



# Covington: Unmatched quality of life

## AGENDA CITY OF COVINGTON CITY COUNCIL REGULAR MEETING [www.covingtonwa.gov](http://www.covingtonwa.gov)

Tuesday, August 23, 2011  
7:00 p.m.

City Council Chambers  
16720 SE 271<sup>st</sup> Street, Suite 100, Covington

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### CALL CITY COUNCIL REGULAR MEETING TO ORDER

### ROLL CALL/PLEDGE OF ALLEGIANCE

### APPROVAL OF AGENDA

### PUBLIC COMMUNICATION

- National Recovery Month – Jim Vollandroff, King County Mental Health
- Clean Covington Day Proclamation – September 10, 2011 (Slate)
- Metro Transit Strategic Plan & Congestion Reduction Charge Presentation – David Hull (15 minutes)

**PUBLIC COMMENT** *Persons addressing the Council shall state their name, address, and organization for the record. Speakers shall address comments to the City Council, not the audience or the staff. Public Comment shall be for the purpose of the Council receiving comment from the public and is not intended for conversation or debate. Public comments shall be limited to no more than four minutes per speaker. If additional time is needed a person may request that the Council place an item on a future agenda as time allows.\**

### APPROVE CONSENT AGENDA

C-1. Approval of Vouchers (Hendrickson)

### REPORTS OF COMMISSIONS

- Arts Chair Sandy Bisordi: July 7 and August 11 Meetings.
- Parks & Recreation Chair David Aldous: July 20 and August 17 Meetings.
- Planning Chair Sean Smith: July 7, July 21, August 4, and August 18 Meetings.
- Human Services Chair Haris Ahmad: July 14 and August 11 Meetings.
- Economic Development Co-Chair Hugh Kodama: July 28 Meeting.

### NEW BUSINESS

1. Award Aqua Vista Drainage Construction Contract (Akramoff)
2. Consider Agreement to Conduct Pavement Condition Assessment and ADA Inventory (Vondran)
3. Consider SEARCH Interlocal Agreement (Throm)
4. Consider Letter to Ashton Regarding City Hall Lease (Matheson)
5. Discuss Public Engagement Process Charter (Hendrickson)
6. 2011 Second Quarter Financial Reports (Hendrickson)

### COUNCIL/STAFF COMMENTS

- Future Agenda Topics

**PUBLIC COMMENT** (*\*See Guidelines on Public Comments above in First Public Comment Section*)

**EXECUTIVE SESSION: If needed**

**ADJOURN**

*Any person requiring disability accommodation should contact the City of Covington at (253) 638-1110 a minimum of 24 hours in advance. For TDD relay service, please use the state's toll-free relay service (800) 833-6384 and ask the operator to dial (253) 638-1110.*

**Consent Agenda Item C-1**

Covington City Council Meeting

Date: August 23, 2011

SUBJECT: APROVAL OF VOUCHERS.

RECOMMENDED BY: Rob Hendrickson, Finance Director

ATTACHMENT(S): Vouchers #25716-25778, in the Amount of \$121,634.10, Dated August 8, 2011; and Paylocity Payroll Checks #1000090903-1000090921, Inclusive, Plus Employee Direct Deposits in the Amount of \$138,662.22, Dated August 5, 2011.

PREPARED BY: Joan Michaud, Deputy City Clerk

EXPLANATION: Not applicable.

ALTERNATIVES: Not applicable.

FISCAL IMPACT: Not applicable.

CITY COUNCIL ACTION: \_\_\_\_\_ Ordinance \_\_\_\_\_ Resolution  X  Motion \_\_\_\_\_ Other

**Councilmember \_\_\_\_\_ moves, Councilmember \_\_\_\_\_ seconds, to approve for payment: Vouchers #25716-25778, in the Amount of \$121,634.10, Dated August 8, 2011; and Paylocity Payroll Checks #1000090903-1000090921, Inclusive, Plus Employee Direct Deposits in the Amount of \$138,662.22, Dated August 5, 2011.**

August 8, 2011

City of Covington

City of Covington

City of Covington  
Voucher/Check Register

Check # 25716 Through Check # 25778

In the Amount of \$121,634.10

We, the undersigned, do hereby certify under penalty of perjury that the materials have been furnished, the services rendered or the labor performed as described herein and that the claims are just, due and unpaid obligations against the City of Covington, Washington, County of King, and that we are authorized to authenticate and certify said claims per the attached register.

\_\_\_\_\_  
Cassandra Parker  
Accountant

\_\_\_\_\_  
Mark Lanza  
City Councilmember

\_\_\_\_\_  
Wayne Snoey  
City Councilmember

\_\_\_\_\_  
Marlla Mhoon  
City Councilmember

Council Meeting Date Approved \_\_\_\_\_

				<u>Check Amount</u>
<b>Check No:</b> 25716	<b>Check Date:</b> 08/09/2011			
<b>Vendor:</b> 0683	<b>Abaco Pacific</b>			
0683-8	CIP 1039; consulting services, 6/15-7/31	08/09/2011		1,191.12
			<b>Check Total:</b>	1,191.12
<b>Check No:</b> 25717	<b>Check Date:</b> 08/09/2011			
<b>Vendor:</b> 2268	<b>Amerigas Propane</b>			
C124780	#3340; certify propane tank	08/09/2011		13.69
C124780	#3340; propane for Asphalt patcher	08/09/2011		36.14
			<b>Check Total:</b>	49.83
<b>Check No:</b> 25718	<b>Check Date:</b> 08/09/2011			
<b>Vendor:</b> 2223	<b>ARC Imaging Resources</b>			
947386	Plotter/Scanner maint; 7/21-8/21/11	08/09/2011		97.31
947386	Plotter/Scanner maint; 7/21-8/21/11	08/09/2011		97.31
947386	Plotter/Scanner maint; 7/21-8/21/11	08/09/2011		48.65
			<b>Check Total:</b>	243.27
<b>Check No:</b> 25719	<b>Check Date:</b> 08/09/2011			
<b>Vendor:</b> 0499	<b>Bank of America</b>			
1346-8	Presidents Service Award, use tax	08/09/2011		-4.34
1030-8	Junkin; Lightweight jacket	08/09/2011		43.80
1030-8	Junkin; Lightweight jacket	08/09/2011		43.80
6540-8	Cyber clean, replacement battery, adaptor	08/09/2011		131.06
0446-8	Covington Days; Dunk tank	08/09/2011		344.93
0446-8	Covington Days; ice	08/09/2011		11.92
0446-8	Rental; microphones for Covington Days	08/09/2011		197.10
0446-8	Resale items, pocket rescue masks	08/09/2011		235.03
1346-8	Presidents Service Award for volunteers	08/09/2011		54.84
1346-8	Wellness; Chew Cube supplies	08/09/2011		137.75
1346-8	Beaufriere; credit for cancel class	08/09/2011		-150.00
9115-8	Monitor cleaner, use tax	08/09/2011		-1.15
9115-8	Monitor cleaner	08/09/2011		14.58
9115-8	Video card, memory, use tax	08/09/2011		-8.00
9115-8	Video card, memory	08/09/2011		100.97
6540-8	Covington Days; festival supplies	08/09/2011		68.16
6540-8	Matheson; WCMA conference	08/09/2011		325.00
6540-8	City hall; spare keys	08/09/2011		4.36
6540-8	Council meeting; refreshments	08/09/2011		52.68
6540-8	Cyber clean, battery, adaptor, use tax	08/09/2011		-9.71
9115-8	Replacement battery backup, use tax	08/09/2011		-12.07
9115-8	Replacement battery backup	08/09/2011		152.38
9115-8	Back up hard drives, monitors, use tax	08/09/2011		-47.30
9115-8	Back up hard drives, monitors	08/09/2011		597.26
9115-8	Aquatics; gift cards for merit program	08/09/2011		50.00
8290-8	Cellular phone holster, use tax	08/09/2011		-1.03
8290-8	Meyers; cellular phone holster	08/09/2011		12.97
8290-8	CIP 1039; ribbon cutting supplies	08/09/2011		35.76
2959-8	Aquatics; play balls for family swim	08/09/2011		6.46
3692-8	Hendrickson; PSFOA lunch meeting	08/09/2011		25.00
3692-8	#3307; paint supplies	08/09/2011		279.01
2959-8	Aquatics; labeling stencils	08/09/2011		12.99
2959-8	Resale items, first aid book/bandage kit	08/09/2011		9.75
3544-8	Matheson; lunch meeting	08/09/2011		14.89
4935-8	Dalton; NPSI training	08/09/2011		510.00
1030-8	Junkin; Lightweight jacket	08/09/2011		21.89
			<b>Check Total:</b>	3,260.74
<b>Check No:</b> 25720	<b>Check Date:</b> 08/09/2011			
<b>Vendor:</b> 0176	<b>Noreen Beaufriere</b>			
0176-8	Reimbursement; Volunteer event, supplies	08/09/2011		113.28
			<b>Check Total:</b>	113.28
<b>Check No:</b> 25721	<b>Check Date:</b> 08/09/2011			
<b>Vendor:</b> 1676	<b>Bravo Environmental</b>			
532081	Street sweeping, 4th of July event	08/09/2011		1,819.06
532082	Street sweeping; Covington Days event	08/09/2011		1,472.89

				<u>Check Amount</u>
				<b>Check Total:</b> 3,291.95
<b>Check No:</b> 25722	<b>Check Date:</b> 08/09/2011			
<b>Vendor:</b> 1868	<b>The Brickman Group Ltd, LLC</b>			
785427	Streets; landscaping, August	08/09/2011		3,677.20
785427	Parks; landscaping, August	08/09/2011		1,331.44
				<b>Check Total:</b> 5,008.64
<b>Check No:</b> 25723	<b>Check Date:</b> 08/09/2011			
<b>Vendor:</b> 1675	<b>Brown's Mobile Repair, Inc.</b>			
2721	#2761; repairs	08/09/2011		313.58
				<b>Check Total:</b> 313.58
<b>Check No:</b> 25724	<b>Check Date:</b> 08/09/2011			
<b>Vendor:</b> 0026	<b>C&amp;B Awards</b>			
24191	Public works; 2nd Qtr employee awards	08/09/2011		17.59
24191	Public works; 2nd Qtr employee awards	08/09/2011		17.60
				<b>Check Total:</b> 35.19
<b>Check No:</b> 25725	<b>Check Date:</b> 08/09/2011			
<b>Vendor:</b> 2136	<b>Carbonic Systems, Inc.</b>			
05033437	Aquatics; carbomizer rental	08/09/2011		59.73
				<b>Check Total:</b> 59.73
<b>Check No:</b> 25726	<b>Check Date:</b> 08/09/2011			
<b>Vendor:</b> 0681	<b>Chuck's Drug</b>			
154166	Prescription for prisoner; C. Elkins	08/09/2011		24.90
				<b>Check Total:</b> 24.90
<b>Check No:</b> 25727	<b>Check Date:</b> 08/09/2011			
<b>Vendor:</b> 0395	<b>City of Buckley</b>			
0395-8	Jail costs; July	08/09/2011		6,184.50
				<b>Check Total:</b> 6,184.50
<b>Check No:</b> 25728	<b>Check Date:</b> 08/09/2011			
<b>Vendor:</b> 0366	<b>City of Covington</b>			
BL03-211	City hall; annual fire inspection	08/09/2011		134.00
				<b>Check Total:</b> 134.00
<b>Check No:</b> 25729	<b>Check Date:</b> 08/09/2011			
<b>Vendor:</b> 0906	<b>Staci Cles</b>			
11-42	Cles; 2011 flexible spending	08/09/2011		103.60
				<b>Check Total:</b> 103.60
<b>Check No:</b> 25730	<b>Check Date:</b> 08/09/2011			
<b>Vendor:</b> 0226	<b>Clowns Unlimited, Inc.</b>			
19581	Walk & Roll; entertainment	08/09/2011		1,141.53
				<b>Check Total:</b> 1,141.53
<b>Check No:</b> 25731	<b>Check Date:</b> 08/09/2011			
<b>Vendor:</b> 0184	<b>Cordi &amp; Bejarano</b>			
141/142	Public defender; 6/17-7/22/11	08/09/2011		5,140.00
				<b>Check Total:</b> 5,140.00
<b>Check No:</b> 25732	<b>Check Date:</b> 08/09/2011			
<b>Vendor:</b> 1409	<b>Delta Communications Systems</b>			
916248	Aquatics; long distance, August	08/09/2011		51.26
				<b>Check Total:</b> 51.26
<b>Check No:</b> 25733	<b>Check Date:</b> 08/09/2011			
<b>Vendor:</b> 0699	<b>Department of Licensing</b>			
0037451	Ogren; PE license renewal, 2 year	08/09/2011		76.00
				<b>Check Total:</b> 76.00
<b>Check No:</b> 25734	<b>Check Date:</b> 08/09/2011			
<b>Vendor:</b> 0127	<b>GFOA</b>			
0127-8	Parker; GFOA internet course	08/09/2011		85.00
				<b>Check Total:</b> 85.00
<b>Check No:</b> 25735	<b>Check Date:</b> 08/09/2011			
<b>Vendor:</b> 2078	<b>Girard Resources &amp; Recycling,</b>			
6186	Lawn mix	08/09/2011		12.98
				<b>Check Total:</b> 12.98

				<u>Check Amount</u>
<b>Check No:</b> 25736	<b>Check Date:</b> 08/09/2011			
<b>Vendor:</b> 2045	<b>Goodbye Graffiti Seattle</b>			
14568	Everclean program, August	08/09/2011		376.84
14543	Graffiti removal services	08/09/2011		711.22
			<b>Check Total:</b>	1,088.06
<b>Check No:</b> 25737	<b>Check Date:</b> 08/09/2011			
<b>Vendor:</b> 0302	<b>Gray &amp; Osborne</b>			
10445.00-1	CIP 1026; Aqua Vista, 6/26-7/23/11	08/09/2011		3,693.14
			<b>Check Total:</b>	3,693.14
<b>Check No:</b> 25738	<b>Check Date:</b> 08/09/2011			
<b>Vendor:</b> 1271	<b>Rob Hendrickson</b>			
11-43	Hendrickson; 2011 flexible spending	08/09/2011		101.91
			<b>Check Total:</b>	101.91
<b>Check No:</b> 25739	<b>Check Date:</b> 08/09/2011			
<b>Vendor:</b> 0867	<b>Home Depot Credit Services</b>			
15275	Covington Days; canopy risers	08/09/2011		16.85
0054334	Maint shop; pruner, lopper, saw	08/09/2011		23.64
0054334	Maint shop; pruner, lopper, saw	08/09/2011		47.30
9015409	Covington Days; canopy riser, cord cover	08/09/2011		88.39
9054506	Aquatics; water hoses, storage bin	08/09/2011		70.28
7018320	Mortar mix	08/09/2011		17.69
1054191	Covington Days; signage supplies	08/09/2011		41.01
8594519	#3307; paint supplies	08/09/2011		59.52
4563042	#3307; supplies	08/09/2011		56.36
0015153	Load binders	08/09/2011		90.80
0054334	Maint shop; pruner, lopper, saw	08/09/2011		47.30
5042701	#3307; supplies	08/09/2011		69.61
5040961	Public works office; cabinet knobs	08/09/2011		9.93
3594203	Aquatics; hooks for lifejacket rack	08/09/2011		15.05
5040961	Public works office; cabinet knobs	08/09/2011		9.93
7053107	Covington Days; survey flags	08/09/2011		8.67
			<b>Check Total:</b>	672.33
<b>Check No:</b> 25740	<b>Check Date:</b> 08/09/2011			
<b>Vendor:</b> 1701	<b>Johnsons Home &amp; Garden</b>			
358495	#2766; roll pin	08/09/2011		1.09
			<b>Check Total:</b>	1.09
<b>Check No:</b> 25741	<b>Check Date:</b> 08/09/2011			
<b>Vendor:</b> 0533	<b>KC Sexual Assault Resource Ctr</b>			
0533-8	Human services; joint funding, 2Qtr 2011	08/09/2011		20,551.25
0533-8	Human services; 2nd Qtr 2011	08/09/2011		1,180.50
			<b>Check Total:</b>	21,731.75
<b>Check No:</b> 25742	<b>Check Date:</b> 08/09/2011			
<b>Vendor:</b> 0050	<b>Kent School District</b>			
0050-8	School mitigation payable; July	08/09/2011		8,046.00
			<b>Check Total:</b>	8,046.00
<b>Check No:</b> 25743	<b>Check Date:</b> 08/09/2011			
<b>Vendor:</b> 0271	<b>Kent Youth &amp; Family Services</b>			
0271-2Qtr-	Human services; 2nd Qtr 2011	08/09/2011		2,500.00
0271-2Qtr	Human services; Head Start, 2Qtr 2011	08/09/2011		625.00
			<b>Check Total:</b>	3,125.00
<b>Check No:</b> 25744	<b>Check Date:</b> 08/09/2011			
<b>Vendor:</b> 0111	<b>Kenyon Disend, PLLC</b>			
14832	AT&T Mobility; legal, July	08/09/2011		686.45
14816	Cable Franchise; legal, July	08/09/2011		220.50
			<b>Check Total:</b>	906.95
<b>Check No:</b> 25745	<b>Check Date:</b> 08/09/2011			
<b>Vendor:</b> 0143	<b>King County Finance</b>			
1622395	2010 reconciliation; animal services	08/09/2011		91.00
1622529	Jail costs; 6/1-6/30/11	08/09/2011		17,854.19
			<b>Check Total:</b>	17,945.19

				<u>Check Amount</u>
<b>Check No:</b> 25746	<b>Check Date:</b> 08/09/2011			
<b>Vendor:</b> 0541	<b>King County Fleet Admin</b>			
205414	#3307; decal city logo	08/09/2011		378.61
<b>Check Total:</b>				378.61
<b>Check No:</b> 25747	<b>Check Date:</b> 08/09/2011			
<b>Vendor:</b> 0204	<b>King County Pet Licensing</b>			
0204-8	Pet license remittance; July	08/09/2011		990.00
<b>Check Total:</b>				990.00
<b>Check No:</b> 25748	<b>Check Date:</b> 08/09/2011			
<b>Vendor:</b> 1405	<b>Lakeside Industries</b>			
12030994MB	Asphalt	08/09/2011		3,281.25
<b>Check Total:</b>				3,281.25
<b>Check No:</b> 25749	<b>Check Date:</b> 08/09/2011			
<b>Vendor:</b> 1622	<b>Law Offices of Thomas R Hargan</b>			
11-CV07	Prosecution services through 7/31/11	08/09/2011		4,333.58
<b>Check Total:</b>				4,333.58
<b>Check No:</b> 25750	<b>Check Date:</b> 08/09/2011			
<b>Vendor:</b> 1410	<b>Marlla Mhoon</b>			
1410-8-1	Mhoon; various meeting, mileage	08/09/2011		386.09
1410-8	Mhoon; Corp of Eng meeting, mileage	08/09/2011		46.39
<b>Check Total:</b>				432.48
<b>Check No:</b> 25751	<b>Check Date:</b> 08/09/2011			
<b>Vendor:</b> 1487	<b>NAPA Auto Parts</b>			
605803	Headlight bulbs	08/09/2011		26.72
604477	#3307; operating supplies	08/09/2011		117.87
605139	#2577; seal	08/09/2011		2.17
<b>Check Total:</b>				146.76
<b>Check No:</b> 25752	<b>Check Date:</b> 08/09/2011			
<b>Vendor:</b> 1844	<b>National Arbor Day Foundation</b>			
8786009432	Tree City USA, membership dues	08/09/2011		15.00
<b>Check Total:</b>				15.00
<b>Check No:</b> 25753	<b>Check Date:</b> 08/09/2011			
<b>Vendor:</b> 1327	<b>Ethan Newton</b>			
1327-8	Newton; mileage reimbursement, July	08/09/2011		101.18
<b>Check Total:</b>				101.18
<b>Check No:</b> 25754	<b>Check Date:</b> 08/09/2011			
<b>Vendor:</b> 0682	<b>Nextel Communications</b>			
591066496-	Internet connection card, 7/21-8/20/11	08/09/2011		40.99
591066496-	Internet connection card, 7/21-8/20/11	08/09/2011		20.49
591066496-	Internet connection card, 7/21-8/20/11	08/09/2011		40.99
591066496-	Internet connection card, 7/21-8/20/11	08/09/2011		61.49
<b>Check Total:</b>				163.96
<b>Check No:</b> 25755	<b>Check Date:</b> 08/09/2011			
<b>Vendor:</b> 0418	<b>Olympic Environmental Resource</b>			
20115	Recycling program implementation	08/09/2011		4,500.00
<b>Check Total:</b>				4,500.00
<b>Check No:</b> 25756	<b>Check Date:</b> 08/09/2011			
<b>Vendor:</b> 0056	<b>Cassandra Parker</b>			
11-44	Parker; 2011 flexible spending	08/09/2011		71.00
0056-8	Parker; PSFOA meeting, mileage	08/09/2011		13.56
<b>Check Total:</b>				84.56
<b>Check No:</b> 25757	<b>Check Date:</b> 08/09/2011			
<b>Vendor:</b> 0161	<b>Puget Sound Energy</b>			
5282721009	Aquatics; natural gas, 6/30-7/29/11	08/09/2011		2,363.85
8910394751	City hall; electricity, 7/2-8/2/11	08/09/2011		2,011.90
7042894027	Streets; electricity, 7/2-8/2/11	08/09/2011		9.92
7042899661	Streets; electricity, 7/2-8/2/11	08/09/2011		99.37
7042898077	Streets; electricity, 7/2-8/2/11	08/09/2011		60.87
7042890538	Streets; electricity, 7/2-8/2/11	08/09/2011		66.16
4077636381	Streets; electricity, 7/2-8/2/11	08/09/2011		82.78
0047532379	Streets; electricity, 6/30-7/29/11	08/09/2011		77.72

				<u>Check Amount</u>
7042894027	City tree; electricity, 7/2-8/2/11	08/09/2011		9.92
4513241002	SR 516; electricity, 6/30-7/29/11	08/09/2011		119.11
5282721009	Aquatics; electricity, 6/30-7/29/11	08/09/2011		2,128.09
1777131457	Streets; electricity, 6/30-7/29/11	08/09/2011		64.56
8732768927	Maint shop; electricity, 6/30-7/29/11	08/09/2011		64.47
8732768927	Maint shop; electricity, 6/30-7/29/11	08/09/2011		32.23
8732768927	Maint shop; electricity, 6/30-7/29/11	08/09/2011		64.46
4513241002	Crystal view; electricity, 6/30-7/29/11	08/09/2011		9.92
<b>Check Total:</b>				<b>7,265.33</b>
<b>Check No: 25758</b>		<b>Check Date: 08/09/2011</b>		
<b>Vendor: 0006</b>		<b>Qwest</b>		
4254137665	Aquatics; telephone, 7/26-8/26/11	08/09/2011		271.10
2536381431	Maint shop; telephone, 7/25-8/25/11	08/09/2011		72.83
2536381431	Maint shop; telephone, 7/25-8/25/11	08/09/2011		72.83
2536381431	Maint shop; telephone, 7/25-8/25/11	08/09/2011		36.42
<b>Check Total:</b>				<b>453.18</b>
<b>Check No: 25759</b>		<b>Check Date: 08/09/2011</b>		
<b>Vendor: 1780</b>		<b>Rainier Gravel</b>		
31	#3307; tail light boxes fabrication	08/09/2011		325.80
31	#2766; weld slope mower	08/09/2011		162.90
<b>Check Total:</b>				<b>488.70</b>
<b>Check No: 25760</b>		<b>Check Date: 08/09/2011</b>		
<b>Vendor: 2250</b>		<b>SBS Legal Services</b>		
C004	Legal services; 7/1-7/31/11	08/09/2011		5,536.50
<b>Check Total:</b>				<b>5,536.50</b>
<b>Check No: 25761</b>		<b>Check Date: 08/09/2011</b>		
<b>Vendor: 2165</b>		<b>John Schuoler</b>		
001	Walk & Roll; entertainment	08/09/2011		250.00
<b>Check Total:</b>				<b>250.00</b>
<b>Check No: 25762</b>		<b>Check Date: 08/09/2011</b>		
<b>Vendor: 1905</b>		<b>Sharp Electronics Corporation</b>		
C723666-70	Copier; lease	08/09/2011		18.29
<b>Check Total:</b>				<b>18.29</b>
<b>Check No: 25763</b>		<b>Check Date: 08/09/2011</b>		
<b>Vendor: 0632</b>		<b>Wayne Snoey</b>		
0632-8	Snoey; meetings, mileage, meal	08/09/2011		41.83
<b>Check Total:</b>				<b>41.83</b>
<b>Check No: 25764</b>		<b>Check Date: 08/09/2011</b>		
<b>Vendor: 0993</b>		<b>Soos Creek Water &amp; Sewer Dist.</b>		
0700-90680	Aquatics; sewer, 6/1-7/31/11	08/09/2011		1,098.15
<b>Check Total:</b>				<b>1,098.15</b>
<b>Check No: 25765</b>		<b>Check Date: 08/09/2011</b>		
<b>Vendor: 0736</b>		<b>Sound Security, Inc.</b>		
0560092-IN	Door installation; electrical permit	08/09/2011		12.00
0560091-IN	Balance of access door installation	08/09/2011		616.31
0559321-IN	Security monitoring; August	08/09/2011		707.50
0560092-IN	Security monitoring; pro-rated maint	08/09/2011		46.70
<b>Check Total:</b>				<b>1,382.51</b>
<b>Check No: 25766</b>		<b>Check Date: 08/09/2011</b>		
<b>Vendor: 1158</b>		<b>Sprint Rothhammer Intl, Inc.</b>		
76396A	Resale items; googles, diapers, caps	08/09/2011		358.86
<b>Check Total:</b>				<b>358.86</b>
<b>Check No: 25767</b>		<b>Check Date: 08/09/2011</b>		
<b>Vendor: 0409</b>		<b>The Storehouse</b>		
0409-2Qtr	Human services; 2nd Quarter 2011	08/09/2011		2,000.00
<b>Check Total:</b>				<b>2,000.00</b>
<b>Check No: 25768</b>		<b>Check Date: 08/09/2011</b>		
<b>Vendor: 2080</b>		<b>TattooFun, Inc.</b>		
21189	Covington Police tattoos	08/09/2011		107.51
21189	Covington Police tattoos, use tax	08/09/2011		-8.51
<b>Check Total:</b>				<b>99.00</b>

				<u>Check Amount</u>
<b>Check No:</b> 25769	<b>Check Date:</b> 08/09/2011			
<b>Vendor:</b> 0357	<b>Valley Communications</b>			
0012347	800 MHz access fee; July	08/09/2011		75.00
			<b>Check Total:</b>	75.00
<b>Check No:</b> 25770	<b>Check Date:</b> 08/09/2011			
<b>Vendor:</b> 0046	<b>Verizon Wireless</b>			
099667100	Maint shop; on call phone, 7/21-8/20/11	08/09/2011		5.99
099667100	Maint shop; on call phone, 7/21-8/20/11	08/09/2011		11.99
099667100	Maint shop; on call phone, 7/21-8/20/11	08/09/2011		11.99
			<b>Check Total:</b>	29.97
<b>Check No:</b> 25771	<b>Check Date:</b> 08/09/2011			
<b>Vendor:</b> 0819	<b>Don Vondran</b>			
11-45	Vondran; 2011 flexible spending	08/09/2011		199.60
			<b>Check Total:</b>	199.60
<b>Check No:</b> 25772	<b>Check Date:</b> 08/09/2011			
<b>Vendor:</b> 2262	<b>Voyager Fleet Systems Inc.</b>			
86928-5460	Vehicle fuel	08/09/2011		2,213.61
			<b>Check Total:</b>	2,213.61
<b>Check No:</b> 25773	<b>Check Date:</b> 08/09/2011			
<b>Vendor:</b> 0119	<b>WABO</b>			
23364	Meyers; WABO fall business meeting	08/09/2011		60.00
			<b>Check Total:</b>	60.00
<b>Check No:</b> 25774	<b>Check Date:</b> 08/09/2011			
<b>Vendor:</b> 2097	<b>Washington State Arts Alliance</b>			
2097	Art commission membership 2011-2012	08/09/2011		100.00
			<b>Check Total:</b>	100.00
<b>Check No:</b> 25775	<b>Check Date:</b> 08/09/2011			
<b>Vendor:</b> 1105	<b>Washington State Patrol</b>			
I12000361	2 - Background checks	08/09/2011		20.00
			<b>Check Total:</b>	20.00
<b>Check No:</b> 25776	<b>Check Date:</b> 08/09/2011			
<b>Vendor:</b> 1441	<b>Watson Security</b>			
2965RKS	Balance of door lock installation	08/09/2011		722.66
			<b>Check Total:</b>	722.66
<b>Check No:</b> 25777	<b>Check Date:</b> 08/09/2011			
<b>Vendor:</b> 2269	<b>Agnes Wooters</b>			
2269-8	Snoey; Good Eggs breakfast, 7/27/11	08/09/2011		17.00
			<b>Check Total:</b>	17.00
<b>Check No:</b> 25778	<b>Check Date:</b> 08/09/2011			
<b>Vendor:</b> 0995	<b>Xerox Corporation</b>			
500078973	Color copier; lease	08/09/2011		425.71
500080249	B & W Copier; lease	08/09/2011		518.30
			<b>Check Total:</b>	944.01
			<b>Date Totals:</b>	121,634.10
			<b>Report Total:</b>	0.00 121,634.10

August 5, 2011

City of Covington

Payroll Approval

- Request Council approval for payment of Payroll dated 08/05/11 consisting of:

PAYLOCITY CHECK # 1000090903 through PAYLOCITY CHECK # 1000090921 inclusive,  
plus employee direct deposits

IN THE AMOUNT OF \$138,662.22

WE, THE UNDERSIGNED, DO HEREBY CERTIFY UNDER PENALTY OF PERJURY THAT THE MATERIALS HAVE BEEN FURNISHED, THE SERVICES RENDERED OR THE LABOR PERFORMED AS DESCRIBED HEREIN AND THAT THE CLAIMS ARE JUST, DUE AND UNPAID OBLIGATIONS AGAINST THE CITY OF COVINGTON, WASHINGTON, COUNTY OF KING, AND THAT WE ARE AUTHORIZED TO AUTHENTICATE AND CERTIFY SAID CLAIMS PER THE ATTACHED COUNCIL APPROVAL REPORT.

\_\_\_\_\_  
Robert M. Hendrickson  
Finance Director

\_\_\_\_\_  
Mark Lanza  
City Councilmember

\_\_\_\_\_  
Wayne Snoey  
City Councilmember

\_\_\_\_\_  
Marlla Mhoon  
City Councilmember

Council Meeting Date Approved: \_\_\_\_\_

08/05/11 Payroll Voucher

Payroll Checks for Account Paylocity Account

Check/Voucher	Check Type	Check Date	Employee Name	Net Amount
100892	Regular	8/5/2011	Agnish, Ashley	132.53
100893	Regular	8/5/2011	Kirshenbaum, Kathleen	738.33
100894	Regular	8/5/2011	Lyon, Valerie	1,370.68
100895	Regular	8/5/2011	Matheson, Derek M	4,280.04
100896	Regular	8/5/2011	Mhooon, Darren S	1,242.07
100897	Regular	8/5/2011	Michaud, Joan M	1,748.01
100898	Regular	8/5/2011	Scott, Sharon G	2,159.89
100899	Regular	8/5/2011	Slate, Karla J	2,226.96
100900	Regular	8/5/2011	Van Tassel, Stacey	16.62
100901	Regular	8/5/2011	Hart, Richard	3,331.33
100902	Regular	8/5/2011	Quintanar, Louis A	1,308.53
100903	Regular	8/5/2011	Cles, Staci M	1,597.71
100904	Regular	8/5/2011	Hagen, Lindsay K	1,314.87
100905	Regular	8/5/2011	Hendrickson, Robert	3,942.36
100906	Regular	8/5/2011	Parker, Cassandra	2,204.67
100907	Regular	8/5/2011	Dalton, Jesse J	1,729.01
100908	Regular	8/5/2011	Garnett, Stuart W	944.66
100909	Regular	8/5/2011	Guest, Robert	708.49
100910	Regular	8/5/2011	Hall, Ron	987.35
100911	Regular	8/5/2011	Junkin, Ross D	2,462.36
100912	Regular	8/5/2011	Marchefka, Joe A	1,723.28
100913	Regular	8/5/2011	Wesley, Daniel A	1,938.73
100914	Regular	8/5/2011	Bykonen, Brian D	1,539.97
100915	Regular	8/5/2011	Christenson, Gregg R	2,230.70
100916	Regular	8/5/2011	Lyons, Salina K	2,138.82
100917	Regular	8/5/2011	Meyers, Robert L	3,032.21
100918	Regular	8/5/2011	Ogren, Nelson W	2,442.13
100919	Regular	8/5/2011	Thompson, Kelly	1,751.86
100920	Regular	8/5/2011	Morrissey, Mayson	2,377.77
100921	Regular	8/5/2011	Bahl, Rachel A	1,467.34
100922	Regular	8/5/2011	Newton, Ethan A	1,913.13
100923	Regular	8/5/2011	Patterson, Clifford	2,228.21
100924	Regular	8/5/2011	Thomas, Scott R	3,123.53
100925	Regular	8/5/2011	Akramoff, Glenn A	3,209.02
100926	Regular	8/5/2011	Bates, Shellie L	1,793.11
100927	Regular	8/5/2011	Buck, Shawn M	1,396.00
100928	Regular	8/5/2011	Parrish, Benjamin A	1,638.27
100929	Regular	8/5/2011	Vondran, Donald M	3,221.08
100930	Regular	8/5/2011	Archuleta, Alexander A	524.72
100931	Regular	8/5/2011	Campbell, Noel M	469.13
100932	Regular	8/5/2011	Cox, Melissa	233.33
100933	Regular	8/5/2011	Felcyn, Adam	314.74
100934	Regular	8/5/2011	Gehring, John T	332.72
100935	Regular	8/5/2011	Halbert, Mitchell S	83.22
100936	Regular	8/5/2011	Houghton, Cassandra L	251.60

**Check Register**

CITY OF COVINGTON (B1951)

Check Date: 08/05/2011

Process: 2011080501

Page 2 of 2

Pay Period: 07/17/2011 to 07/30/2011

100937 Regular	8/5/2011	Kiselyov, Tatyana	56.39
100938 Regular	8/5/2011	Lusebrink, Christa	191.86
100939 Regular	8/5/2011	MacConaghy, Hailey	372.48
100940 Regular	8/5/2011	Mathison, Matthew	579.80
100941 Regular	8/5/2011	Middleton, Jordan	311.82
100942 Regular	8/5/2011	Mohr, Emily A	135.22
100943 Regular	8/5/2011	Mooney, Lynell	132.45
100944 Regular	8/5/2011	Perko, Roxanne H	364.42
100945 Regular	8/5/2011	Praggastis, Alexander	55.50
100946 Regular	8/5/2011	Reynolds, Taylor	484.07
100947 Regular	8/5/2011	Wonio, Reece	640.58
100948 Regular	8/5/2011	Beaufriere, Noreen	2,622.66
100949 Regular	8/5/2011	Throm, Victoria J	1,803.90
1000090903 Regular	8/5/2011	Gaudette, John J	1,621.21
1000090904 Regular	8/5/2011	Palmer, Stephen C	837.83
1000090905 Regular	8/5/2011	Carkeek, Lena	486.46
1000090906 Regular	8/5/2011	Cochran, Neil A	127.90
1000090907 Regular	8/5/2011	Eastin, Tatiana	346.10
1000090908 Regular	8/5/2011	Goldfoos, Rhyan	477.22
1000090909 Regular	8/5/2011	Hatch, Jenessa	794.35
1000090910 Regular	8/5/2011	Johansen, Andrea	867.34
1000090911 Regular	8/5/2011	Milburn, Luke	158.95
1000090912 Regular	8/5/2011	Milburn, Matthew	200.55
1000090913 Regular	8/5/2011	Panzer, Erika	654.76

**Totals for Payroll Checks 69 Items 90,144.91**

Third Party Checks for Account Paylocity Account

Check/Voucher	Check Type	Check Date	Employee Name	Net Amount
100950	AGENCY	8/5/2011	Paylocity Corporation	125.00
100951	AGENCY	8/5/2011	ICMA Retirement Trust	26,416.93
1000090914	AGENCY	8/5/2011	Vantagepoint Transfer Agent-	348.55
1000090915	AGENCY	8/5/2011	City of Covington	2,788.28
1000090916	AGENCY	8/5/2011	City of Covington Employee	70.00
1000090917	AGENCY	8/5/2011	ICMA Retirement Trust	2,123.00
1000090918	AGENCY	8/5/2011	WASH CHILD SUPPORT	110.41
1000090919	AGENCY	8/5/2011	King County Superior Court	236.17
1000090920	AGENCY	8/5/2011	United Way of King County	18.00
1000090921	AGENCY	8/5/2011	HRA VEBA Trust	1,050.00

**Totals for Third Party 10 Items 33,286.34**

Tax Liabilities 15,548.87  
 Paylocity credit (317.90)

**Grand Total \$ 138,662.22**

## **Agenda Item 1**

Covington City Council Meeting

Date: August 23, 2011

**SUBJECT:** CONSIDER AUTHORIZING THE CITY MANAGER TO AWARD A CONSTRUCTION CONTRACT TO IMPROVE STREET DRAINAGE ON SE 268<sup>TH</sup> STREET IN THE AQUA VISTA NEIGHBORHOOD (ALONG PIPE LAKE).

**RECOMMENDED BY:** Glenn Akramoff, Public Works Director

**ATTACHMENT(S):**

1. Engineering Estimate from Gray & Osborne

**PREPARED BY:** Don Vondran, PE, City Engineer

**EXPLANATION:**

In March of 2010, Council authorized beginning the design process to address a drainage issue on SE 268<sup>th</sup> Street in the Aqua Vista neighborhood (Pipe Lake). Residents in the area had complained of street drainage running onto their property and exacerbating a flooding problem. Upon further inspection, it was determined that when the road was first built (1960's) the grading of the roadway was not completed as planned. It appears that it is a problem now because over the years ditches have been filled in and material (dirt, bark, etc.) built up from landscaping and home improvement projects that have gradually changed the course of the drainage to where it is concentrating onto individual properties.

Staff initially attempted to calculate some grades and determine if maintenance could take care of the problem. However, we realized that even if we restored things to where they were before, there were no easements to support where the water was being sent since the initial grading (1960's) caused the drainage to go in the opposite direction from the approved drainage plan. Therefore, Gray & Osborne developed plans to address the drainage issue and improve the water quality being released to Pipe Lake.

The capital project will install storm drainage pipe and catch basins along SE 268<sup>th</sup> Street and convey storm water to outfall to Pipe Lake along the original platted drainage easement. Prior to discharging to Pipe Lake, the storm water will go through a vault containing filter cartridges to improve water quality. The project will overlay the roadway to provide proper slope to the catch basins which will also address the failing asphalt in this area. The project is expected to begin after Labor Day and be completed in 6 to 8 weeks.

We are currently requesting bids from contractors using the Municipal Research and Services Center Small Works Roster. All bids are due by the end of the day on Thursday, August 18<sup>th</sup>. Since the blue sheets are due for assembly prior to this date, the results of the bid will be provided at the Council meeting.

ALTERNATIVES:

Not to authorize awarding the contract and delay the project for another year. This will require maintenance to continue to redirect drainage with temporary measures such as sandbags.

FISCAL IMPACT:

During the 2009 Budget process, Council approved an annual allocation of \$53,500 to be directed towards SWM Capital Improvement Projects out of the SWM Fund. In 2009, we used those funds along with some grant funds to complete the modifications/repairs to the Wood Creek Storm Pond.

The 2010 and 2011 allocations of \$53,500 were each allocated to design and construct this project. The King County Flood Control Opportunity Grant Funds for 2010 (\$19,406) and 2011 (\$19,759) were also committed to this project. The design contract with G&O was in the amount of \$46,800. The Engineer’s estimate for construction is in the amount of \$158,600. In order to fund construction, the 2012 SWM allocation of \$53,500 will need to be used this year. The current SWM fund balance can handle the transfer this year and remain considerably above required minimums. In order to cover 10% contingency, surveying and construction support costs, \$25,000 of the 2011 SWM operating budget (Engineering and Professional Services) is planned to be allocated to this project if needed. See table below for details:

2010 Balance (Remaining from 2009 Project)	\$4,311
2010 SWM Transfer for SWM Capital	\$53,500
2011 SWM Transfer for SWM Capital	\$53,500
2012 SWM Transfer for SWM Capital	\$53,500
2010 King County Flood Control Opportunity Grant	\$19,406
2011 King County Flood Control Opportunity Grant	\$19,759
G&O Design Contract	(\$46,800)
Construction Contract based on Engineer’s Estimate	(\$158,600)
Construction Contingency (10%)	(\$15,860)
Surveying and Construction Support (G&O)	(\$7,500)
Transfer from 2011 SWM Operating Budget	\$25,000
Total	\$216

We are anticipating that the bids will come under the Engineer’s estimate and less will be needed from the 2011 SWM Operating Budget. However, based on projected expenditures, funds are available to be allocated to this project as proposed.

CITY COUNCIL ACTION:     Ordinance     Resolution     Motion     Other

**Council member \_\_\_\_\_ moves, Council member \_\_\_\_\_ seconds, to authorize the City Manager to execute a contract with the lowest most qualified bidder to construct the SE 268<sup>th</sup> Street Drainage Maintenance Project if the bid is within the engineer’s estimate.**

REVIEWED BY: City Manager, City Attorney, Finance Director

**CITY OF COVINGTON**  
**SE 268TH STREET DRAINAGE MAINTENANCE PROJECT**  
**ENGINEER'S PRELIMINARY CONSTRUCTION COST ESTIMATE - UPDATED AUGUST 10, 2011**  
**G &O #10445**

**ATTACHMENT 1**

<u>ITEM</u>		<u>ESTIMATED</u>	<u>UNIT</u>	<u>AMOUNT</u>
<u>NO.</u>	<u>DESCRIPTION</u>	<u>QUANTITY</u>	<u>PRICE</u>	<u>AMOUNT</u>
1.	Minor Changes (1-04.4(1))	1	MC	\$1,000.00
2.	SPCC Plan (S.P. 1-07.15(1))	1	LS	\$750.00
3.	Mobilization, Cleanup, and Demobilization (S.P. 1-09.7)	1	LS	\$8,000.00
4.	Project Temporary Traffic Control (1-10.4(1))	1	LS	\$3,000.00
5.	Clearing and Grubbing (S.P. 2-01.5)	1	LS	\$4,000.00
6.	Removal of Structure and Obstruction (S.P. 2-02.5)	1	LS	\$2,500.00
7.	Subgrade Repair Excavation Incl. Haul (S.P. 2-06.5)	50	SY	\$70.00
8.	Locate Existing Utilities (S.P. 2-09.5)	1	LS	\$1,000.00
9.	Gravel Backfill for Drains (S.P. 2-09.5)	30	TN	\$30.00
10.	Controlled Density Fill (S.P. 2-09.5)	5	CY	\$140.00
11.	Crushed Surfacing Top Course (S.P. 4-04.5)	190	TN	\$20.00
12.	Commercial HMA (S.P. 5-04.5)	200	TN	\$100.00
13.	Planing Bituminous Pavement (S.P. 5-04.5)	70	SY	\$12.00
14.	Wood Dock Modifications (S.P. 6-04.5)	1	LS	\$3,500.00
15.	PVC Underdrain Pipe 12 In. Diam. (S.P. 7-01.5)	60	LF	\$45.00
16.	PVC Storm Sewer Pipe 12 In. Diam. (Incl. Bedding) (S.P. 7-04.5)	560	LF	\$45.00
17.	Catch Basin Type 1 (S.P. 7-05.5)	3	EA	\$1,000.00
18.	Concrete Inlet (S.P. 7-05.5)	5	EA	\$900.00
19.	Catch Basin Type 2 60" Dia. w/ Separator (S.P. 7-05.5)	2	EA	\$10,000.00
20.	Storm Treatment Catch Basin Type 2 72" Dia. (S.P. 7-05.5)	2	EA	\$12,000.00
21.	Adjust Catch Basin (S.P. 7-05.5)	1	EA	\$400.00
22.	Removal of Unsuitable Material (Trench) (S.P. 7-08.5)	10	CY	\$30.00
23.	Trench Excavation Safety Systems (S.P. 7-08.5)	1	LS	\$1,500.00
24.	Bank Run Gravel for Trench Backfill (S.P. 7-08.5)	410	TN	\$22.00
25.	Temporary Erosion Control (S.P. 8-01.5)	1	LS	\$2,000.00
26.	Topsoil Type A (S.P. 8-02.5)	80	CY	\$28.00
27.	Seeded Lawn Installation (S.P. 8-02.5)	350	SY	\$2.00
28.	Sand (S.P. 8-02.5)	10	CY	\$30.00
29.	Landscaping Restoration (S.P. 8-02.5)	1	FA	\$2,500.00

<u>ITEM</u>		<u>ESTIMATED</u>	<u>UNIT</u>	<u>AMOUNT</u>
<u>NO.</u>	<u>DESCRIPTION</u>	<u>QUANTITY</u>	<u>PRICE</u>	
30.	Brick Entryway Structure (S.P. 8-02.5)	1 FA	\$3,000.00	\$3,000.00
31.	Rolled Concrete Curb and Gutter (S.P. 8-04.5)	28 LF	\$25.00	\$700.00
32.	Cement Concrete Driveway Repair (S.P. 8-06.5)	36 SY	\$50.00	\$1,800.00
33.	Quarry Spalls (S.P. 8-15.5)	15 TN	\$50.00	\$750.00
34.	Project Documentation (S.P. 8)	1 LS	\$500.00	\$500.00
	Subtotal All Items			\$158,600.00
	Sales Tax at 0% per W.S. Revenue Rule No. 171			\$0.00
	<b>TOTAL CONSTRUCTION COST</b>			<b>\$158,600.00</b>

**Agenda Item 2**  
Covington City Council Meeting  
Date: August 23, 2011

**SUBJECT:** CONSIDER AUTHORIZING THE CITY MANAGER TO SIGN AN AGREEMENT FOR SERVICES WITH PERTEET TO CONDUCT A CITYWIDE PAVEMENT CONDITION ASSESSMENT AND ADA INVENTORY

**RECOMMENDED BY:** Glenn Akramoff, Public Works Director

**ATTACHMENT(S):**

1. Agreement for Services Contract

**PREPARED BY:** Don Vondran, PE, City Engineer

**EXPLANATION:**

In 2004, the city conducted a pavement condition assessment in which city staff walked and evaluated about 60% of the roads in Covington. These evaluations were the basis for determining which roadways needed overlays. At the time, there were many roads that were recently constructed with newly developed plats or roads that were already planned to be reconstructed as a CIP project. Therefore, it was determined that documenting the conditions of these roadways was not needed.

The need for a new pavement condition assessment has been considered for the last few years since a citywide assessment should be done every 3 to 5 years. However, a downturn in the economy and reductions in staff has delayed the assessment being completed. Recent staff and Council discussions regarding the concern of delaying needed overlays that may result in more costly rehabilitation has elevated the need for an updated assessment.

The subject contract would allow the pavement condition assessment to be completed on all public streets in Covington. The information would be provided in a format consistent with GIS and be integrated into our GIS database. This will allow us to quickly identify areas of concern and determine next steps.

Another portion of the contract is to conduct an Americans with Disabilities Act (ADA) inventory or self-evaluation. The Code of Federal Regulations (Title 28 Part 35) requires that public entities that employ more than 50 employees complete a self-evaluation of ADA accessibility. It also requires that an ADA coordinator be designated, an ADA grievance policy be developed and an ADA transition plan be developed to bring facilities into compliance. It was recently brought to our attention that the 50 employee threshold includes temporary and part-time employees. Accounting for all staff, including temporary and part-time, we currently have close to 80 employees (Aquatic staff greatly increase the overall number).

The reason that this is coming up now is due to recent lawsuits involving local agencies that have ADA related complaints or claims and do not have a transition plan and are not making progress towards one. Also, the Federal Highway Administration (FHWA) has been requiring that many of these types of requirements be in place prior to grant awards.

In order to begin the process of compliance and to utilize resources more efficiently, the ADA inventory was added to the pavement condition assessment. This information can easily be added to the GPS handheld devices to collect the necessary ADA inventory at the same time the pavement condition assessment is being conducted.

ALTERNATIVES:

Delay pavement condition assessment and risk costly rehabilitation of roadways. Also, delay ADA self-evaluation which could prolong a potential liability and may sacrifice potential federal grants.

FISCAL IMPACT:

The contract is planned to be funded using the remaining overlay funds (Fund 821) that currently has a balance of a little over \$36,000. If approved, these funds would be transferred to the Street Fund since this contract would not qualify as a Capital Improvement Project.

CITY COUNCIL ACTION: \_\_\_\_ Ordinance \_\_\_\_ Resolution  X  Motion \_\_\_\_ Other

**Council member \_\_\_\_\_ moves, Council member \_\_\_\_\_ seconds, to authorize the City Manager to execute a contract with Perteeet to conduct a citywide pavement condition assessment and ADA inventory.**

REVIEWED BY: City Manager, City Attorney, Finance Director

CITY OF COVINGTON  
AGREEMENT FOR SERVICES

THIS AGREEMENT FOR SERVICES is entered into this \_\_\_ day of \_\_\_\_\_, 20\_\_\_, by and between the City of Covington (“City”), a Washington municipal corporation, and Perteet, Inc. (“Consultant”), a corporation .

RECITALS:

- A. The City seeks the temporary services of a skilled independent contractor capable of working without direct supervision to perform consulting services relating to the City of Covington’s Pavement Condition and ADA Inventory Project on behalf of the citizens of Covington; and
- B. The Consultant has the requisite skill and experience necessary to provide said services; and
- C. The City has selected the Consultant to perform said services; and
- D. The purpose of this Agreement is to establish the terms and conditions under which the Consultant will perform said services.

NOW, THEREFORE, in consideration of the mutual promises and agreements set forth herein, the City and the Consultant do hereby agree as follows:

1. Engagement. The City, acting pursuant to its vested authority, does hereby engage the Consultant and the Consultant does hereby agree to perform on behalf of the City the services more particularly described herein.
2. Scope of Services. Upon written authorization from the City to proceed, the Consultant shall perform the services described on Exhibit “A,” attached hereto and incorporated herein by this reference (“Services”), in a manner consistent with the accepted practices for similar services, performed to the City’s satisfaction, within the time period prescribed by the City and pursuant to the direction of the City Manager or his or her designee. In performing the Services, the Consultant shall comply with all federal, state and local laws and regulations, including, without limitation, all City codes, ordinances, resolutions, standards and policies, as now existing or hereafter adopted or amended, that may be applicable to its performance. To the extent required by law, the Contractor and all subcontractors shall pay no less than the prevailing wage rate to employees performing work under this contract and shall submit a “Statement of Intent to Pay Prevailing Wages” and an “Affidavit of Wages Paid” in compliance with RCW 39.12.
3. Term of Agreement. This Agreement shall be in full force and effect for a period commencing upon execution and ending upon the completion of the Services, but in any event no later than December 31, 2011 (“Term”), unless earlier terminated under the provisions of this Agreement. This Agreement may be extended for additional periods of time upon the mutual written agreement of the City and the Consultant. Time is of the essence in each and every term of this Agreement.

4. Compensation and Method of Payment.

4.1 Compensation. In consideration of the Consultant performing the Services, the City agrees to pay the Consultant as follows [check applicable method of payment]:

4.1.1  An amount not to exceed \$34,765 calculated on the basis of the hourly rates set forth in Exhibit "B" attached and incorporated herein by this reference; OR

4.1.2  An amount not to exceed \$ \_\_\_\_\_; OR

4.1.3  Other [describe]: \_\_\_\_\_

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4.2. Method of Payment. Payment by the City for the Services will only be made after the Services have been satisfactorily performed, a voucher or invoice is submitted in a form acceptable to the City, and the same is approved by the appropriate City representative. Payment shall be made no later than ten days after City Council approval of the invoiced amount.

4.3 First Invoice. Prior to or along with the first invoice submitted, the Consultant shall return to the City a completed "Request for Taxpayer Identification Number and Certification", also known as IRS form W-9.

4.4 Consultant Responsible for Taxes. The Consultant shall be solely responsible for the payment of any taxes imposed by any lawful jurisdiction as a result of the performance and payment of this Agreement.

5. Warranty. The Consultant warrants that it has the requisite training, skill and experience necessary to provide the Services and is appropriately accredited and licensed by all applicable agencies and governmental entities, including but not limited to being registered to do business in the City of Covington by obtaining a City of Covington business license. The Consultant shall be responsible for the professional quality, technical adequacy and accuracy, timely completion and coordination of all plans, designs, drawings, specifications, reports and other services prepared or performed pursuant to this Agreement. The Consultant shall perform its work in accordance with the requirements of this Agreement and pursuant to the standards of professional care, skill, diligence and competence as are normally exercised by other members and/or firms of the profession in good standing working under the same or similar conditions and circumstances and in similar communities as the services provided by the Consultant under this Agreement. The Consultant shall be responsible for the professional standards, performance and actions of all persons and firms performing work pursuant to this Agreement on behalf of Consultant. The City shall also have the right to deduct from payments to the Consultant any costs or damages incurred by the City, or which may be incurred by the City, as a result of the Consultant's failure to comply with the requirements of the Agreement or failure to meet the professional standard of care and skill, or both. The City's approval of plans, drawings, designs, specifications, reports and other products of the professional services rendered hereunder shall not in any way relieve the Consultant of responsibility for the technical adequacy or accuracy thereof. Neither the City's review, approval, acceptance of, and/or payment for any services shall be construed to operate as a waiver of any rights under this Agreement or of any cause of action arising out of the performance of this Agreement.

6. Ownership and Use of Documents. Any and all original and copies of records, reports, designs, files, documents, drawings, specifications, data or information, regardless of form or format, and all other materials prepared or produced by the Consultant in connection with the Services shall be the property of the City whether the project for which they were created is executed or not. At the termination or cancellation of this Agreement, any and all such records or information remaining in the possession of the Consultant shall be delivered to the City. No confidential information obtained or created by Consultant shall be disclosed to any person or party other than the City without the City's prior written consent.

7. Independent Contractor. It is the intention and understanding of the City and the Consultant that the Consultant shall be an independent contractor and that the City shall be neither liable nor obligated to pay the Consultant sick leave, vacation pay or any other benefit of employment. The Consultant shall pay all income and other taxes due. Industrial or any other insurance that is purchased for the benefit of the City, regardless of whether such may provide a secondary or incidental benefit to the Consultant, shall not be deemed to convert this Agreement to an employment contract. The Consultant will be solely responsible for its acts and for the acts of its agents, employees, sub consultants or representatives during the performance of this Agreement. Nothing in this Agreement shall be considered to create the relation of employer and employee or principal and agent between the parties hereto. The Consultant shall have the sole judgment of the means, mode or manner of the actual performance of this Agreement. The Consultant, as an independent contractor, assumes the entire responsibility for carrying out and accomplishing this Agreement.

8. Indemnification. To the maximum extent permitted by law, Consultant shall defend, indemnify and hold harmless the City and all of its officials, employees, volunteers, principals and agents from all claims, demands, suits, actions, and liability of any kind, including injuries to persons or damages to property, which arise out of, are connected with, or are due to any errors, omissions or negligent acts of Consultant, its contractor, and/or employees, agents, volunteers or representatives in performance of this Agreement; provided, however, that if (and only if) the provisions of RCW 4.24.115 apply to the work and services under this Agreement and any such damages and injuries to persons or property are caused by or result from the concurrent negligence of Consultant, its contractor or employees, agents, volunteers or representatives and the City or its employees, volunteers, agents, or representatives, the indemnification applies only to the extent of the negligence of Consultant, its contractor or employees, volunteers, agents, or representatives. In the event of any such claims, demands, suits, actions, and lawsuits, Consultant shall assume all costs of defense thereof, including administrative and legal fees incurred by the City, and of all resulting judgments that may be obtained against the City or any of its officers, principals, agents, employees or volunteers. If resulting there from, any lien is placed upon property of the City or any of its officers, principals, agents, employees or volunteers, Consultant shall at once cause the same to be dissolved and discharged by giving bond or otherwise. Consultant specifically assumes potential liability for actions brought by Consultant's own employees against the City and for that purpose Consultant specifically waives, as respects the City only, any immunity under the Worker's Compensation Act, RCW Title 51; and Consultant recognizes that this waiver was the subject of mutual negotiation and specifically entered into pursuant to the provision of RCW 4.24.115, if applicable. In the event either party incurs attorney's fees, costs or other legal expenses to enforce the provisions of this section against the other party, all such fees, costs and expenses shall be recoverable by the prevailing party.

The provisions of this Section shall survive any expiration or termination of this Agreement.

9. Insurance. The Consultant shall procure and maintain for the duration of the Agreement, insurance against claims for injuries to persons or damage to property which may arise from or in connection with the performance of work hereunder by the Consultant, its agents, representatives or employees. Consultant's maintenance of insurance as required by the agreement shall not be construed to limit the liability of the Consultant to the coverage provided by such insurance, or otherwise limit the City's recourse to any remedy available at law or in equity. The Consultant shall at a minimum obtain and carry the following insurance in such forms and with such carriers who have a rating satisfactory to the City:

9.1 Workers' compensation and employer's liability insurance in amounts sufficient pursuant to the laws of the State of Washington;

9.2 Commercial general liability insurance covering liability arising from premises, operations, independent contractors, personal injury and advertising injury and written on ISO occurrence form CG 00 01 with combined single limits of liability not less than \$1,000,000 each occurrence, \$2,000,000 general aggregate for bodily injury, including personal injury or death, products liability and property damage.

9.3 Automobile liability insurance covering all owned, non-owned, hired and leased vehicles and written on Insurance Services Office (ISO) form CA 00 01 or a substitute form providing equivalent liability coverage with combined single limits of liability not less than \$1,000,000 per accident for bodily injury, including personal injury or death and property damage. If necessary, the policy shall be endorsed to provide contractual liability coverage.

9.4 Professional liability insurance covering any negligent professional acts, errors or omissions for which the Consultant is legally responsible and with combined single limits of liability not less than \$1,000,000 per claim and \$1,000,000 policy aggregate limit for damages sustained by reason of or in the course of operation under this Agreement.

The City shall be named as additional insured on all such insurance policies, with the exception of professional liability and workers' compensation coverage(s) if the Consultant participates in a state-run workers' comp program. The Consultant shall provide original certificates of insurance and a copy of the amendatory endorsement, concurrent with the execution of this Agreement, evidencing such coverage and, at City's request, furnish the City with copies of all insurance policies and with evidence of payment of premiums or fees of such policies. Insurance is to be placed with insurers with a current A.M. Best rating of not less than A:VII. All insurance policies shall contain a clause of endorsement providing that they may not be terminated or materially amended during the Term of this Agreement, except after thirty (30) days prior written notice to the City. If the Consultant's insurance policies are "claims made," the Consultant shall be required to maintain tail coverage for a minimum period of three (3) years from the date this Agreement is actually terminated or upon project completion and acceptance by the City. The Consultant's failure to maintain such insurance policies shall be grounds for the City's immediate termination of this Agreement.

The provisions of this Section shall survive the expiration or termination of this Agreement with respect to any event occurring prior to such expiration or termination.

10. Books and Records. The Consultant agrees to maintain books, records, and documents which sufficiently and properly reflect all direct and indirect costs related to the performance of the Services and maintain such accounting procedures and practices as may be deemed necessary by the City to assure proper accounting of all funds paid pursuant to this Agreement. These records shall be subject, at all reasonable times, to inspection, review or audit by the City, its authorized representative, the State Auditor, or other governmental officials authorized by law to monitor this Agreement.

11. Termination.

11.1 Prior to the expiration of the Term, this Agreement may be terminated immediately, with or without cause, by the City. In the event of termination or suspension, all finished or unfinished documents, data, studies, worksheets, models, reports or other materials prepared by the Consultant pursuant to this Agreement shall be submitted to the City within five days of the date of termination.

11.2 In the event this Agreement is terminated or suspended, the Consultant shall be entitled to payment for all services satisfactorily performed and reimbursable expenses incurred to the date of termination.

11.3 This provision shall not prevent the City from seeking any legal remedies it may otherwise have for the violation, default, or nonperformance of any provision of this Agreement. The remedies provided in this paragraph shall be in addition to any other remedy the City may have at law or in equity.

12. Discrimination. In all Consultant services, programs or activities, and all Consultant hiring and employment made possible by or resulting from this Agreement, there shall be no discrimination by the Consultant or by the Consultant's employees, agents, subcontractors or representatives against any person because of sex, age (except minimum age and retirement provisions), race, color, creed, national origin, marital status or the presence of any disability, including sensory, mental or physical handicaps, unless based upon a bona fide occupational qualification in relationship to hiring and employment. This requirement shall apply, but not be limited to the following: employment, advertising, layoff or termination, rates of pay or other forms of compensation, and selection for training, including apprenticeship. The Consultant shall not violate any of the terms of Chapter 49.60 RCW, Title VII of the Civil Rights Act of 1964, the Americans With Disabilities Act, Section 504 of the Rehabilitation Act of 1973 or any other applicable federal, state or local law or regulation regarding non-discrimination. Any material violation of this provision shall be grounds for termination of this Agreement by the City and, in the case of the Consultant's breach, may result in ineligibility for further City agreements.

13. Assignment and Subcontract. The Consultant shall not assign or transfer any interest in this Agreement or subcontract any portion of the services contemplated hereunder without the prior written consent of the City.

14. Conflict of Interest. The Consultant represents to the City that it has no conflict

of interest in performing any of the services described herein. It is recognized that the Consultant may or will be performing services during the Term for other parties; provided, however that such performance of other services shall not conflict with or interfere with the Consultant's ability to perform the Services. In the event that the Consultant is asked to perform services for a project with which it may have a conflict, the Consultant shall immediately disclose such potential conflict to the City. The Consultant agrees to resolve any actual conflicts of interest in favor of the City.

15. Confidentiality. All information regarding the City obtained by the Consultant and designated by the City as confidential in the performance of this Agreement shall be considered confidential. Breach of confidentiality by the Consultant shall be grounds for immediate termination of this Agreement.

16. Non-appropriation of Funds. If sufficient funds are not appropriated or allocated for payment under this Agreement for any future fiscal period, the City will so notify the Consultant and shall not be obligated to make payments for services or amounts incurred after the end of the City's current fiscal period. This Agreement shall terminate upon the completion of all remaining services for which funds are allocated. No penalty or expense shall accrue to the City in the event that the terms of this provision are effectuated.

17. Entire Agreement. This Agreement, including the exhibits attached hereto, constitutes the entire agreement between the parties with respect to the subject matter of this Agreement. There are no promises, terms, conditions or obligations other than those contained herein, and this Agreement shall supersede all previous communications, negotiations, representations or agreements, either verbal or written, between the parties hereto concerning the subject matter of this Agreement.

18. Amendment. This Agreement may not be modified or amended except by writing signed by all parties hereto.

19. No Waiver. Failure or delay of the City to declare any breach or default immediately upon occurrence shall not waive such breach or default. Failure of the City to declare one breach or default does not act as a waiver of the City's right to declare another breach or default.

20. Successors. Subject to the provisions of paragraph 13 above, this Agreement shall inure to the benefit of and be binding upon the parties, their respective heirs, executors, administrators, personal representatives, successors and assigns.

21. Severability. Each and every provision of this Agreement shall be deemed to be severable. The invalidity or unenforceability of any particular provision of this Agreement shall not affect the other provisions hereof, and the Agreement shall be construed in all respects as if such invalid or unenforceable provision were not a part of this Agreement.

22. Notices. All notices, payments and other communications hereunder shall be in writing and shall be deemed to have been duly given if personally delivered or mailed, by first class or certified mail, with postage prepaid,

22.1 if to the Consultant, to:

Perteet, Inc.  
Attention: Jesse Thomsen, P.E.  
505 – 5<sup>th</sup> Avenue S., Suite 300  
Seattle, WA 982014

or to such other person or place as the Consultant shall furnish to the City in writing; and

22.2 if to the City, to:

City of Covington  
16720 SE 271<sup>st</sup> Street, Suite100  
Covington, WA 98042

or to such other person or place as the City shall furnish to the Consultant in writing.

Notices and payments shall be deemed given upon personal delivery or, if mailed, upon the earlier of actual receipt or three (3) business days after the date of mailing.

23. Governing Law. This Agreement shall be interpreted in accordance with the laws of the State of Washington.

24. Venue. The venue for any cause of action arising out of this Agreement shall be King County, Washington.

25. Attorney's Fees. In the event of any default under this Agreement, the substantially defaulting party agrees to pay the substantially non-defaulting party's reasonable expenses which the latter incurs by reason thereof, including but not limited to reasonable attorney's fees, whether with respect to the investigation of such default or the determination of the application or the pursuit of remedies with respect thereto, or in legal proceedings, or otherwise. The term "legal proceedings" as used in this paragraph shall include all litigation, arbitration, administrative, bankruptcy and judicial proceedings, including appeals therefrom.

26. Headings. The headings in this Agreement are intended solely for convenience of reference and shall be given no effect in the interpretation of this Agreement.

27. Survival of Representations. The representations and warranties of the City and the Consultant contained hereto shall survive indefinitely.

28. Independent Counsel. The Consultant acknowledges that the drafter of this Agreement is the City's legal representative to whom the Consultant does not look to for any legal counseling or legal advice with regard to this transaction. The Consultant further acknowledges that it has been advised to consult with independent legal counsel and has had an opportunity to do so. By signing this Agreement, the Consultant acknowledges that it has consulted with independent legal counsel of its choice or has knowingly waived the right to do so. There shall be no presumption of draftsmanship in favor of or implied against any party hereto.

29. Authority. Each individual executing this Agreement on behalf of the City and



EXHIBIT "A"  
SCOPE OF SERVICES

INTRODUCTION

This scope of service describes the Work Elements to be accomplished by the CONSULTANT for the City of Covington's *Pavement Condition and ADA Inventory Project*.

This project will create an inventory of pavement conditions and sidewalks within the city limits of Covington, Washington for use by the City in planning and design of future transportation projects. The initial phase (Phase I) of the project will include the following work elements:

- Task 1. Project Management and Administration
- Task 2. Pavement Condition and ADA Field Data Collection
- Task 3. Data Management

PHASE ONE

Task 1 – Project Management and Administration

Overall project and management services include:

- Provide and control of project design budget, schedule, and work plan
- Preparation of monthly progress reports and invoices
- Coordination with CITY staff will include attendance at up to 3 meetings at the City of Covington throughout this phase of the project. Perteet will communicate with the CITY'S project manager weekly by telephone and/or e-mail regarding project status.

Task 2 – Field Data Collection

This task will collect the sidewalk asset field information that will be input into the City's GIS database. Tasks will include:

- Develop a format for collection of field data, which will include: describing the pavement condition using WSDOT Pavement Condition Rating form, curb ramps, and sidewalks and taking a photograph of each block face. Format will be setup to collect information on a block face basis (i.e. one side of each block from street intersection to street intersection).
- Develop field data logging techniques to collect information in task 2.4. Hardware is anticipated to consist of Windows CE enabled handhelds with ArcPad as a means of entering data in the field.
- Execute pilot data collection and databasing plan and finalize the data collection procedure.
- Collect field data for all City streets in the City GIS system. Information to be collected will include:
  - pavement condition data based on WSDOT Pavement Condition rating form,

## Agreement with Perteet Inc.

- sidewalk information including sidewalk presence, width, and whether tripping hazards exist
- curb ramp data regarding whether it meets current ADA standards (width, slope, detectable surface) at all existing curb ramps and identify locations of missing ramps at intersections.
- Develop quality control measures to verify that data collected is accurate and meets the requirements of Covington and our contract. This plan will consist of a minimum ten percent data overlap and continual auditing of this data for inconsistencies. GPS progress tracking may also be employed to ensure coverage and productivity is met.

Task 3 – Data Management

This task involves the daily management of data for the project. It also involves the design and implementation of an intermediate database that will hold data collected in the field, and from which the data will ultimately be provided to the city during the pilot phase and upon final delivery. The database will also define the input forms available to the field crews for data input, including available pick lists and other data input standardization controls. Tasks will include:

- Develop approach to daily management of data flowing to and from the field crews from the intermediate database.
- Set up a space on the Consultant's servers for storage of project data and databases.
- Work with key CITY staff to ensure that the intermediate database includes all expected attribute fields, and that each field is in a format acceptable to the city. This will include the development of pick lists for data standardization and efficiency gains.
- Develop and implement QC/QA measures implemented at the level of the intermediate database including methods to find and report data collection inconsistencies as well as correcting data input errors.

The following assumptions have been made for budgeting and scoping purposes:

## Assumptions:

- City will provide existing GIS database. This will consist of:
  - Street Centerline layers
  - Ortho Aerial Photography
  - Sidewalk Layers
  - City Boundary Layers
- Information on Trails or stairways within the City will not be collected.
- Sidewalk asset information is to be collected on 920 to 950 block faces, representing approximately 70 miles of sidewalk/pedestrian walkway.
- Sidewalk asset information such as width, planting strip width, etc. will only be collected on improved sidewalks.
- Pavement condition rating will be collected by block and will include a rating for the following categories; alligator cracking, raveling or flushing, longitudinal cracking, transverse cracking and patching.

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- Pavement condition is to be collected on 775 to 800 blocks, representing approximately 70 miles of roadway.

Deliverables:

- GIS data base in ArcView version 10.0. Database will include:
  - WSDOT Pavement Condition Rating for each block
  - Sidewalk information for each block face
- Curb ramp information as collected

Time for Completion

A draft submittal of the GIS Database will be made within 4-weeks of Notice to Proceed. A final submittal of the GIS Database will be made within 2 weeks of receiving comments from the CITY. This task order will only be extended by mutual agreement.

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Exhibit "B"

<b>Consultant Fee Determination - Summary Sheet</b>				 <b>Perteet</b>	
2707 Colby Avenue, Suite 900   Everett, WA 98201   PH: 425.252.7700   FAX: 425-339-6018					
Project: Pavement Condition Assessment and ADA Data Collection					
Client: City of Covington					
<b>HOURLY COST</b>					
<u>Classification</u>	<u>Hours</u>		<u>Rate</u>		<u>Cost</u>
Principal/Senior Associate	11	x	\$185.00	=	\$2,035
Senior Engineer/ Manager	50	x	\$165.00	=	\$8,250
Engineer I	206	x	\$85.00	=	\$17,510
Planner II	58	x	\$100.00	=	\$5,800
Accountant	2	x	\$80.00	=	\$160
Clerical	4	x	\$70.00	=	\$280
<b>TOTAL HOURLY COST</b>					<b>= \$34,035</b>
<b>REIMBURSABLES</b>					
Copies			\$150		
GIS Traffic Modeling @ \$15/hour			\$0		
Robotic EDM @ \$100/day			\$0		
Mileage @ current IRS rate			\$580		
<b>TOTAL REIMBURSABLE COST</b>					<b>= \$730</b>
<b>CONTRACT TOTAL</b>					<b>= \$34,765</b>
Prepared By :				Date: <input type="text" value=""/>	August 2, 2011
<small>X:\Covington, City of\Promo Efforts\Contract Proposals\Covington PMS and ADA data collection fee estimate.xlsx\Hours</small>					



**PERTEET, INC.**  
*Schedule of 2011 Billing Rates*

<u>Engineering, Planning and Environmental Classifications</u>	<u>2011 Hourly Rate</u>
Principal/Senior Associate	185.00
Associate	175.00
Senior Engineer/Manager	165.00
Lead Engineer/Manager	140.00
Engineer III	120.00
Engineer II	100.00
Engineer I	85.00
Senior Planner/Manager	160.00
Lead Planner/Manager	140.00
Planner III	115.00
Planner II	100.00
Planner I	80.00
Senior Ecologist/Manager	160.00
Lead Ecologist/Manager	140.00
Ecologist III	115.00
Ecologist II	100.00
Ecologist I	80.00
Lead Technician/Designer	105.00
Technician III	95.00
Technician II	80.00
Technician I	70.00
Contract Administrator	95.00
Accountant	80.00
Clerical	70.00

Expert Witness Rates:

Consulting & Preparation Time	@ standard hourly rates
Court Proceedings & Depositions (4 hour minimum)	@ 1.5 times hourly rates



**PERTEET, INC.**  
*Schedule of 2011 Billing Rates*  
Page 2

<u>Direct Expenses</u>	<u>Rate</u>
Living & travel expenses outside of service area	Cost plus 10 percent
Authorized Subconsultants	Cost plus 10 percent
Outside Services (printing, traffic counts, etc.)	Cost plus 10 percent
CADD Station	\$10.00 per hour
Project Controls / Primavera	\$10.00 per hour
GIS / Traffic Modeling	\$15.00 per hour
Color Copies	\$.80 each
Mileage	@ current federal rate

<u>Survey and Construction Observation Classifications</u>	<u>2011 Hourly Rate</u>
Principal Surveyor	180.00
Survey Manager	130.00
Senior Professional Land Surveyor	130.00
Professional Land Surveyor	105.00
Project Surveyor II	100.00
Project Surveyor I	95.00
Survey Technician III	85.00
Survey Technician II	75.00
Survey Technician I	65.00
One Person Survey Crew	90.00
Two Person Survey Crew	150.00
Three Person Survey Crew	215.00
Senior Construction Observer	110.00
Construction Observer	80.00

<u>Direct Survey Expenses</u>	<u>Rate</u>
Dual Frequency GPS Receiver	\$150.00 per day
Robotic Total Station Data Collection System	\$100.00 per day
Digital Level	\$50.00 per day
Survey monuments & cases	Cost plus 10 percent

SUBJECT: CONSIDER PARTICIPATION IN THE SOUTH END AREA REGIONAL COALITION FOR HOUSING (SEARCH).

RECOMMENDED BY: Derek Matheson, City Manager

ATTACHMENT(S):

1. SEARCH interlocal agreement (ILA)

PREPARED BY: Victoria Throm, Personnel & Human Services Analyst

EXPLANATION:

Auburn Mayor Pete Lewis and Senior Planner Michael Hursh gave a presentation on the proposed South End Area Regional Coalition for Housing (SEARCH) at the joint city council meeting with Maple Valley and Black Diamond in 2010. SEARCH is modeled after A Regional Coalition for Housing (ARCH), an organization created by Eastside cities and King County in 1992. ARCH's purpose is to preserve and increase the supply of housing for low and moderate-income households. It coordinates public resources to attract private and not-for-profit investment as well as pools technical resources among jurisdictions to develop and implement housing policies.

The annual distribution of Community Development Block Grant (CDBG) and HOME Investment Partnership (HOME) funds for the King County urban county consortium is governed by the following provisions:

1. The "Administrative Set-aside" is the amount needed for planning and administration of the consortium's CDBG/HOME program. Up to 20 percent may be reserved by the county for administration.
2. Five percent of the funds shall be reserved for the Housing Stability Program, a public service activity to support homeless prevention. This service is available to all cities in the consortium.
3. Twenty-five percent of the funds available from CDBG program income is reserved for consortium-wide Housing Repair Program.
4. An automatic reduction is made off the top for the repayment of the Greenbridge Section 108 loan through August 2021.
4. The remaining entitlement and program income funds, including any remaining balance of the 20 percent allowed for administrative set-aside, plus any recaptured funds, is divided between the north/east sub-region and the south sub-region of the county. Funds to each sub-region are formula based on the region's share of low-and moderate-income population. Currently the distribution is 43% to the NE and 57% to the South sub-region. These funds are available on a competitive basis for human service and capital projects. The formula for dividing the funds between the two sub-regions is based on the sub-region's share of the consortium's low-and moderate-income population. (The north-east sub-region has a housing set-aside that is 40 percent of their capital funds dedicated to ARCH.)

The City Council met November 23, 2010, to discuss whether to participate in SEARCH. Council agreed not to enter into an ILA at that time and directed staff to continue to work with other south subarea cities to explore the SEARCH model. Council noted three issues that should be discussed further: 1) the role of CDBG, 2) the importance of a trust fund to provide grants or loans to developers, and 3) how to sustain the SEARCH organization in the long term. A meeting was held June 22, 2011, with Michael Hursh of Auburn, David Johnston of Maple Valley, and several Covington staff to discuss these questions.

What is the role of CDBG?

- CDBG may be a source of matching funds for affordable housing projects.

What is the role and importance of a trust fund?

- The SEARCH board would define the trust fund.
- Auburn will provide approximately \$40,000 seed money.
- Other partners could provide funds (though there is no commitment of funds from other partners at this time).

How will the partner's staff SEARCH in the long term?

- Auburn will provide staff support.

Covington staff held a follow-up meeting to discuss pros and cons:

Pros:

- SEARCH could help partners address Growth Management Act goals, Countywide Planning Policy requirements, and individual goals and policies regarding affordable housing.
- SEARCH would allow partners to share the staff costs to administer affordable housing programs.
- SEARCH likely would have greater leverage in the grant arena than individual cities.

Cons:

- While Auburn has committed verbally to provide seed money and staff, the ILA does not bind Auburn accordingly.
- Covington currently does not have the financial resources to contribute to the trust fund, staff support, and consultants contemplated by the ILA.
- Covington currently does not have the staff resources to contribute to the extensive technical work contemplated by the ILA.
- Covington's participation in SEARCH may create a situation where the city competes against itself for already-scarce south subarea CDBG funds.
- The city attorney has a number of concerns with the ILA, including provisions regarding administration and oversight, open public meetings, the Citizen Advisory Board, disposition of property upon termination, and liability.

Current partners include Auburn, Algona, Pacific, Enumclaw and Black Diamond. The cities of Auburn, Kent, and Federal Way are direct entitlement cities receiving CDBG funds directly and therefore cannot submit applications to the county for consortium funded projects.

Given the uncertainties that SEARCH still needs to resolve, the city's inability to contribute funds and staff time, the possible impact on CDBG funds, and the ability to partner on affordable housing projects and grant applications without a formal organization, staff recommends the Council decline participation in SEARCH at this time. The Council could reconsider SEARCH in the future – if and when the uncertainties are resolved and the CDBG program and city budget are in stronger financial positions.

ALTERNATIVES:

1. Direct the city manager to negotiate modifications to the ILA to address the city attorney's concerns and then present the ILA to Council for approval.
2. Provide alternate direction to staff.

FISCAL IMPACT: Unclear

CITY COUNCIL ACTION: \_\_\_ Ordinance \_\_\_ Resolutions  x  Motion \_\_\_ Other

**Councilmember \_\_\_\_\_ moves, and Councilmember \_\_\_\_\_ seconds to decline participation in the South End Area Regional Coalition for Housing.**

REVIEWED BY: City Manager; City Attorney; Human Resources Manager

**Interlocal Agreement for South End ARCH  
A Regional Coalition for Housing**

This Interlocal Agreement ("Agreement") is entered into by and between the Cities of Algona, Auburn, Black Diamond, Covington, Enumclaw, and Pacific, municipal corporations organized under the laws of the State of Washington, and King County, a subdivision of state government (hereinafter referred to as "Parties"). This Agreement is made pursuant to the Interlocal Cooperation Act, chapter 39.34 RCW, and has been authorized by the legislative body of each jurisdiction.

WHEREAS, the South End communities have a common goal to ensure the availability of housing that meets the needs of all income levels; and

WHEREAS, the South End communities desire to provide a sound base of housing policies and programs in the South End and to complement the efforts of existing organizations to address South End housing needs; and

WHEREAS, the citizen-advisory committees that support human and housing services in the South End cities have identified and desired to address the present and increasing need of supportive housing stock and programs to assist their residents; and

WHEREAS, the partner cities have adopted policies supporting an active approach to increasing the supply of affordable housing for their residents; and

WHEREAS, the Parties have determined that the most efficient and expeditious way for the parties to address South End affordable housing needs is through cooperative action by the parties; and

WHEREAS, the intent of this cooperative undertaking is not to duplicate efforts of non-profit corporations and other entities already providing affordable housing-related services; now therefore,

**IT IS HEREBY AGREED AS FOLLOWS:**

1. **PURPOSE.** All Parties to this Agreement have responsibility for local and regional planning for the provision of housing affordable to citizens that work and/or live in the South End. The Parties desire to act cooperatively to formulate affordable housing goals and policies and to foster efforts to provide affordable housing by combining public funding with private-sector resources. The Parties further intend that this interlocal agreement serve as the legal basis for other communities within the SEARCH sphere of influence to cooperate in planning for and providing affordable housing; the Parties therefore encourage other South End communities to join the initial Parties in this endeavor.

2. **STRUCTURE.** To accomplish the purposes of this Agreement, the Parties hereby create an administrative entity to be called the South End Area Regional

Coalition for Housing (“SEARCH”). SEARCH shall be governed by an Executive Board composed of the chief executive officer from each Party. The Executive Board shall be assisted by an administrative staff and by a Citizen Advisory Board.

3. RESPONSIBILITIES AND AUTHORITY. In order to carry out the purposes of this Agreement, SEARCH shall have the following responsibilities and authority:

a. To provide recommendations to the Parties regarding the allocation of public funding for affordable housing purposes. Those parties which request that SEARCH make allocation recommendations concerning the use of housing funds either individually or jointly with any other party(s), may place conditions on the use of those funds. SEARCH shall, at least annually, report to the Parties on the geographic distribution of all housing funds as recommended by SEARCH.

b. To provide recommendations to the Parties regarding local and regional affordable housing policies. SEARCH will assist the Parties in developing strategies and programs to achieve Growth Management Act housing goals. SEARCH will provide technical assistance to any Party adopting land use incentives or affordable housing programs. SEARCH staff will research model programs, develop draft legislation, prepare briefing materials and make presentations to planning commissions and councils upon request by a Party. SEARCH will assist Parties in developing strategies and programs to implement county-wide affordable housing policies to meet the Growth Management Act objective for an equitable and rational distribution of low- and moderate-income housing.

c. To facilitate cooperation between the private and public sector with regard to the provision of affordable housing. SEARCH will work directly with private developers, financial institutions, non-profit corporations and other public entities to assist in the implementation of affordable housing projects. SEARCH will work directly with any Party to provide technical assistance with regard to the public funding of affordable housing projects and the implementation of affordable housing regulatory agreements for private developments. SEARCH will also provide assistance in making surplus sites available for affordable housing and in developing affordable housing alternatives for such sites.

d. To develop standard regulatory agreements acceptable to private and public financial institutions to facilitate the availability of funding for private and public projects containing affordable housing.

e. To provide other technical advice to any Party upon request and to enter into agreements to provide technical assistance to other public entities on a reimbursable basis.

f. To provide support and educational activities and to monitor legislative and regulatory activities related to affordable housing at the state and federal levels.

g. To develop and to carry out procedures for monitoring of affordable units and to administer direct service housing programs on behalf of any Party. Such direct service housing programs may include but are not limited to relocation assistance programs, rent voucher and/or deposit loan programs, etc.

h. To work directly with other public and private entities for the development of affordable housing policies and to encourage the provision of affordable housing.

i. Pursuant to the direction of the Executive Board, to take other appropriate and necessary action to carry out the purposes of this Agreement.

#### 4. EXECUTIVE BOARD.

a. Membership. SEARCH shall be governed by an Executive Board composed of the chief executive officer of each Party. The Executive Board shall administer this cooperative undertaking pursuant to the terms of this Agreement and pursuant to any procedures adopted by the Executive Board.

b. Chair. The Chair of the Executive Board shall be elected by the members of the Board from the Board membership; shall preside over all meetings of the Executive Board; and shall, in the absence of a Program Manager, process issues, organize meetings and provide for administrative support as required by the Executive Board.

c. Alternate Member. Each member of the Executive Board shall be entitled to designate one alternate elected member who shall serve in the place of the member on the Executive Board during the member's absence or inability to serve.

d. Powers. The Executive Board shall have the power to (1) develop and recommend a budget and work program to the Parties; (2) adopt procedures for the administration of SEARCH and for the conduct of meetings; (3) make recommendations to the Parties concerning planning, policy and the funding of affordable housing projects; (4) establish policies for the expenditure of budgeted items; (5) establish a special fund with one of the participating cities as authorized by RCW 39.34.030; (6) hold regular meetings on such dates and at such places as the Executive Board may designate; (7) enter into contracts and agreements for the provision of personnel and other necessary services to SEARCH, including accounting and legal services and the purchase of insurance, and authorize the Chair or Program Manager of SEARCH, if any, to execute any such contracts, agreements or other legal documents necessary for SEARCH to carry out its purposes; (8) establish the responsibilities and direct and oversee the activities of the Program Manager; and (9) take whatever other action, consistent with and subject to the limitations of this Agreement and governing By-laws, is necessary to carry out the purposes of this Agreement.

5. ADMINISTRATION AND OVERSIGHT. The Executive Board shall have final decision-making authority over all legislative and administrative matters within the scope of this Agreement. The Executive Board may delegate responsibility for general oversight of the operations of SEARCH to a Program Manager. The Program Manager shall submit quarterly budget performance and progress reports on the status of the work program elements to the Executive Board and the governing body of each Party. Such reports and contents thereof shall be in a form acceptable to the Executive Board.

The Executive Board may, with the consent of the Parties, designate one of the Parties to provide administrative support services on behalf of SEARCH. SEARCH shall be staffed with personnel provided by the Parties and/or independent contractors contracting directly with SEARCH. Any Party providing personnel to SEARCH shall remain solely responsible for the continued payment of any and all compensation and benefits to such personnel as well as for any worker's compensation claims or any other claims arising from the negligence or omissions of the employee in performing his duties for SEARCH. In the case of personnel directly contracting with SEARCH, the Parties shall be jointly and severally responsible for any claims, not otherwise covered by insurance, arising as a result of the negligence or omissions of such personnel. All Parties shall cooperate fully in assisting SEARCH to provide the services authorized herein.

6. MEETINGS OF EXECUTIVE BOARD.

a. Frequency. The Executive Board shall meet as often as it deems necessary, but not less often than quarterly.

b. Quorum. A quorum at any meeting of the Executive Board shall consist of the Board members (or alternates) who represent a simple majority of the Board's membership.

c. Action. No action may be taken except at a meeting where a quorum exists. Action by the Executive Board requires an affirmative vote by a majority of the Board's membership. No action shall be taken except at a meeting open to the public.

7. CITIZEN ADVISORY BOARD. A Citizen Advisory Board is hereby created to provide advice and recommendation to the Executive Board on land and/or money resource allocation for affordable housing projects and to provide public relations and educational outreach services. The Citizen Advisory Board shall consist of not more than fifteen (15) and not less than twelve (12) citizen members. The Executive Board shall recommend a list of citizens to the Parties for their confirmation. In the event a citizen(s) recommended by the Executive Board is not confirmed by each Party, the Executive Board shall recommend additional citizens for confirmation by the Parties. Citizen members appointed to the Citizen Advisory Board must have a knowledge and understanding of affordable housing and be committed to the furtherance of affordable housing in the South End. Appointments shall be for a four-year term with service limited to a total of two consecutive terms. The Executive Board shall adopt procedures

for the convening and administration of the Citizen Advisory Board. A citizen member may be removed from the Citizen Advisory Board by the Executive Board with or without cause upon a majority vote of membership of the Executive Board.

8. MEETINGS OF CITIZEN ADVISORY BOARD.

a. Frequency. The Citizen Advisory Board shall meet as often as it deems necessary, but not less often than quarterly.

b. Quorum. A quorum at any meeting of the Citizen Advisory Board shall consist of the Board members who represent a simple majority of the Board's membership.

c. Action. No action may be taken except at a meeting where a quorum exists. Action by the Citizen Advisory Board requires an affirmative vote by a majority of those members attending a Board meeting where a quorum exists. No action shall be taken except at a meeting open to the public.

9. DURATION AND TERMINATION. This Agreement shall be of ten years' duration but shall continue in effect for subsequent five-year periods upon affirmative vote of a majority of the membership of the Executive Board. Any vote to continue the Agreement shall be taken not sooner than six months before, nor later than three months before, the end of the initial ten-year term or any subsequent five-year term. This Agreement may be terminated at any time by affirmative vote of a majority of the legislative bodies of the Parties to this Agreement.

Upon termination of this Agreement, all property acquired during the life of the Agreement shall be disposed of in the following manner:

- (i) all property contributed without charge by any Party shall revert to the contributing Party;
- (ii) all property purchased by SEARCH after the effective date of this Agreement shall be distributed to the Parties based on each Party's pro rata contribution to the overall budget at the time the property was purchased;
- (iii) all unexpended or reserve funds shall be distributed to the Parties based on each Party's pro rata contribution to the overall budget in effect at the time the Agreement is terminated.

10. WITHDRAWAL. Any Party may withdraw from this Agreement by giving one year's written notice to the Executive Board, by December 31 in any year, of its intention to terminate, effective December 31 of the following year. Any Party withdrawing from this Agreement shall remain legally and financially responsible for any obligation incurred by the Party pursuant to the terms of this Agreement during the time the withdrawing Party was a member of SEARCH.

11. BUDGET. The budget year for SEARCH shall be January 1 to December 31 of any year. On or before June 1st of each year, a recommended budget

and work plan for SEARCH for the next budget year shall be prepared, reviewed and recommended by the Executive Board and transmitted to each Party. The recommended budget shall contain an itemization of all categories of budgeted expenses and shall contain an itemization of the amount of each Party's contribution, including in-kind services, toward that budget. No recommended budget or work plan shall become effective unless and until approved by the legislative body of each Party and finally adopted by the Executive Board. Approval of the budget by a Party shall obligate that Party to make whatever contribution(s) is budgeted for that Party. Such contribution(s) shall be transmitted to SEARCH on a quarterly basis at the beginning of each quarter unless otherwise provided in the budget document. In the event that any party is delinquent by more than three months in the payment of its budgeted contribution, such party shall not be entitled to vote on matters before the Executive Board until such delinquency has been paid.

12. DUES, ASSESSMENTS AND BUDGET AMENDMENTS. Funding for the activities of SEARCH shall be provided solely through the budgetary process. No separate dues or assessments shall be imposed or required of the Parties except upon unanimous vote of the membership of the Executive Board and ratification by the legislative body of each Party to the Agreement. An approved budget shall not be modified unless and until approved by the legislative body of each Party and finally adopted by the Executive Board; provided that, in the event a Party agrees to totally fund an additional task to the work program, not currently approved in the budget, the task may be added to the work plan and the budget amended to reflect the funding of the total cost of such task by the requesting Party, upon approval by a majority of the membership of the Executive Board without approval by the individual Parties.

13. LIABILITY OF MEMBERS. Each Party shall be jointly and severally liable for any claims, damages or other causes of action arising from the activities of SEARCH, its officers, employees and agents except as expressly set forth in Section 5 of this Agreement with regard to personnel directly provided to SEARCH by such Party; provided that, SEARCH shall take all steps reasonably possible to minimize the potential liability of the Parties, including but not limited to the purchase of liability, casualty and errors and omissions insurance and the utilization of sound risk management techniques. To the extent reasonably practicable, all Parties shall be named as additional insured on all insurance policies.

14. AMENDMENTS. Any amendments to this Agreement must be in writing, authorized by the legislative bodies of all Parties to this Agreement, and evidenced by the Authorized signatures of all Parties as of the effective date of the amendment.

15. ADDITIONAL PARTIES. Any South End jurisdiction having responsibility for planning or for providing affordable housing may, upon execution of the Agreement and approval of the budget and work plan by its legislative body, become a Party to this Agreement upon affirmative vote of a majority of the membership of the Executive Board. The Executive Board shall determine by a vote of a majority of its membership what, if any, funding obligations such additional Party shall commit to as a condition of becoming a Party to this Agreement.

16. SEVERABILITY. The invalidity of any clause, sentence, paragraph, subdivision, section or portion thereof, shall not affect the validity of the remaining provisions of the Agreement.

17. COUNTERPARTS. This Agreement may be signed in counterparts and, if so signed, shall be deemed one integrated Agreement.

18. FILING AND EFFECTIVE DATE. This Agreement shall become effective upon approval by the legislative bodies of at least three cities and upon filing with the city clerk of each city which is a party to this Agreement, the King County Clerk, and the Secretary of State.

Approved and executed this \_\_\_\_\_ day of \_\_\_\_\_, 200\_.

Name of Party

Approved as to form

\_\_\_\_\_  
By: City of

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

**Agenda Item 4**  
Covington City Council Meeting  
Date: August 23, 2011

SUBJECT: CONSIDER LETTER TO ASHTON REGARDING CITY HALL LEASE

RECOMMENDED BY: Derek Matheson, City Manager

ATTACHMENT(S):

1. Draft letter

PREPARED BY: Derek Matheson, City Manager

EXPLANATION:

The city leases city hall space in Covington Place from Ashton Capital Corporation d.b.a. Covington Retail Associates. The lease expires in late 2017, after which the city may exercise one of two five-year options. The lease also has an early termination clause that gives the city the ability to terminate in late 2012 if the city pays Ashton \$160,000.

Ashton has begun a process to refinance Covington Place. The lender with whom Ashton is working has asked Ashton to provide a letter from the city stating the city will not exercise the early termination clause.

The city's long-term vision is to build a city hall in the town center. However, it seems unlikely given the current economic climate as well as the sheer logistics of funding, planning, designing, and building a new city hall that a new structure could be in place before the lease expires in 2017.

The city manager seeks authorization to send a letter to Ashton stating the city will not exercise the early termination clause.

ALTERNATIVES:

1. Do not authorize the city manager to send a letter
2. Provide alternate direction to staff

FISCAL IMPACT: None

CITY COUNCIL ACTION: \_\_\_Ordinance \_\_\_Resolution  X Motion \_\_\_Other

**Council member \_\_\_\_\_ moves, Council member \_\_\_\_\_ seconds, to authorize the city manager to send a letter to Ashton Capital Corporation in substantially the form attached stating the city will not exercise the early termination clause in its lease.**

REVIEWED BY: Finance Director; City Attorney.

\* DRAFT \*

August 10, 2011

Mr. Jim Wene  
Vice President, Real Estate Operations & Acquisitions  
Ashton Capital Corporation  
1201 Monster Rd SW, Suite 350  
Renton, WA 98057-2996

Dear Jim:

The Covington City Council has authorized me to inform you in writing that the City of Covington will not exercise the early termination clause in Section 19.3 of its lease with Ashton Capital Corporation d.b.a. Covington Retail Associates for space in Covington Place.

Please contact me if you need anything further in this regard.

Sincerely,

Derek Matheson  
City Manager

cc: Covington City Council  
Sharon Scott, City Clerk

SUBJECT: PUBLIC ENGAGEMENT PROCESS – CHARTER DISCUSSION

RECOMMENDED BY: Derek Matheson, City Manager  
Rob Hendrickson, Finance Director

ATTACHMENT(S):

1. Draft Charter

PREPARED BY: Rob Hendrickson, Finance Director

EXPLANATION:

At the May 20, 2011 Study Session, Council was presented with an update on the Public Engagement Process. At the conclusion of that discussion, Council was advised that staff would return during the summer to present a draft charter for a steering committee and draft scope of work for the overall process (tasks, a timeline, and a budget).

The City Manager and the Management Team have spent time creating, reviewing and vetting a draft charter for your review. It outlines the purpose, structure, and duties of the proposed steering committee.

The City Council has always been prudent in their budget decisions – spending within their means and providing quality services. However as time goes by, revenues are not increasing as rapidly as cost of services. It has become more difficult to fund existing core services in the operating funds. In addition, with REET funds being tied to the debt service for the transportation bonds, the City is currently not investing in capital projects unless they are funded with almost-100% grants.

Since 2008, Council has utilized a number of budget strategies to stay ahead of declining revenues and increasing costs.

In 2008, the City began collecting a 5.5% utility tax. This revenue source went a long way to assist with funding for the 2007 transportation bonds when REET declined and also added funding for police, streets and parks.

In 2010, a number of strategies were implemented to close a \$1 million budget gap including a reduction in staff. Outside of the one percent increase in property taxes (about \$19,000), these strategies were all internal and allowed the City to continue to deliver nearly the same level of services as in years past. In addition, Staff did not receive a COLA for the 2010 and 2011 budgets.

For 2011, similar strategies were implemented to erase an expected \$398,000 budget gap. Some of those strategies included: reducing expenditures by \$218,000 across all funds, introducing a less expensive medical plan, eliminating 2.25 budgeted positions, increasing aquatics fees, and levying the property tax banked capacity.

For 2012 and beyond, staff sees no short-term relief from the effects of the economy as it continues to falter. Other factors that continue to impact the budget are statewide initiatives and increasing costs. While inflation for the normal consumer is low, costs for governmental services continue to escalate at a higher rate.

As noted, staff and Council have implemented a number of revenue and cost saving strategies and now look to a steering committee to provide input in identifying a clear sense of the community's priorities for both existing and new revenue for the City's operating and capital needs—wrapped within the framework of mandated services, discretionary services, and the crucial role of the town center.

Staff is asking Council to review and discuss the charter. If changes are requested, staff will modify the charter and return at the next Council meeting for approval.

ALTERNATIVES:

The Council could opt to address the long-term financial needs of the City without the involvement of the steering committee. However, this would be in conflict with the Council's desire for public input and involvement. It is also likely that options for increasing revenues through voter approval or decreasing critical services will need community understanding and support.

Another option is to "wait and see" if projections change to the point that budget gaps do not occur or that they are delayed. Staff monitors long term projections on a frequent basis and it is unlikely that the projections will change significantly. By waiting, the Council would only put off the decision making process and would most likely have to make decisions in crisis mode, rather than in the planning mode which has served them well in the past.

FISCAL IMPACT:

Staff time. Other expenses such as a citizen survey will be addressed during the 2012 budget process.

CITY COUNCIL ACTION:     Ordinance     Resolution     Motion     Other

**Staff recommends that the City Council review and discuss the attached charter.**

REVIEWED BY: City Manager, Management Team

## Public Engagement Process Steering Committee Charter

### Purpose

- Educate and engage the community regarding mandated services, discretionary services, and the crucial role of the town center
  - Consider community meetings, surveys, social media, and focus groups
- Provide a report that includes:
  - City needs—both operating and capital
  - The community’s priorities—both operating and capital—within existing revenue
  - The community’s priorities for new revenue
    - The community’s willingness to support new revenue
    - The community’s preferred sources of new revenue
  - Recommendations
    - Include election date(s), if applicable

### Structure

- 13 – 15 members
  - At least 3/4 (10-11) must live within the city limits
  - May include city advisory commission members but must not include City Council members or City staff
  - May include youth between the ages of 14 - 18
- Staff will seek nominations from City Council members, city advisory commission members, city staff, chamber of commerce, service clubs, and the community at-large
- Staff will propose members that represent a wide variety of people and viewpoints, including advocates and skeptics
- Council will consider staff’s recommendations and appoint the committee
- The committee chair will be selected by the Council
- The committee will designate a different member as vice chair
- Vacancies may be filled in like manner

- The city's finance director will serve as liaison between the committee and staff
- The city community relations coordinator will assist as applicable
- City Councilmembers and city staff will not attempt to influence committee recommendations
- The committee will sunset upon issuance of a final report (December 31, 2012), but no later than June 30, 2013, if Council chooses to extend the committee's sunset date

#### Duties

- Meet no less than once per month
- Abide by the Open Public Meetings Act
- Make decisions by consensus
  - Make decision by majority vote only when consensus is not possible
- Keep the community informed
  - Use common language, not government jargon
  - Consider the website, newspaper, newsletter, Facebook, etc.
- Use limited staff time efficiently i.e. focus on activities with a high return on investment
- Submit decisions cards for the 2014 budget process as applicable (no later than July 2013). If a ballot issue is recommended the timeframe may be earlier depending on the election date chosen.
- Give a verbal report to Council each month during Commission Reports as applicable
- Prepare a draft report for public review and comment
- Submit a final report to Council
  - Include minority reports as applicable

**Agenda Item 6**  
Covington City Council Meeting  
Date: August 23, 2011

SUBJECT: 2011 SECOND QUARTER FINANCIAL REPORTS

RECOMMENDED BY: Rob Hendrickson, Finance Director

ATTACHMENT(S):

1. 2011 Second Quarter Report
2. Quarterly Performance Reports by Fund
3. Major Revenue Review
4. Quarterly Report Chart Legend

PREPARED BY: Rob Hendrickson, Finance Director

EXPLANATION:

It is the policy of the City and a requirement of state law (RCW 35A.34.240) to provide financial reports to the governing body on a quarterly basis.

There have been some changes to the reports this quarter. New charts have been added and a chart legend is attached. During the presentation staff will go through the new charts and explain the significance of each one. The new charts and information should help address questions that come up from time to time.

ALTERNATIVES:

N/A

FISCAL IMPACT:

None.

CITY COUNCIL ACTION:   \_\_\_ Ordinance \_\_\_ Resolution \_\_\_ Motion \_\_\_ X Other

**NO ACTION NECESSARY AT THIS MEETING**

REVIEWED BY: City Manager

# Economic & Revenue Summary

~WA State Economic & Revenue Forecast Council



## 2011 Second Quarter

CITY OF COVINGTON

- The national economic outlook has weakened significantly since our last forecast. There is now an even greater chance of slipping back into recession.
- Washington’s economic outlook has also dimmed as consumer confidence has plummeted in the wake of U.S. budget wrangling and renewed European sovereign debt fears.
- Washington State revenues reported later in this publication correspond to economic activity in June, and their closeness to the last forecast unfortunately masks how much the economic outlook has weakened since then.
- Major General Fund-State (GF-S) revenue collections for the July 11 – August 10, 2011 collection period were \$9.4 million (0.8%) below the June forecast. Cumulatively, collections are \$30.8 million (1.3%) below the forecast. Due to the recent deterioration in national economic conditions, the shortfall is likely to increase in the remainder of the year.

### 2011 Second Quarter

Revenues and expenditures for the second quarter appear to be coming in as expected. The concern lies with the next several quarters. With the downgrade of US debt, the stock market roller coaster, and consumer confidence declining, the trickle down effect could have a significant impact on City revenues. The City Manager has requested that directors be cautious with discretionary spending for the remainder of the year. The more fund balance we can roll into next year the better off we are in case the economy experiences further slow down.

- Rob Hendrickson, Finance Director

**Inside this issue:**

Property Tax	2	Cash and Investments	6
Real Estate Excise Tax	2	Capital Investment Program	7
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Utility Tax	3		
General Fund	4		
Public Works	5		
Development Services	5		
Parks and Recreation	5		

# Property Tax

Property tax is collected by King County and distributed on a daily basis to all taxing agencies within the county.

2009	2010	2011
\$ 1,059,043	\$ 1,087,572	\$ 1,197,537

Since taxes are due on April 30 and October 30 each year, the major distributions are realized in early May and November.

Through 2nd quarter the City received \$1,197,537. This is slightly over half (50.8%) of the budgeted assessed levy for the year and is 10% above 2010 first quarter collections.

Property tax is the most stable source of revenue the City has. It is one leg of the “three legged” stool which the General Fund relies on for revenue. The other two legs are sales tax and utility tax.

Property taxes are unrestricted. This means there are no restrictions on what the revenue can be used to pay for

within the City. Currently property taxes are allocated 100% to the General Fund.

Collections for 2011 will increase since the Council elected to take the banked property tax. This 2010 levy for 2011 collection is \$2,356,779 and the levy rate is \$1.36/\$1,000 assessed value.

The City’s assessed valuation is \$1.721 billion—a decrease of \$94 million or 5% over the previous year.

## Real Estate Excise Tax (REET)

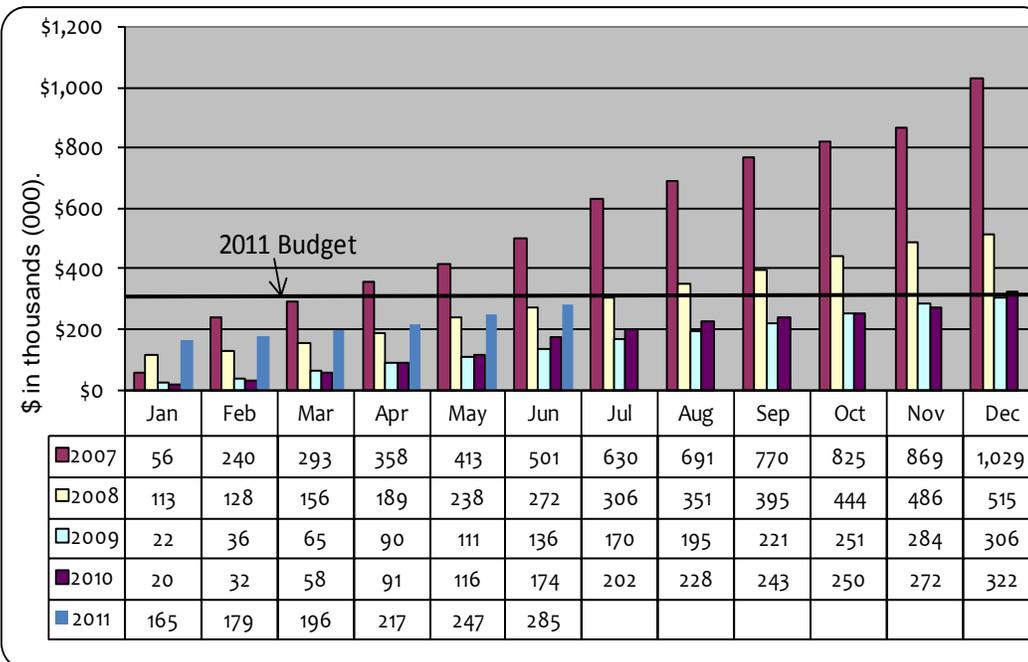
REET revenue is a restricted revenue dedicated to paying debt service on the 2007 transportation bonds and loans

from the Public Works Trust Fund. This tax is levied by the City on all sales of real estate at the rate of one-half percent

(two quarter percents).

Through the 2nd quarter, collections are at \$284,657 (cash basis) or 81.3% of budget. The Adagio Apartment sale contributed to the large amount. The budget for 2011 is \$300,000.

Through June there were 21 new home sales, 102 existing home sales, and five land only sales, one building sale, and one commercial sale.



## Retail Sales & Use Tax

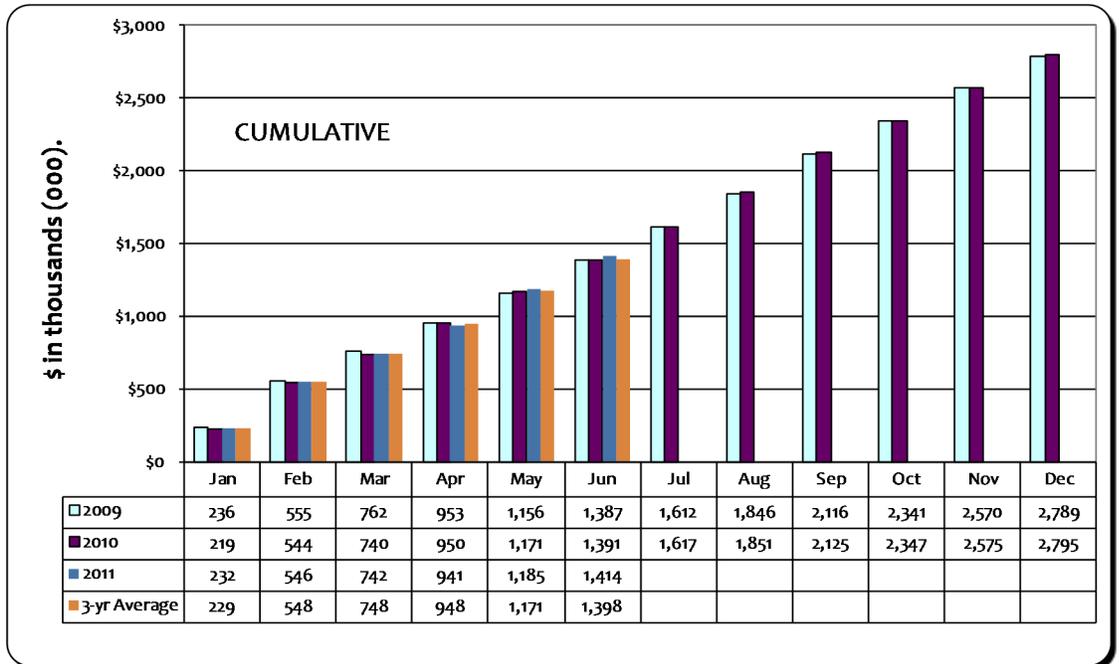
Sales and Use Tax is the largest revenue source available to the City. It currently supports the General Fund at 84% and the Parks and Recreation Fund at 16%. Second quarter collections are slightly above 2010 levels by \$23,363 or 1.7%. Total collections are at \$1.414.221 or 48.7% of budget.

In year over year comparisons, retail sales decreased by 0.1%, construction went up 26.3%, food services was up 8.0%, and all other categories decreased 2.3%.

Retail sales could see

benefits in the coming months as several new retailers enter the marketplace such as Airstream Trailer

Sales, Big Lots, and Firestone.



## Utility Tax

The City imposes a utility tax on electrical energy, natural gas, brokered natural gas, solid waste, cable television, and telephone at the rate of 5.5%.

The utility tax supports the general fund including debt service, parks, and streets.

The second quarter is seeing a six percent increase over 2010 and collections are just shy of the 50% mark at 48.1% or \$969,494.

Electricity, natural gas and cable have increased over 2010 while solid waste and telephone have decreased. Given these major categories have increased, this would appear to be more of a collection timing issue than a reduction in usage.

The accompanying chart reflects the changes in revenue for the first quarter of 2010 and 2011.

Utility	2010	2011
Electricity	\$271,935	\$340,429
Natural Gas	175,360	238,907
Solid Waste	67,128	57,609
Cable	118,390	121,034
Telephone	281,788	211,515
<b>Total</b>	<b>\$914,601</b>	<b>\$969,494</b>

## GENERAL FUND

Revenues for Q2 are 49.6% of budget or \$4.1 million. This is an increase of \$290,000 above 2010 levels. The big three revenues—sales tax, property tax, and utility tax are higher by \$244,000 than 2010. Property tax is at 50.8% while sales and utility taxes are a shade under the 50% benchmark. These three tax categories account for 81.2% of all general fund revenues through the second quarter. (please see specific details on pages 2 and 3)

Total expenditures including transfers out through June are \$3,197,726. This is a decrease in spending of \$145,030 over the same period last year.

Overall, 40.0% of the budget has been spent. Note in the chart below that most departments are well below the 50% mark, but Central Services is at 59%. These departments paid some large one-time charges in January, thus skewing the reporting for the year.

King County Sheriff's Office (KCSO) presented their first contract billing which brought Police Services back into line for the year.

Salaries/benefits and police services account for over 75% of the expenditures through second quarter.

Revenues over expenditures are almost \$1 million. This gap will narrow as the year progresses.

### GENERAL FUND DEPARTMENT BUDGET UPDATE

Department	YTD - 2010	% of Budget	YTD - 2011	% of Budget
City Council	\$ 62,551	44.0%	64,967	45.7%
Municipal Court	186,156	37.0%	219,771	43.7%
City Manager	390,509	44.5%	420,002	47.9%
Finance	231,489	45.7%	236,593	46.7%
Legal	27,516	32.0%	28,520	33.2%
Personnel	159,379	48.8%	154,845	47.4%
Central Services	580,549	62.3%	551,857	59.2%
Law Enforcement	1,146,839	37.9%	1,098,226	36.3%
Community Development	236,920	54.3%	204,033	46.8%
Operating Transfers Out	<u>320,848</u>	27.7%	<u>218,912</u>	18.9%
<b>TOTAL</b>	<b><u>\$ 3,342,756</u></b>	<b>41.8%</b>	<b><u>\$ 3,197,726</u></b>	<b>40.0%</b>

## PUBLIC WORKS

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Public Works consists of Street Operations and Surface Water Management (SWM).

Street Operations is funded by franchise fees received from Comcast and a motor vehicle fuel excise tax—gas tax.

Franchise fees are slightly ahead of forecast at 50.6% or \$100,663. Total operating revenues are \$279,791 and transfers in are \$117,406. At \$397,197, this puts total revenues slightly below of forecast for the year at 48.3%.

The gas tax is slightly under budget due to the economy. Peo-

ple are driving less thereby impacting the amount of gas tax received. The amount received was about 47.3% (\$178,909) of budget.

Gas tax and franchise fees make up 70% of the total revenues.

Operating expenditures are significantly under budget for second quarter. Total expenditures are at 40.1% or \$303,276. This will adjust upward as maintenance and construction season begins in the second quarter and third quarters.

Transfers out include a payback to REET from Streets in the amount

of \$251,012.

SWM is primarily funded through drainage fees that are collected by King County. The City has collected \$821,004 or 53.2%. Total revenues are at 50.9% or \$826,389.

Operating expenditures are at 38.9% or \$398,491. With transfers out and debt service costs total uses are \$602,829 or 39.4%—well under the 50% benchmark. Salaries/benefits stand at 53% of expenditures.

Revenues exceed expenditures by \$224,000.

## DEVELOPMENT SERVICES

---

Revenue has exceeded budget expectations. Through the end of June, \$689,808 or 101.8% of the forecasted budget has been received. Most revenue categories are higher than the 50% benchmark for the first quarter and many exceed 100%.

Permit revenue and construction inspections are currently driving the revenue.

Operational expenditures came in at 59.1% or \$309,820. Including other financing uses of \$71,014 the percentage lowers to 57.5%.

Additional hours were added to existing staff to accommodate increased business and the Black Diamond contract.

This department is heavily service oriented. Salaries/benefits are 90.2% of operating expenditures.

## PARKS and RECREATION

---

Parks is divided into four divisions: aquatics, maintenance, recreation, and parks administration. Revenues are derived from a portion of sales tax (16%), aquatics revenue, and some miscellaneous revenues such as rentals and interest earnings.

Total revenue is on target at

49.7% or \$497,935. Aquatics revenue is 49.6% or \$241,421—back on target after being behind in the first quarter.

Overall operating expenditures for the four divisions are 43.5% or about \$445,900. Overall uses are \$523,300 or 44.6%. Revenues are exceeding expenditures by

\$52,000—about the same gap as first quarter.

Salaries/benefits comprise 73% of expenditures. 2011 expenditures are slightly below comparable 2010 expenditures.

## Cash & Investments

Total cash and investments for the end of the June is \$9,625,849. This is more than June 2010 by \$2,090,161. The largest gain was in CIP at \$807,886. The second was in Development Services at \$651,871.

The Local Government Investment Pool (LGIP) is currently earning 0.15%. (In June it was 0.16%). The City has \$7,804,648 invested with the LGIP. The LGIP invests in short term secu-

rities. It is comparable to an SEC regulated Rule 2a-7 money market fund and offers 100% liquidity to its participants.

Investments outside the LGIP include a \$1.5 million agency bond that until January was yielding a cool 4%. It was reinvested at 1.14% and will mature on August 22, 2013. Staff also recently invested \$1 million in an agency bond (FNMA) yielding 1.012% and maturing July 25, 2014.

Cash on hand is kept at Bank of America and various petty cash funds throughout the City.

The chart below reflects the amount of cash and investments allocated to each fund within the City compared to 2010. This is reconciled and updated on a monthly basis.



### TOTAL GENERAL LEDGER ACCOUNTS

	as of 06/30/10	as of 06/30/11	Δ
GENERAL FUND	\$2,237,099.02	\$2,719,805.12	\$482,706.10
STREET FUND	459,167.50	274,878.28	(184,289.22)
CONTINGENCY FUND	420,153.12	420,582.86	429.74
CUMULATIVE RESERVE FUND	1,380,887.83	1,425,439.94	44,552.11
REET 1ST 1/4% FUND	22.21	7,062.46	7,040.25
REET 2ND 1/4% FUND	2.77	7,062.44	7,059.67
DEVELOPMENT SERVICES FUND	450,903.48	1,102,774.11	651,870.63
PARKS FUND	137,831.85	211,445.03	73,613.18
LID 99-01 GUARANTY FUND	52,076.39	52,208.06	131.67
LID 99.01 FUND	51,098.77	512.15	(50,586.62)
CAPITAL IMPROVEMENT PROGRAM	547,371.42	1,355,257.61	807,886.19
SURFACE WATER MANAGEMENT	1,314,583.10	1,520,347.05	205,763.95
UNEMPLOYMENT INSURANCE	163,197.61	140,473.62	(22,723.99)
EQUIPMENT REPLACEMENT	<u>321,292.93</u>	<u>388,000.43</u>	<u>66,707.50</u>
			-
<b>TOTAL ALL FUNDS</b>	<b><u>\$7,535,688.00</u></b>	<b><u>\$9,625,849.16</u></b>	<b><u>\$2,090,161.16</u></b>

# Capital Investment Program

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Three projects had expenditures totaling \$434,944.

The table below outlines individual project activity.

Project #	Project Description	Revenues	Expenditures
1010	Covington Community Park	\$0	\$49,239
1026	Annual Facility Rehab	\$0	\$15,918
1034	256th/164th Intersection	\$0	\$0
1039	SR 516 Safety Widening	\$179,833	\$369,788

## CITY OF COVINGTON FINANCE DEPARTMENT

**16720 SE 271st St  
Suite 100  
Covington, WA 98042**

**Phone: 253-638-1110  
Fax: 253-638-1122**

Rob Hendrickson - Finance Director  
Casey Parker - Accountant  
Lindsay Hagen - Finance Specialist  
Staci Cles - Accounting Clerk

# City of Covington

## ATTACHMENT 2

### Quarterly Performance Report - General Fund

#### as of 6/30/2011

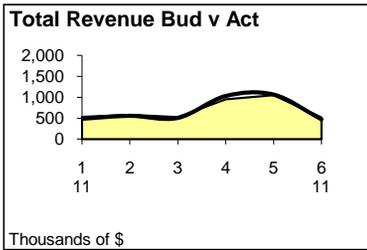


Chart 1

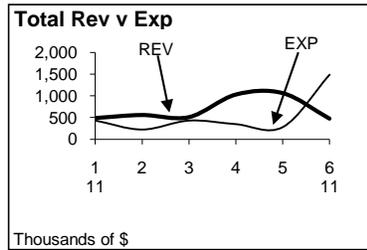


Chart 2

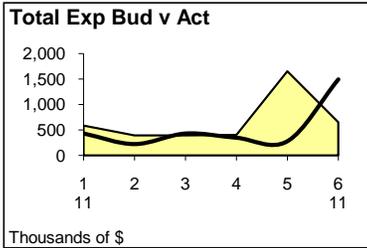


Chart 3

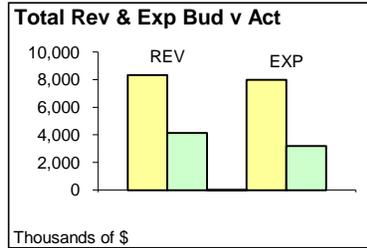


Chart 4

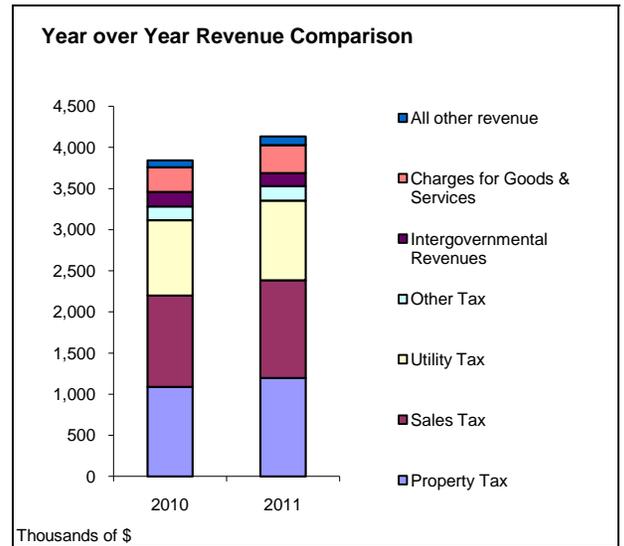
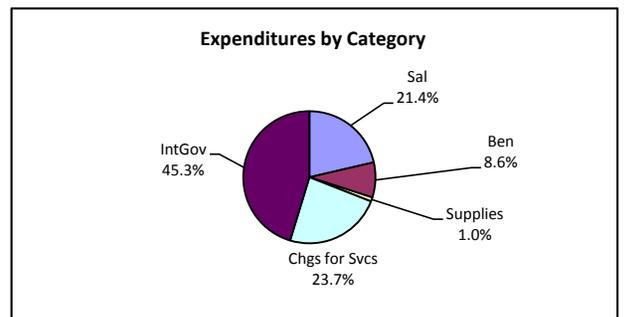
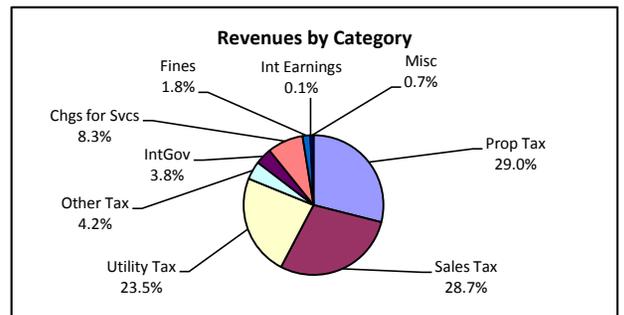


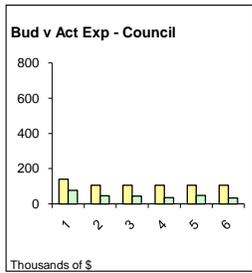
Chart 5

Rev & Exp - YTD	2011 Budget	2011 Actual	\$ Rem	% Coll YTD	2010 Actual
Property Tax	\$ 2,356.8	\$ 1,196.5	\$ 1,160.2	50.8%	\$ 1,087.6
Sales Tax	2,439.0	1,187.9	1,251.1	48.7%	1,112.7
Utility Tax	2,016.0	969.5	1,046.5	48.1%	914.6
Other Tax	352.0	175.2	176.8	49.8%	166.3
Intergovernmental Rev	321.5	157.3	164.2	48.9%	178.6
Charges for Goods & Svcs	682.0	342.4	339.7	50.2%	299.0
Fines & Penalties	123.1	73.1	50.0	59.4%	63.7
Investment Interest	14.8	4.1	10.7	27.5%	8.6
Miscellaneous	25.5	26.9	(1.4)	105.6%	12.3
<b>Total Operating Revenues</b>	<b>8,330.7</b>	<b>4,133.0</b>	<b>4,197.7</b>	<b>49.6%</b>	<b>3,843.4</b>
Other Financing Sources	-	0.0	(0.0)	0.0%	0.0
<b>Total Sources</b>	<b>\$ 8,330.7</b>	<b>\$ 4,133.0</b>	<b>\$ 4,197.7</b>	<b>49.6%</b>	<b>\$ 3,843.5</b>
Salaries & Wages	\$ 1,341.8	\$ 633.2	\$ 708.6	47.2%	\$ 605.2
Benefits	491.2	254.4	236.8	51.8%	253.8
Supplies	59.6	30.1	29.4	50.6%	27.0
Charges for Services	1,342.2	703.9	638.3	52.4%	803.0
Intergovernmental Svcs	3,566.5	1,342.3	2,224.2	37.6%	1,314.6
Capital	-	-	-	0.0%	6.0
<b>Total Operating Expenses</b>	<b>6,801.3</b>	<b>2,964.0</b>	<b>3,837.4</b>	<b>43.6%</b>	<b>3,009.6</b>
Other Financing Uses	1,190.9	233.8	957.1	19.6%	333.2
<b>Total Uses</b>	<b>\$ 7,992.2</b>	<b>\$ 3,197.7</b>	<b>\$ 4,794.5</b>	<b>40.0%</b>	<b>\$ 3,342.8</b>

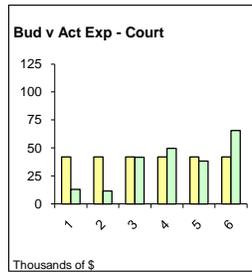


Legend	
	Cur Year
	Budget
	Actual
Data in Thousands of \$	

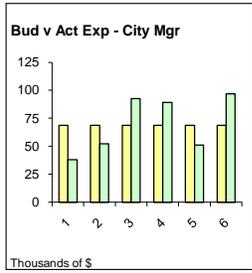
# General Fund Expenditures by Department through 06/30/11



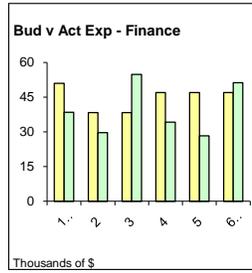
	2011		2011		% Coll	2010
Total Rev & Exp - YTD	Budget	Actual	\$ Rem	YTD	YTD	Actual
Salaries & Wages	\$ 38.4	\$ 19.2	\$ 19.2	50.0%		\$ 19.2
Benefits	3.4	1.5	1.9	44.4%		1.5
Supplies	3.1	1.5	1.6	47.8%		1.2
Charges for Services	97.3	43.6	53.7	44.8%		40.6
Total Operating Expenses	142.3	65.0	77.3	45.7%		62.6
Other Financing Uses	1,159.5	218.9	940.5	18.9%		320.8
<b>Total Uses</b>	<b>\$ 1,301.8</b>	<b>\$ 283.9</b>	<b>\$ 1,017.9</b>	<b>21.8%</b>		<b>\$ 383.4</b>



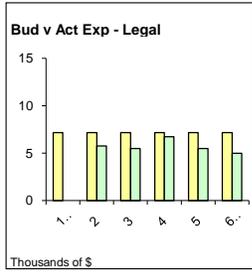
	2011		2011		% Coll	2010
Total Rev & Exp - YTD	Budget	Actual	\$ Rem	YTD	YTD	Actual
Salaries & Wages	-	-	-	-	-	-
Benefits	-	-	-	-	-	-
Supplies	-	-	-	0.0%		\$ 0.3
Charges for Services	\$ 102.6	\$ 33.4	\$ 69.2	32.6%		\$ 39.8
Intergovernmental Svcs	400.0	186.3	213.7	46.6%		146.1
Total Operating Expenses	\$ 502.6	\$ 219.8	\$ 282.8	43.7%		\$ 186.2



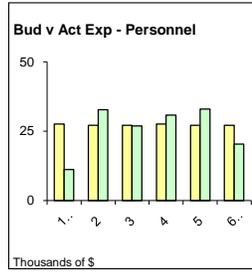
	2011		2011		% Coll	2010
Total Rev & Exp - YTD	Budget	Actual	\$ Rem	YTD	YTD	Actual
Salaries & Wages	\$ 486.1	\$ 225.3	\$ 260.8	46.3%		\$ 219.1
Benefits	186.8	97.7	89.1	52.3%		97.1
Supplies	2.8	0.7	2.1	25.6%		0.7
Charges for Services	88.1	44.1	44.0	50.0%		46.1
Intergovernmental Svcs	113.6	52.3	61.3	46.0%		27.4
Total Operating Expenses	\$ 877.4	\$ 420.0	\$ 457.4	47.9%		\$ 390.5



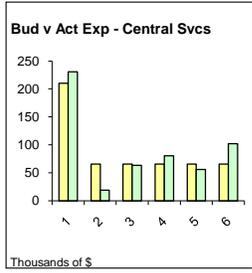
	2011		2011		% Coll	2010
Total Rev & Exp - YTD	Budget	Actual	\$ Rem	YTD	YTD	Actual
Salaries & Wages	\$ 308.0	\$ 141.9	\$ 166.1	46.1%		\$ 139.9
Benefits	122.2	62.7	59.5	51.3%		62.2
Supplies	1.7	0.4	1.3	21.1%		0.3
Charges for Services	39.6	23.3	16.3	58.8%		22.9
Intergovernmental Svcs	35.0	8.4	26.6	23.9%		6.1
Total Operating Expenses	\$ 506.5	\$ 236.6	\$ 269.9	46.7%		\$ 231.5



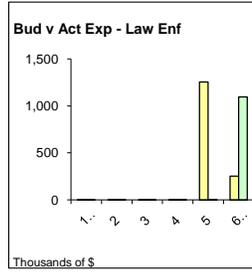
	2011		2011		% Coll	2010
Total Rev & Exp - YTD	Budget	Actual	\$ Rem	YTD	YTD	Actual
Charges for Services	\$ 86.0	\$ 28.5	\$ 57.5	33.2%		\$ 27.5
Total Uses	\$ 86.0	\$ 28.5	\$ 57.5	33.2%		\$ 27.5



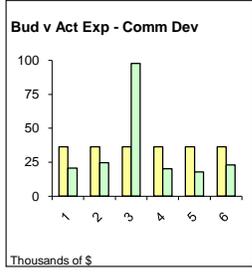
	2011		2011		% Coll	2010
Total Rev & Exp - YTD	Budget	Actual	\$ Rem	YTD	YTD	Actual
Salaries & Wages	\$ 150.2	\$ 68.8	\$ 81.4	45.8%		\$ 68.2
Benefits	49.6	25.5	24.1	51.4%		25.3
Supplies	1.1	0.0	1.1	2.2%		0.0
Charges for Services	125.8	60.6	65.2	48.2%		65.8
Total Operating Expenses	\$ 326.6	\$ 154.8	\$ 171.8	47.4%		\$ 159.4



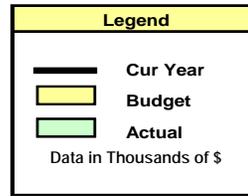
	2011		2011		% Coll	2010
Total Rev & Exp - YTD	Budget	Actual	\$ Rem	YTD	YTD	Actual
Salaries & Wages	\$ 76.0	\$ 34.6	\$ 41.3	45.6%		\$ 33.9
Benefits	33.8	19.4	14.4	57.3%		17.7
Supplies	40.0	26.5	13.5	66.3%		13.8
Charges for Services	758.6	460.4	298.2	60.7%		501.0
Capital	-	-	-	0.0%		6.0
Total Operating Expenses	908.4	540.9	367.5	59.5%		572.4
Other Financing Uses	23.6	10.9	12.7	46.3%		8.1
Total Uses	\$ 932.0	\$ 551.9	\$ 380.1	59.2%		\$ 580.5



	2011		2011		% Coll	2010
Total Rev & Exp - YTD	Budget	Actual	\$ Rem	YTD	YTD	Actual
Supplies	\$ 9.1	\$ 0.9	\$ 8.2	9.6%		\$ 10.5
Charges for Services	7.7	3.0	4.8	38.2%		3.3
Intergovernmental Svcs	3,004.8	1,093.6	1,911.2	36.4%		1,132.3
Total Operating Expenses	3,021.7	1,097.5	1,924.2	36.3%		1,146.1
Other Financing Uses	1.5	0.8	0.8	50.0%		0.8
Total Uses	\$ 3,023.2	\$ 1,098.2	\$ 1,925.0	36.3%		\$ 1,146.8



	2011		2011		% Coll	2010
Total Rev & Exp - YTD	Budget	Actual	\$ Rem	YTD	YTD	Actual
Salaries & Wages	\$ 283.2	\$ 143.5	\$ 139.7	50.7%		\$ 124.8
Benefits	95.4	47.6	47.8	49.9%		49.9
Supplies	1.7	0.1	1.6	8.1%		0.2
Charges for Services	36.5	7.9	28.5	21.8%		55.8
Intergovernmental Svcs	13.1	1.7	11.4	12.8%		2.8
Total Operating Expenses	429.9	200.9	229.0	46.7%		233.5
Other Financing Uses	6.3	3.1	3.1	50.0%		3.4
Total Uses	\$ 436.2	\$ 204.0	\$ 232.1	46.8%		\$ 236.9



# City of Covington

## Quarterly Performance Report - Street Operations

### as of 6/30/2011

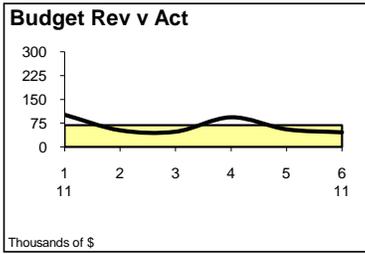


Chart 1

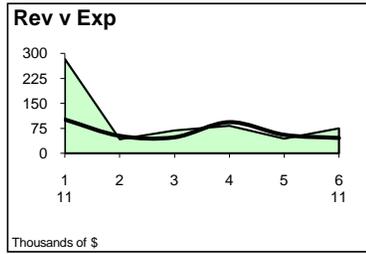


Chart 2

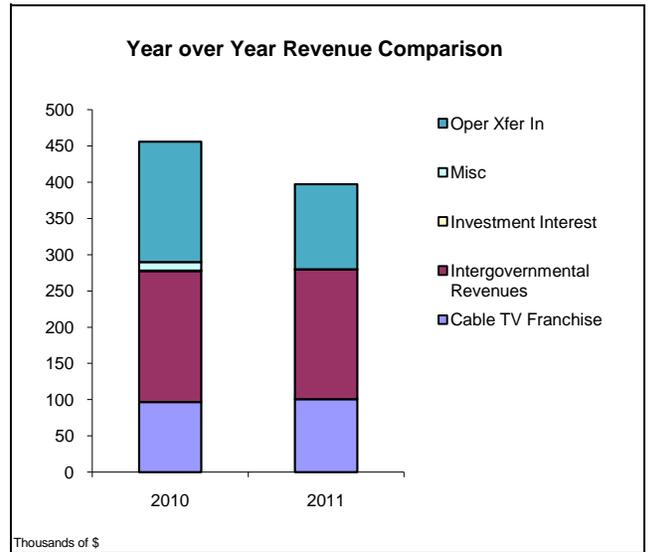


Chart 5

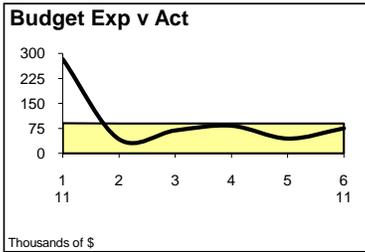


Chart 3

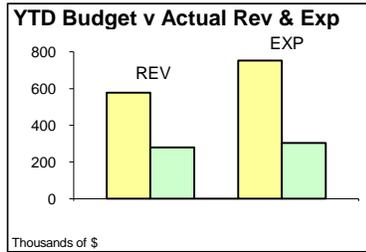
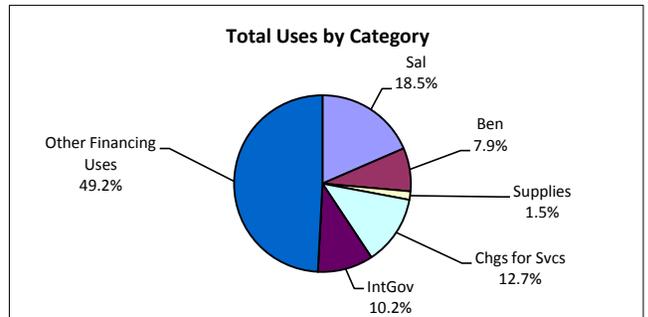
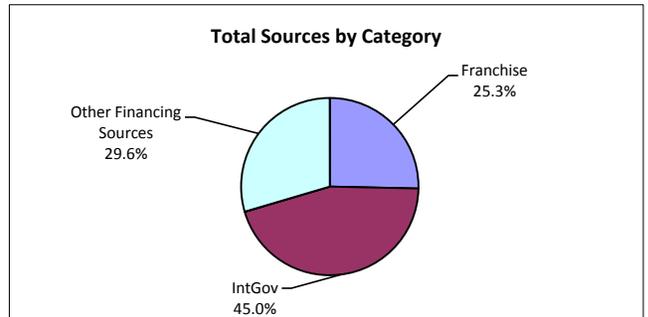


Chart 4

Less: Operating Transfers and Other Financing Uses

Rev & Exp - YTD	2011 Budget	2011 Actual	\$ Rem	% Coll	2010 Actual
Cable TV Franchise	\$ 199.0	\$ 100.7	\$ 98.3	50.6%	\$ 96.9
Intergovernmental Revenues	378.2	178.9	199.3	47.3%	180.4
Investment Interest	1.0	0.2	0.8	22.0%	0.5
Miscellaneous	-	-	-	0.0%	12.0
<b>Total Operating Revenues</b>	<b>578.2</b>	<b>279.8</b>	<b>298.4</b>	<b>48.4%</b>	<b>289.9</b>
Operating Transfer In	244.2	117.4	126.8	48.1%	166.0
<b>Total Sources</b>	<b>\$ 822.4</b>	<b>\$ 397.2</b>	<b>\$ 425.2</b>	<b>48.3%</b>	<b>\$ 455.8</b>
Salaries & Wages	\$ 261.7	\$ 109.7	\$ 151.9	41.9%	\$ 114.8
Benefits	95.4	47.1	48.3	49.4%	48.1
Supplies	47.8	9.1	38.7	19.1%	11.1
Charges for Services	224.3	75.6	148.7	33.7%	91.2
Intergovernmental	123.6	60.3	63.3	48.8%	59.6
Capital	-	-	-	0.0%	-
<b>Total Operating Expenses</b>	<b>752.8</b>	<b>301.9</b>	<b>450.9</b>	<b>40.1%</b>	<b>324.7</b>
Other Financing Uses	322.6	292.0	30.6	90.5%	82.1
<b>Total Uses</b>	<b>\$ 1,075.4</b>	<b>\$ 593.9</b>	<b>\$ 481.5</b>	<b>55.2%</b>	<b>\$ 406.8</b>



**Legend**

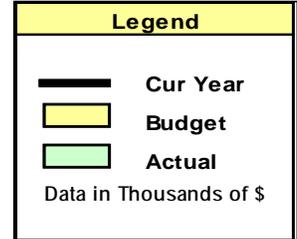
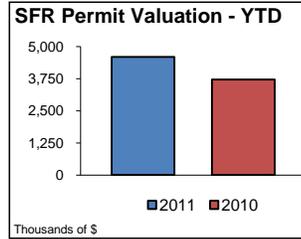
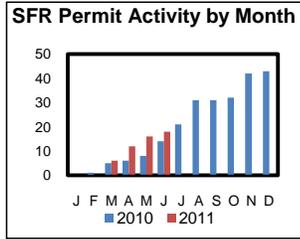
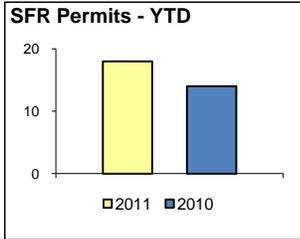
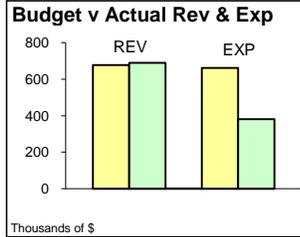
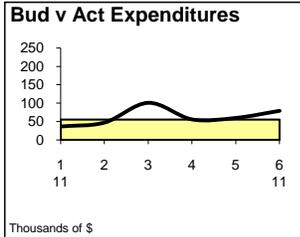
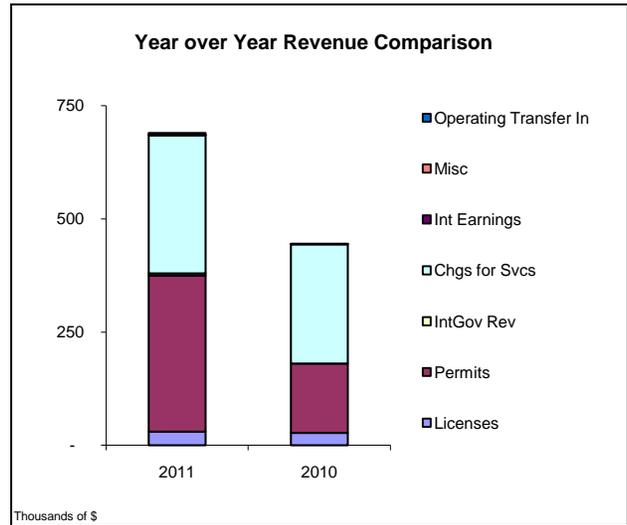
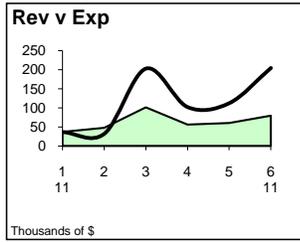
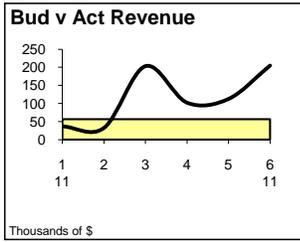
**Cur Year**  
 **Budget**  
 **Actual**

Data in Thousands of \$

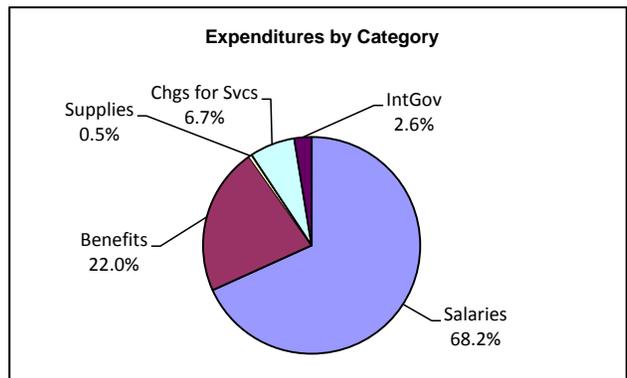
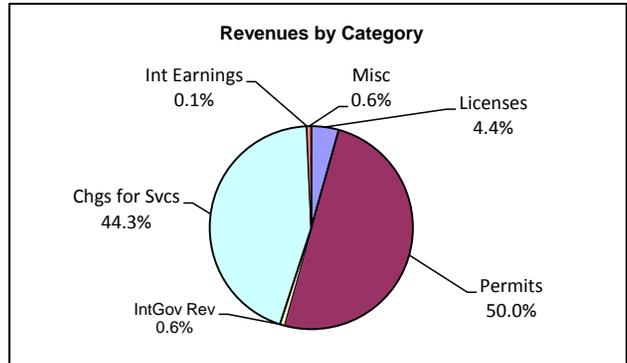
# City of Covington

## Quarterly Performance Report - Development Services

### as of 6/30/2011



Rev & Exp - YTD	2011	2011	\$ Rem	% Coll YTD	2010
	Budget	Actual			Actual
Licenses	47.0	30.1	16.9	64.0%	27.6
Permits	356.3	344.9	11.4	96.8%	153.2
Intergovernmental Svcs	2.1	4.5		213.4%	-
Charges for Services	271.3	305.4	(34.1)	112.6%	263.0
Interest Income	0.6	0.6	(0.0)	108.2%	0.3
Miscellaneous	-	4.4	(4.4)	0.0%	1.1
<b>Total Operating Revenues</b>	<b>677.3</b>	<b>689.8</b>	<b>(10.1)</b>	<b>101.8%</b>	<b>445.2</b>
Operating Transfer In	-	-	-	0.0%	-
<b>Total Sources</b>	<b>\$ 677.30</b>	<b>\$ 689.81</b>	<b>\$ (10.13)</b>	<b>101.8%</b>	<b>\$ 445.21</b>
Salaries & Wages	291.2	211.4	79.8	72.6%	134.4
Benefits	103.2	68.1	35.1	66.0%	54.2
Supplies	5.6	1.5	4.1	26.3%	2.5
Charges for Services	75.2	20.9	54.3	27.8%	17.9
Intergovernmental	48.9	8.0	41.0	16.3%	11.0
<b>Total Operating Expenses</b>	<b>524.1</b>	<b>309.8</b>	<b>214.3</b>	<b>59.1%</b>	<b>220.1</b>
Other Financing Uses	137.7	71.0	66.6	51.6%	46.0
<b>Total Uses</b>	<b>\$ 661.78</b>	<b>\$ 380.84</b>	<b>\$ 280.94</b>	<b>57.5%</b>	<b>\$ 266.05</b>



# City of Covington

## Quarterly Performance Report - Parks and Recreation Services

### as of 6/30/2011

#### SUMMARY CHARTS

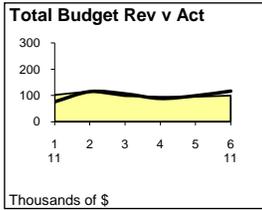


Chart 1

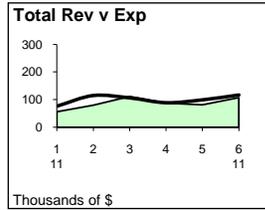


Chart 2

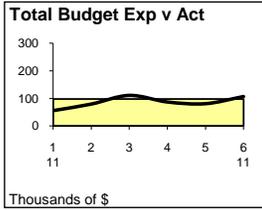


Chart 3

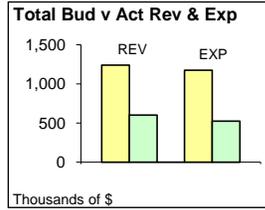


Chart 4

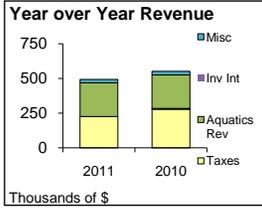


Chart 5

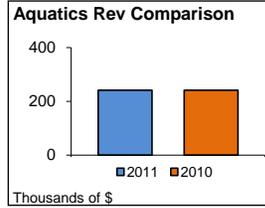


Chart 6

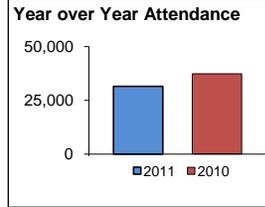
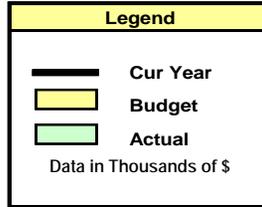
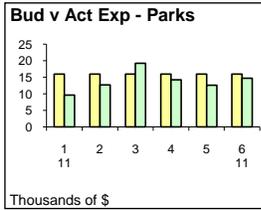
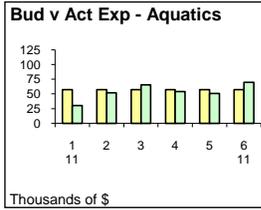


Chart 7

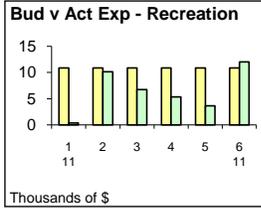
#### DEPARTMENTS



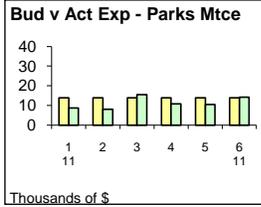
Rev & Exp - YTD	2011	2011	\$ Rem	% Coll YTD	2010
	Budget	Actual			Actual
Salaries & Wages	\$ 114.2	\$ 52.0	\$ 62.2	45.6%	\$ 51.0
Benefits	43.7	16.0	27.7	36.6%	15.9
Supplies	1.2	0.0	1.1	3.0%	0.1
Charges for Services	5.9	1.1	4.8	18.0%	23.1
Intergovernmental Svcs	0.9	0.4	0.5	44.5%	0.2
Total Operating Expenses	165.9	69.6	96.3	41.9%	90.2
Other Financing Uses	26.2	13.7	12.4	52.5%	13.1
<b>Total Uses</b>	<b>\$ 192.0</b>	<b>\$ 83.3</b>	<b>\$ 108.7</b>	<b>43.4%</b>	<b>\$ 103.3</b>



Rev & Exp - YTD	2011	2011	\$ Rem	% Coll YTD	2010
	Budget	Actual			Actual
Salaries & Wages	\$ 310.5	\$ 143.4	\$ 167.1	46.2%	\$ 160.4
Benefits	82.6	39.3	43.3	47.5%	44.4
Supplies	95.3	45.3	50.0	47.5%	38.3
Charges for Services	102.6	47.6	55.0	46.4%	41.5
Intergovernmental Svcs	7.8	2.4	5.3	31.4%	-
Total Operating Expenses	598.7	278.0	320.8	46.4%	284.5
Other Financing Uses	85.1	44.4	40.7	52.2%	44.0
<b>Total Uses</b>	<b>\$ 683.9</b>	<b>\$ 322.4</b>	<b>\$ 361.5</b>	<b>47.1%</b>	<b>\$ 328.5</b>

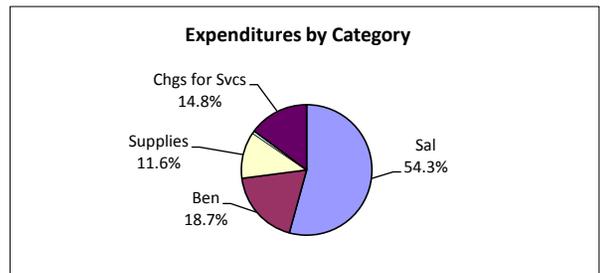
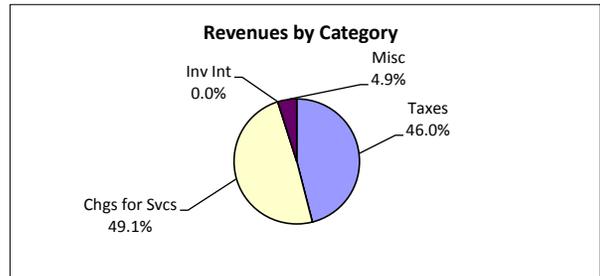


Rev & Exp - YTD	2011	2011	\$ Rem	% Coll YTD	2010
	Budget	Actual			Actual
Salaries & Wages	\$ 63.6	\$ 26.0	\$ 37.6	40.8%	\$ 30.1
Benefits	24.2	12.5	11.7	51.7%	12.6
Supplies	8.9	6.1	2.8	68.7%	13.0
Charges for Services	53.7	14.5	39.3	26.9%	13.4
Capital Outlay	-	-	-	0.0%	-
Total Operating Expenses	150.4	59.0	91.4	39.2%	69.2
Other Financing Uses	17.4	9.0	8.5	51.5%	10.7
<b>Total Uses</b>	<b>\$ 167.8</b>	<b>\$ 68.0</b>	<b>\$ 99.9</b>	<b>40.5%</b>	<b>\$ 79.9</b>



Rev & Exp - YTD	2011	2011	\$ Rem	% Coll YTD	2010
	Budget	Actual			Actual
Salaries & Wages	\$ 63.6	\$ 26.0	\$ 37.6	40.8%	\$ 30.1
Benefits	24.2	12.5	11.7	51.7%	12.6
Supplies	8.9	6.1	2.8	68.7%	13.0
Charges for Services	53.7	14.5	39.3	26.9%	13.4
Capital Outlay	-	-	-	0.0%	-
Total Operating Expenses	150.4	59.0	91.4	39.2%	69.2
Other Financing Uses	17.4	9.0	8.5	51.5%	10.7
<b>Total Uses</b>	<b>\$ 167.8</b>	<b>\$ 68.0</b>	<b>\$ 99.9</b>	<b>40.5%</b>	<b>\$ 79.9</b>

Rev & Exp - YTD	2011	2011	\$ Rem	% Coll YTD	2010
	Budget	Actual			Actual
Taxes	\$ 465.0	\$ 226.3	\$ 238.7	48.7%	\$ 278.2
Grants	-	-	-	0.0%	4.9
Aquatics Revenue	486.3	241.4	244.9	49.6%	241.1
Investment Interest	0.5	0.1	0.4	26.1%	0.2
Miscellaneous	49.4	24.1	25.3	48.8%	26.4
Total Operating Revenues	1,001.2	497.9	503.3	49.7%	550.8
Other Financing Sources	211.1	104.4	106.8	49.4%	94.9
<b>Total Sources</b>	<b>\$ 1,212.4</b>	<b>\$ 602.3</b>	<b>\$ 610.1</b>	<b>49.7%</b>	<b>\$ 645.7</b>
Salaries & Wages	\$ 548.0	\$ 242.0	\$ 306.0	44.2%	\$ 259.5
Benefits	168.1	83.2	85.0	49.5%	78.5
Supplies	109.0	51.7	57.2	47.5%	54.4
Intergovernmental Svcs	8.7	2.8	5.8	32.8%	0.2
Charges for Services	192.0	66.1	126.0	34.4%	80.6
Capital Outlay	-	-	-	0.0%	-
Total Operating Expenses	1,025.9	445.9	580.0	43.5%	473.3
Other Financing Uses	148.3	77.4	70.9	52.2%	69.8
<b>Total Uses</b>	<b>\$ 1,174.2</b>	<b>\$ 523.3</b>	<b>\$ 650.9</b>	<b>44.6%</b>	<b>\$ 543.1</b>



# City of Covington

## Quarterly Performance Report - SWM Operations

### as of 6/30/2011

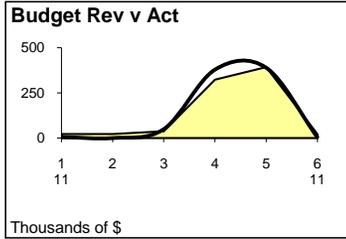


Chart 1

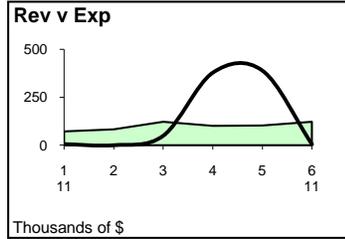


Chart 2

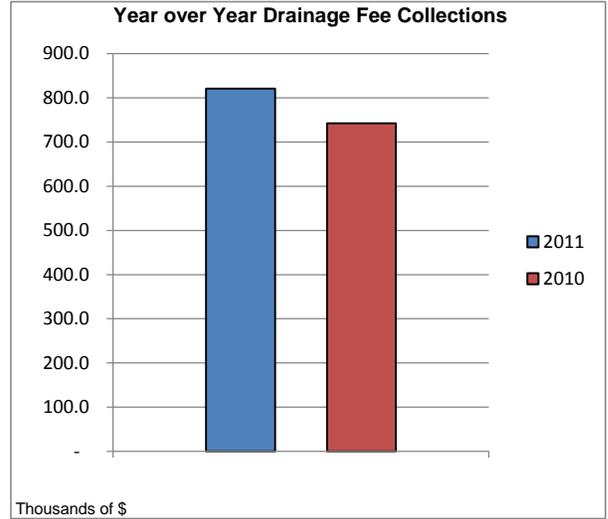


Chart 5

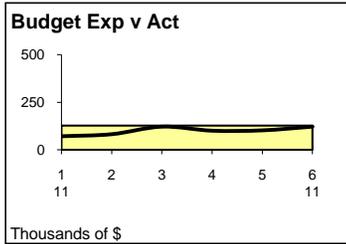


Chart 3

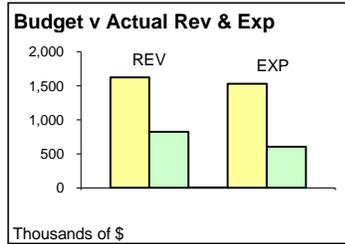
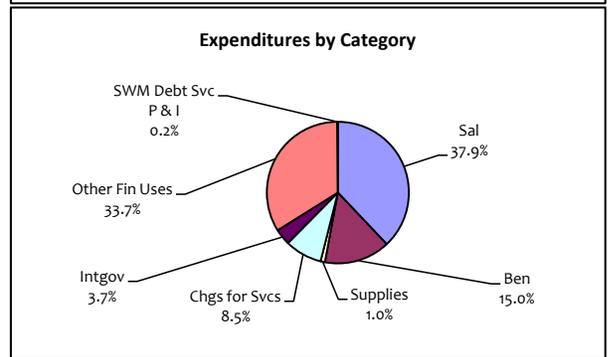
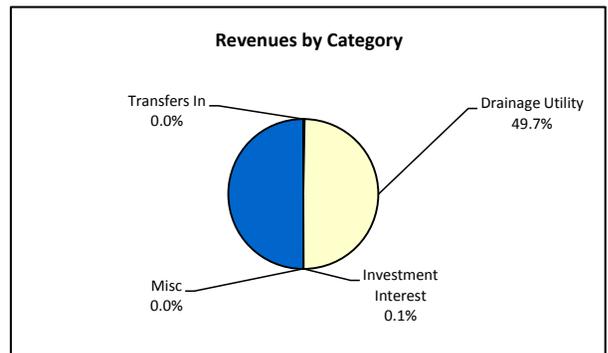


Chart 4

Rev & Exp - YTD	2011		\$ Rem	% Coll YTD	2010
	Budget	Actual			Actual
Grants	\$ 78.3	\$ 4.5	73.8	5.7%	\$ 3.7
KC Salmon Conservancy	-	-	-	-	-
Drainage Utility	1,542.3	821.0	721.3	53.2%	742.5
Investment Interest	2.3	0.9	1.4	40.5%	1.3
Miscellaneous	-	-	-	-	(0.2)
Comp/Loss	-	-	-	-	-
<b>Total Operating Revenues</b>	<b>1,622.9</b>	<b>826.4</b>	<b>796.5</b>	<b>50.9%</b>	<b>747.3</b>
Transfers In	-	-	-	-	37.2
<b>Total Sources</b>	<b>\$ 1,622.9</b>	<b>\$ 826.4</b>	<b>\$ 796.5</b>	<b>50.9%</b>	<b>\$ 784.4</b>
Salaries	\$ 512.3	\$ 228.7	\$ 283.6	44.6%	\$ 222.1
Benefits	184.4	90.4	94.0	49.0%	93.9
Supplies	35.1	6.0	29.1	17.1%	6.2
Charges for Services	212.8	51.1	161.7	24.0%	81.1
Intergovernmental	78.5	22.3	56.2	28.4%	23.0
Capital Outlay	-	-	-	-	-
<b>Total Operating Expenditures</b>	<b>1,023.1</b>	<b>398.5</b>	<b>624.6</b>	<b>38.9%</b>	<b>426.2</b>
Other Financing Uses	471.6	203.4	268.2	43.1%	155.2
SWM Debt Service P & I	34.6	1.0	33.6	2.8%	0.9
<b>Total Uses</b>	<b>\$ 1,529.3</b>	<b>\$ 602.8</b>	<b>\$ 926.5</b>	<b>39.4%</b>	<b>\$ 582.3</b>



Legend	
	Cur Year
	Budget
	Actual
Data in Thousands of \$	

	Source/Data			Budget vs Actual		Revenue by Month (shown on a cash basis)		
		2Q-10	2Q-11	% Diff	YTD	Annual		
GENERAL FUND	<b>Sales Tax</b>							
	Qtr - Qtr Revenues	1,390,858	1,414,221	1.7%				
		<b>Budget</b>	<b>Actual</b>	<b>% Collected</b>				
	2011 Annual Revenues	\$ 2,904,000	\$ 1,414,221	48.7%				
	2010 Annual Revenues	\$ 3,025,000	\$ 2,795,130	92.4%				
	2009 Annual Revenues	\$ 2,932,000	\$ 2,789,499	95.1%				
	<b>Property Tax</b>							
	Qtr - Qtr Revenues	\$ 1,087,572	\$ 1,196,537	10.0%				
		<b>Budget</b>	<b>Actual</b>	<b>% Collected</b>				
	2011 Annual Revenues	\$ 2,356,779	\$ 1,196,537	50.8%				
2010 Annual Revenues	\$ 2,112,000	\$ 1,976,819	93.6%					
2009 Annual Revenues	\$ 2,037,000	\$ 2,046,294	100.5%					
<b>Utility Tax</b>								
Qtr - Qtr Revenues	\$ 914,601	\$ 969,494	6.0%					
	<b>Budget</b>	<b>Actual</b>	<b>% Collected</b>					
2011 Annual Revenues	\$ 2,016,000	\$ 969,494	48.1%					
2010 Annual Revenues	\$ 2,060,000	\$ 1,976,819	96.0%					
2009 Annual Revenues	\$ 2,000,000	\$ 2,046,294	102.3%					
STREET FUND	<b>Fuel Tax</b>							
	Qtr - Qtr Revenues	\$ 180,417	\$ 178,909	-0.8%				
		<b>Budget</b>	<b>Actual</b>	<b>% Collected</b>				
	2011 Annual Revenues	\$ 378,202	\$ 178,909	47.3%				
	2010 Annual Revenues	\$ 380,000	\$ 378,263	99.5%				
	2009 Annual Revenues	\$ 406,398	\$ 462,550	113.8%				
	DEV SVCS	<b>Development Services Permitting Revenue/Activity *</b>						
		Qtr - Qtr Revenues	\$ 153,180	\$ 344,857	125.1%			
			<b>Budget</b>	<b>Actual</b>	<b>% Collected</b>			
		2011 Annual Revenues	\$ 356,266	\$ 344,857	96.8%			
2010 Annual Revenues		\$ 208,000	\$ 391,659	188.3%				
2009 Annual Revenues		\$ 725,000	\$ 254,984	35.2%				
PARKS		<b>Aquatics Revenue/Attendance *</b>						
		Qtr - Qtr Revenues	\$ 241,062	\$ 241,421	0.1%			
			<b>Budget</b>	<b>Actual</b>	<b>% Collected</b>			
		2011 Annual Revenues	\$ 486,330	\$ 241,421	49.6%			
	2010 Annual Revenues	\$ 423,746	\$ 462,942	109.2%				
	2009 Annual Revenues	\$ 403,100	\$ 423,754	105.1%				
	SWM	<b>SWM Fees</b>						
		Qtr - Qtr Revenues	\$ 742,489	\$ 821,004	10.6%			
			<b>Budget</b>	<b>Actual</b>	<b>% Collected</b>			
		2011 Annual Revenues	\$ 1,542,260	\$ 821,004	53.2%			
2010 Annual Revenues		\$ 1,258,896	\$ 1,443,633	114.7%				
2009 Annual Revenues		\$ 1,184,314	\$ 1,297,698	109.6%				
REET		<b>Real Estate Excise Tax (REET)/Ave Sales Price/Unit *</b>						
		Qtr - Qtr Revenues	\$ 57,645	\$ 284,658	393.8%			
			<b>Budget</b>	<b>Actual</b>	<b>% Collected</b>			
		2011 Annual Revenues	\$ 300,000	\$ 284,658	94.9%			
	2010 Annual Revenues	\$ 350,000	\$ 322,179	92.1%				
	2009 Annual Revenues	\$ 600,000	\$ 305,687	50.9%				

\* Attendance, permitting activity, and average unit sales price are shown on the secondary axis to compare with revenue intake.

## Quarterly Report – Chart Legend

### All Funds

**Chart 1 Budget v Actual Revenue** – This chart compares budgeted revenue against actual revenue received for the last six months.

**Chart 2 Revenue v Expenditures** – This chart tracks the flow of revenues and expenditures over a six month period.

**Chart 3 Budget v Actual Expenditures** – This chart compares actual expenditures versus expected budget.

**Chart 4 Budget v Actual Revenue & Expenditures** – This chart compares the year to date total of revenues and expenditures to their respective budgets.

**Chart 5 Year over Year Revenue Comparison by Category** – This chart compares total revenue received by category to the prior year.

**Revenue and Expenditure YTD table** – This table shows the current year revenue and expenditure budget, the actual amounts received to date, the dollars remaining, the percentage collected and the prior year comparison.

### Pie Charts

- **Revenues by Category** – This chart breaks down the revenues by category and percentage received to date.
- **Expenditures by Category** – This chart shows total expenditures by category and percentage to date.

### Development Services Fund

**Chart 6 Annual Single Family Residential (SFR) Permit Comparison** – This chart shows the total number of permits to date and compares it to the prior year during the same time period.

**Chart 7 SFR Permit Activity by Month** – This chart shows the number of permits issued by month and compares it to the same time period for the prior year.

**Chart 8 SFR Permit Valuation** – This chart compares the total valuation for SFR permits received for the current year compared to the prior year.

### Parks Fund

**Chart 6 Aquatics Revenue Comparison** – This chart compares revenue for the current year versus the prior year.

**Chart 7 Pool Attendance** – This chart compares attendance for the current year versus the prior year.

### Major Revenue Review

This chart reviews major revenues from each operating fund. The Source/Data column shows current year budget v actual and two prior years. In addition, the current quarter is compared to the prior year's same time period. The Budget v Actual column reflects in graph form the information from the Source/Data column. The Revenue by Month column shows the last three year's collection history (on a cash basis) in line graph form along with a linear trend line. Three charts have secondary axes to reflect revenue drivers.

**DISCUSSION OF  
FUTURE AGENDA TOPICS:**

**September 13, 2011 – City Council Regular Meeting**

**(Draft Agenda Attached)**

**Draft**

As of 8/17/11

Covington: Unmatched quality of life



**AGENDA  
CITY OF COVINGTON  
CITY COUNCIL REGULAR MEETING**

[www.covingtonwa.gov](http://www.covingtonwa.gov)

**Tuesday, September 13, 2011  
7:00 p.m.**

**City Council Chambers  
16720 SE 271<sup>st</sup> Street, Suite 100, Covington**

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**CALL CITY COUNCIL REGULAR MEETING TO ORDER**

**ROLL CALL/PLEDGE OF ALLEGIANCE**

**APPROVAL OF AGENDA**

**PUBLIC COMMUNICATION**

- Mayor's Day of Concern for the Hungry Proclamation – September 25, 2011 (Throm)
- Pacific Raceways Presentation – Jason Fiorito (20 minutes)

**PUBLIC COMMENT** *Persons addressing the Council shall state their name, address, and organization for the record. Speakers shall address comments to the City Council, not the audience or the staff. Public Comment shall be for the purpose of the Council receiving comment from the public and is not intended for conversation or debate. Public comments shall be limited to no more than four minutes per speaker. If additional time is needed a person may request that the Council place an item on a future agenda as time allows.\**

**APPROVE CONSENT AGENDA**

- C-1. Approval of Minutes (Scott)
- C-2. Approval of Vouchers (Hendrickson)
- C-3. Approve Interlocal Agreement with King County for Regional Affordable Housing Program (Throm)

**NEW BUSINESS**

1. Approve Resolution Adopting Street Lighting Policy (Akramoff)
2. Approve Covington Water Franchise Renewal (Akramoff)
3. Promotion in Place Briefing (Beaufre)
4. Discuss Recreation and Conservation Office Agreement (Thomas)

**COUNCIL/STAFF COMMENTS**

- Future Agenda Topics

**PUBLIC COMMENT** (\*See Guidelines on Public Comments above in First Public Comment Section)

**EXECUTIVE SESSION: If needed**

**ADJOURN**

*Any person requiring disability accommodation should contact the City of Covington at (253) 638-1110 a minimum of 24 hours in advance. For TDD relay service, please use the state's toll-free relay service (800) 833-6384 and ask the operator to dial (253) 638-1110.*