by Sound Transit per D.A.
Subtotal Transit Planning Fund				\$0	
REVENUE ADJUSTMENTS					
204	204.368/365.55.00.00.001	\$320,084	\$520,250	\$200,166	LID payoff activity by parcel owners has increased in 2013
207	207.368/365.55.00.00.001	\$323,569	\$348,569	\$25,000	GAAP interpretation of Federal Subsidy - must recognize as revenue to city
EXPENDITURE ADJUSTMENTS					
204	204.000.04.592.95.73/83	\$107,625	\$300,000	(\$192,375)	LID payment delayed from 2012 to 2013; LID bonds called in June, 2013
207	207.000.04.592.95.73/83	\$323,561	\$348,569	(\$25,008)	GAAP interpretation of Federal Subsidy - must recognize as expense paid by city
Subtotal Debt Service Funds				\$7,783	
EXPENDITURE ADJUSTMENTS					
303	Fire Equipment Capital	\$1,544,679	\$5,000	\$1,539,679	Fire equipment purchases now part of ILA with Kent RFA
	Ladder truck Contribution		\$600,000	(\$600,000)	Sound Transit contribution for Fire Truck per Development Agreement
	Capital Equipment - Fire ILA		\$460,000	(\$460,000)	\$460,000 for fire equipment capital contribution that is part of ILA.
	Transfer to General Fund		\$900,000	(\$900,000)	Transfer remaining fund balance that is now paid through ILA
Subtotal Fire Fund #303				(\$420,321)	

2013-2014 BUDGET MODIFICATION

ALL OTHER FUNDS MODIFICATION ACTIVITY

<u>FUND #</u>	<u>Adjust Acct #</u>	<u>Original Amount</u>	<u>Amended Amount</u>	<u>Adj. to EFB (Variance)</u>	<u>Description</u>
EXPENDITURE ADJUSTMENTS					
306	306.000.594.22.62.011	\$3,120,118	\$3,120,118	\$0	NO ADDITIONAL FUNDING ADDED YET: MODIFICATION TBD
REVENUE ADJUSTMENTS					
307	307.397.25.00.000		\$4,000,000	\$4,000,000	Port ILA Amendment to use \$4M for this project out of Fund 102 Ending Balance
	307.397.71.00.000	\$1,358,417	\$1,509,500	\$151,083	Update Transfer amounts from Fund #105 for Sidewalk program funding needs
EXPENDITURE ADJUSTMENTS					
307	000.11.595.30.63.057	\$2,646,000	\$2,646,000	\$0	Funding moved between years to reflect project timing; add reimb. Utility items
	000.11.595.30.63.057		\$5,400,000	(\$5,400,000)	Increased project cost, due primarily to increased right of way cost anticipated.
	Subtotal Transportation Capital Fund #307			(\$1,248,917)	Adjustment to Ending Fund Balance in Fund #307
403	403.397.67.00.000	\$3,000	\$6,400	\$3,400	Increased Transfer between SWM and Fund #111 to reflect actual activity
111	111.000.11.597.67.00.000	\$3,000	\$6,400	(\$3,400)	Increased Transfer between SWM and Fund #111 to reflect actual activity
	Subtotal Non-General Fund Adjustments (includes transfers)			(\$5,812,538)	