CALL CITY COUNCIL REGULAR MEETING TO ORDER

ROLL CALL/PLEDGE OF ALLEGIANCE

APPROVAL OF AGENDA

PUBLIC COMMUNICATION

- National Public Works Week Proclamation – May 20-26, 2018 (Bob Lindskov, City Engineer)
- Affordable Housing Week Proclamation – May 14-18, 2018 (Sara Wamsley, Housing Consortium)

PUBLIC COMMENT Speakers will state their name, address, and organization. Comments are directed to the City Council, not the audience or staff. Comments are not intended for conversation or debate and are limited to no more than four minutes per speaker. Speakers may request additional time on a future agenda as time allows. *

NOTICE to all participants: Pursuant to state law, RCW 42.17A.555, campaigning for any ballot measure or candidate in City Hall and/or during any portion of the council meeting, including the audience comment portion of the meeting, is PROHIBITED.

APPROVE CONSENT AGENDA

C-1. Vouchers (Hendrickson)

PUBLIC HEARING

1. To Receive Public Testimony and Adopt a Resolution Accepting the Planning Commission’s Recommendation on the 2018 Annual Comprehensive Plan Docket (Mueller/Hart)

NEW BUSINESS

2. Authorize the City Manager to Execute an Interlocal with the Puget Sound Regional Fire Authority for Emergency Management Services (Vondran)

3. Discuss and Consider Action on Supporting the Master Builders Comment Letter to the Puget Sound Regional Council (PSRC) Update to Vision 2050 (Hart)

4. 2018 First Quarter Financial Report (Hendrickson)

FUTURE AGENDA ITEMS

COUNCIL/STAFF COMMENTS
PUBLIC COMMENT *See Guidelines on Public Comments above in First Public Comment Section

EXECUTIVE SESSION – if needed

ADJOURN

Americans with Disabilities Act – reasonable accommodations provided upon request a minimum of 24 hours in advance (253-480-2400).
SUBJECT: APPROVAL OF VOUCHERS

RECOMMENDED BY: Rob Hendrickson, Finance Director

ATTACHMENT(S): Vouchers: Vouchers #37387 - #37460, including ACH payments in the amount of $375,673.07, dated April 27, 2018; and Paylocity Payroll Vouchers #1008470071 - #1008470086 inclusive, plus employee direct deposits and wire transfers, in the amount of $221,394.29, dated April 20, 2018.

PREPARED BY: Casey Parker, Senior Accountant

CITY COUNCIL ACTION: _____ Ordinance _____ Resolution X Motion _____ Other

Councilmember ________ moves, Councilmember __________ seconds, to approve for payment Vouchers: Vouchers #37387 - #37460, including ACH payments in the amount of $375,673.07, dated April 27, 2018; and Paylocity Payroll Vouchers #1008470071 - #1008470086 inclusive, plus employee direct deposits and wire transfers, in the amount of $221,394.29, dated April 20, 2018.
SUBJECT: PUBLIC HEARING, RECEIVE COMMENTS, AND CONSIDER RESOLUTION ON 2018 ANNUAL COMPREHENSIVE PLAN AMENDMENT FINAL DOCKET

RECOMMENDED BY: Covington Planning Commission

ATTACHMENT(S):
1. Map showing the location of the two site-specific, privately-initiated proposed amendments to the Comprehensive Plan.
2. Privately initiated applications:
   a. LA18-0001- Application from Soos Creek Water & Sewer District
   b. LA18-0002 – Application from Oakpointe.
3. Proposed Resolution setting the 2018 Final Docket

PREPARED BY: Ann Mueller, Senior Planner
               Richard Hart, Community Development Director

EXPLANATION:
Local comprehensive plans are “living documents” subject to not only periodic updates every 8 years but annual amendments as well. With certain exceptions, comprehensive plans can only be amended once per calendar year (see RCW 36.70A.130(2) (a)). In January 2016, the Covington City Council approved the most recent periodic update to the city’s Comprehensive Plan 2015-2035(Ord. 02-2016). No amendments to the comprehensive plan have been proposed since its approval in 2016.

To ensure that amendments to the city’s Comprehensive Plan occur no more frequently than once per year, the city has established a procedure for processing proposed amendments (see Covington Municipal Code (CMC) Chapter 14.25). This procedure, also known as the Annual Amendment Cycle, that results in a list of all city-initiated and privately-initiated proposed comprehensive plan amendments is referred to as a “docket.” Considering that the city’s Comprehensive Plan was developed and last updated in 2016 after significant study and public participation, the principles, goals, objectives, and policies contained therein shall be granted substantial weight when considering any proposed amendment. This docketing process, allows for all proposed amendments within a given year to be taken into consideration at the same time.

Covington’s period for submitting comprehensive plan amendment applications for consideration in 2018 ran from November 20, 2017 through January 22, 2018. This year there are two privately-initiated, site-specific proposed amendments to the city’s Comprehensive Plan and one city-initiated proposal that includes technical updates that amend and update various parts of the Comprehensive Plan.

The placement of a proposed amendment on the annual comprehensive plan docket is not approval of that proposed amendment; it simply means that the City Council found that the proposal warranted further consideration. The Planning Commission has the responsibility to make a recommendation to the City Council regarding which proposals warrant further consideration. The Planning Commission held a public hearing on the proposed 2018 Docket on
Thursday, March 15, 2018. Attachment 1 is the Future Land Use Map as provided for in the current Covington Comprehensive Plan 2015-2035 showing the location of the two site-specific, privately-initiated applications to amend the comprehensive plan. Attachment 2 includes a copy of those two privately-initiated applications. Representatives from Soos Creek Water & Sewer District and Oakpointe both provided public comments on their respective proposed amendments to the Comprehensive Plan. No members of the public spoke during the public comment portion of the public hearing.

On March 15, 2018, at their regular meeting, the Planning Commission recommended to the City Council that all the proposed comprehensive plan amendments be included in the Final 2018 Docket.

The City Council’s approval, modification, deferral, or denial of an amendment proposal to be included in the final docket shall be based on the following criteria (CMC 14.25.060):

(1) Proposed amendments that meet one of the following criteria may be included in the final docket:

(a) If the proposed amendment is site specific, the subject property is suitable for development in general conformance with adjacent land use and the surrounding development pattern, and with zoning standards under the potential zoning classifications.

(b) State law requires or a decision of a court or administrative agency has directed such a change.

(c) There exists an obvious technical error in the pertinent comprehensive plan provision.

(2) Proposed amendments that do not meet one of the criteria in subsection (1) of this section shall meet all of the following criteria:

(a) The amendment represents a matter appropriately addressed through the comprehensive plan, and the proposed amendment demonstrates a public benefit and enhances the public health, safety and welfare of the City.

(b) The amendment is in compliance with the three-year limitation rules as specified in CMC 14.25.040(3).

(c) The amendment does not raise policy or land use issues that are more appropriately addressed by an ongoing work program approved by the City Council.

(d) The proposed amendment addresses significantly changed conditions since the last time the pertinent comprehensive plan map or text was amended. “Significantly changed conditions” are those resulting from unanticipated consequences of an adopted policy, or changed conditions on the subject property or its surrounding area, or changes related to the pertinent comprehensive plan map or text, where such change has implications of a magnitude that need to be addressed for the comprehensive plan to function as an integrated whole.

(e) The proposed amendment is consistent with the comprehensive plan and other goals and policies of the City, the Countywide planning policies, the Growth Management Act, other State or Federal law, and the Washington Administrative Code and other applicable law.

Although the Planning Commission makes a recommendation to the City Council, it is the City Council that has the final decision on which proposed amendments are placed on the Final Docket for further processing. That’s the purpose of the public hearing and decision tonight.

In the second half of the year after more staff analysis, the Planning Commission will hold public hearings on the specific proposed amendments to the Comprehensive Plan that are placed on the Final Docket. The Planning Commission will make final recommendations to the City Council.
after which time the City Council decides which amendments to the Comprehensive Plan are to be approved by ordinance, normally in the fall prior to October.

Proposed Docket Item Descriptions

1. **LA18-0001 – Future Land Use Map Amendment – Urban Separator (US/R-1) to General Commercial (GC)**

   This a proposed amendment to the city’s Future Land Use Map (FLUM) in the Comprehensive Plan to change the land use designation of a single parcel (APN2622059016) owned by Soos Creek Sewer and Water District from “Urban Separator - 1 dwelling unit/acre” to “Downtown-General Commercial”.

   This is a site-specific proposed amendment and therefore subject to consideration under CMC 14.25.060(1)(a): “If the proposed amendment is site specific, the subject property is suitable for development in general conformance with adjacent land use and the surrounding development pattern, and with zoning standards under the potential zoning classifications.”

   The subject property is just under 1 acre in area and is currently vacant and located at the northeast corner of the intersection of SE 272nd Street and 156th Place. It was purchased by Soos Creek Water and Sewer District in 2013 from King County Department of Transportation for construction of a lift station; however, the lift station was eventually located on another property across SR 516 to the south when soil contamination was discovered on the subject property. Soos Creek Water and Sewer District is now requesting this parcel to be redesignated on the FLUM of the Comprehensive Plan to allow them to rezone the parcel to General Commercial which will allow commercial uses (CMC 18.31.080 (3)) that are currently permitted with the Urban Separator zoning. Soos Creek Water and Sewer district has indicated that they do not plan to develop the subject parcel themselves and will sell it.

<table>
<thead>
<tr>
<th>Adjacent Property</th>
<th>FLUM/Comprehensive Plan Designation</th>
<th>Zoning District</th>
<th>Development Pattern</th>
</tr>
</thead>
<tbody>
<tr>
<td>North &amp; East</td>
<td>Urban Separator</td>
<td>Urban Separator/R-1</td>
<td>King County Parks owns the 21.78-acre parcel that abuts the subject parcel on the north and east side of the subject property and it is designated as part of the King County Soos Creek Park and Trail system. (It was short plated from the subject property in 2013). This is an undeveloped and vacant parcel with critical areas (e.g. wetlands and steep slopes). It was historically the location of a King County gravel pit known as the Calhoun Pit. Prior to 1901 a sawmill was located at this site which burned down in 1915.</td>
</tr>
<tr>
<td>South</td>
<td>SE 272nd Street (SR 516) abuts the parcel to the south. On the other side of SR 516 the parcel is designated as General Commercial</td>
<td>Downtown - General Commercial</td>
<td>A ½ acre parcel owned by Soos Creek Water &amp; Sewer District is located on the southside of SR 516 across from the subject property. This parcel is the site of newly constructed Lift Station No. 46.</td>
</tr>
<tr>
<td>West (located in City of Kent)</td>
<td>156th Place SE abuts the parcel to the west. On the other side of 156th Place SE is in the City of Kent and located in the Urban Separator</td>
<td>Single Family - SR-1</td>
<td>A 6 ½ acre parcel owned by the Washington State Department of Transportation is located on the westside of 156th Place SE. This is vacant parcel with critical areas (e.g. wetland, floodplain, Soos Creek, seismic hazard)</td>
</tr>
</tbody>
</table>

2. **LA18-0002 – Text Amendments - Land Use Element & Economic Development Element**

   This is a proposed amendment to text and tables in Land Use Element and Economic Development Element of the City’s Comprehensive Plan 2015-2035. These text amendments would change specific
targets and capacity information included in exhibits and text in the Comprehensive Plan to show an increase in the allowed housing, job, commercial targets for the Lakepointe Urban Village.

<table>
<thead>
<tr>
<th>Targets</th>
<th>Current Comprehensive Plan</th>
<th>Proposed amendment changes</th>
</tr>
</thead>
<tbody>
<tr>
<td>Jobs</td>
<td>1,889 jobs</td>
<td>2,900 jobs</td>
</tr>
<tr>
<td>Housing</td>
<td>1,500 housing units</td>
<td>1,750 housing units</td>
</tr>
<tr>
<td>Commercial Development</td>
<td>850,000 square feet</td>
<td>1.32 million square feet</td>
</tr>
</tbody>
</table>

This is a site-specific proposed amendment so subject to consideration under CMC 14.25.060(1)(a): “If the proposed amendment is site specific, the subject property is suitable for development in general conformance with adjacent land use and the surrounding development pattern, and with zoning standards under the potential zoning classifications.”

If placed on the 2018 final docket these proposed comprehensive plan amendments will also require concurrent review and amendments to previously approved or issued documents associated with the basis for the currently allowed development targets/thresholds of Lakepointe Urban Village Subarea to allow for the amendment and to further evaluate if additional mitigation is necessary, including SEPA review, amendments to the Hawk Property Subarea Plan, Planned Action Ordinance, and Development Agreement.


These are proposed text amendments that range from technical amendments to general updates and clarifications and meet all the criteria of CMC 14.25.060(2). Examples include:

- Full review of text to update as necessary to reflect the change in city status, by PSRC, by a technical amendment of Vision 2040, from a smaller city to a larger city.

- Audit of the policies from the approved Hawk Property Subarea Plan to ensure that their intent was not omitted from the Comprehensive Plan update in 2016. For example, “Ensure that the arterial link between SR 18 and 204th Avenue SE is constructed and accessible prior to the opening of any local street connections from the Lakepointe Urban Village Subarea to 191st Place SE” was a new policy identified in the Subarea Plan but was inadvertently left out of the Comprehensive Plan 2015-2035 update.

- Amend text as needed to clarify that plans and manuals adopted by reference in the Comprehensive Plan include future amendments or updates to those documents. In effect changing the terms “adopted by reference” or “incorporated by reference” to “adopted by reference as amended” or “incorporated by reference as amended”. For example: “Policy CF-10. Apply the adopted surface water design manual, as amended, as the minimum requirement for all development projects and other actions that could cause or worsen flooding, erosion, water quality, and habitat problems for both upstream and downstream development.”

- Inclusion in the Natural Environment Element of an updated Critical Aquifer Recharge Area map that was completed last year.
The intent of tonight’s meeting is to hold a public hearing on the 2018 Comprehensive Plan Amendment Docket, receive comments, and consider action on a Resolution setting the final 2018 Comprehensive Plan Amendment Docket.

**ALTERNATIVES:**
1. Recommend amendments to the proposed resolution.
2. Return the issue to city staff for further study and analysis.

**FISCAL IMPACT:**
Although the docketed items have no direct monetary costs, there are ancillary costs associated with staff and consultant time and materials, such as additional environmental and mapping analysis used for evaluation, and the final cost of implementation and printing of updates to the Comprehensive Plan and city maps.

**CITY COUNCIL ACTION:**  

Council member ______ moves, Council member ________ seconds, to adopt resolution ___ relating to setting the 2018 Final Comprehensive Plan Amendment Docket.

**REVIEWED BY:** City Manager; City Attorney, Community Development Director, Finance Director
Soos Creek Water & Sewer District’s request to amend the FLUM designation for parcel #2622059016 from Urban Separator to Downtown (and rezoned to General Commercial).

Oakpointe’s request to amend text in the Comprehensive Plan to allow an increase in the maximum development threshold within the Subarea for residential (from 1,500 to 1,750 residential units) and commercial (from 850,000 to 1.32 million square feet).

Cities and UGAs
- Incorporated Cities
- Unincorporated UGA

Land Use Classifications
- Low Density Residential 4du/ac
- Medium Density Residential 6du/ac
- High Density Residential 8clj/ac
- Multifamily Residential 18du/ac
- Urban Separator 1du/ac
- Neighborhood Commercial
- Community Commercial
- Oakpointe Urban Village Subarea
- Covington Urban Growth Boundary

Maple Valley
Kent
Lake Meridian
# Comprehensive Plan Amendment Application

**2018 Application Deadline: January 22, 2018**

## Applicant
- **Name:** Soos Creek Water & Sewer District
- **Address:** 14618 SE 192nd Street
- **City/State/Zip:** Renton, WA 98058-9420
- **Phone:** 253.630.9900
- **Email Address:** rspeer@sooscreek.com

## Agent
- **Name:** Stantec Consulting - Rebecca Saur
- **Address:** 11130 NE 33rd Place Ste 200
- **City/State/Zip:** Bellevue, WA 98004
- **Phone:** 425.289.7373
- **Email Address:** rebecca.saur@stantec.com

## Property Owner
- **Name:** Soos Creek Water & Sewer District
- **Address:** 14618 SE 192nd Street
- **City/State/Zip:** Renton, WA 98058-9420
- **Phone:** 253.630.9900
- **Email Address:** rspeer@sooscreek.com

## Property Owner 2
- **Name:** Not Applicable
- **Address:**
- **City/State/Zip:**
- **Phone:**
- **Email Address:**

## Type of Comprehensive Plan Amendment
- This is a site-specific amendment proposal. Complete site-specific information below.
- This is a non-site-specific amendment proposal. Complete area-wide/textual amendment information.
- This amendment proposal involves changes to development regulation text and/or tables and/or changes to the zoning map. Complete a separate Application for Development Regulation and/or Zoning Map Amendment.

## Site-Specific Amendments

Give street address or, if vacant, indicate lot(s), block, and subdivision OR tax lot number, access street and nearest intersection. If proposal applies to several parcels, list the streets bounding the area.

**Address(es):** 27110 160th Ave SE

**Assessor's Parcel Number(s):** 262205-9016

**Site Area:** 42,184 sq ft / 0.97 ac

**Legal Description(s):** Lot 1 City of Covington Short Plat No 0014/0002 Recording No 20130123900008

(being a portion of SW QTR and SE QTR of SE QTR STR 26-22-05)

- **Proposed Change to Future Land Use Map Designation:** Urban Reserve (Current) to Downtown (Proposed)
- **Proposed Change to Official Zoning Map Designation:** US (R-1) (Current) to GC (Proposed)
AREA-WIDE & TEXT AMENDMENTS

Chapter and section of comprehensive plan to be amended: Chapter 2 - Land Use Element, "Our Land Use Plan" Section 8.U Exhibits

Indicate either conceptual or specific amendatory language. Please be as specific as possible to aid in the evaluation of your proposal. If specific changes are proposed, please indicate current language and proposed language.

Applicable Exhibits within Chapter 2 would need to be amended to reflect change in Land Use Classification for parcel number 262205-9016 from US (R-1) to GC, including but not limited to: text, graphs and future/existing land use maps. Specifically, text may need to be updated if the 0.97 acre parcel change in Land Use Classification from US (R-1) to GC alters percent use by zone as detailed on page LU-17. Text on page LU-21 under "General Commercial: This 95-acre..." would need to be updated to read "General Commercial: This 96-acre...".

DESCRIBE HOW PROPOSAL MEETS DECISION CRITERIA

An amendment may be considered for placement on the final docket under any one of the following circumstances. Check the applicable box, and describe in detail how the proposed amendment complies with the criterion. Attach additional sheets as necessary.

- If the proposed amendment is site-specific, the subject property is suitable for development in general conformance with adjacent land use and the surrounding development pattern, and with zoning standards under the potential zoning classifications.

  Soos Creek Water & Sewer District short platted (from the original Calhoun sand/gravel pit) and purchased this 0.97 acre parcel from King County in 2013 with the intent to construct regional sewer facilities on the site. The regional facilities, however, were constructed on an alternate site. The parcel has been subdivided, cleared, and improved with on-site utilities since the City last evaluated the parcel as part of its Comprehensive Plan Update in 2015. Provided the recent improvements to the site, the proposed Land Use Classification amendment request to Downtown is consistent with the City of Covington Land Use Classification directly across the street and within 0.1 miles east on SE 272nd Street which are also designated as Downtown. Additionally, reclassifying the site to Downtown would be consistent with the City of Kent's Commercial Land Use designations located 0.2 miles west of the site on SE 272nd Street, while leaving the remaining portion of the Calhoun site classified as Urban Separator to maintain conformity with parcels to the northeast and northwest, and Kent open space parcels directly to the west.

- State law requires, or a decision of a court or administrative agency has directed such a change.

- There exists an obvious technical error in the pertinent comprehensive plan provision.
If none of the three conditions on p.2 apply, then the proposed amendment must meet all five of the following criteria. Please answer the following questions, providing specific details and attaching additional sheets as necessary.

1. Explain how the proposed amendment is appropriately addressed through the comprehensive plan and how it would be a public benefit to the City of Covington (i.e. enhances the public health, safety, and welfare).
   Not Applicable.

2. Proposed amendments that are the same or substantially-similar to an amendment proposed during the last three amendment cycles are not eligible for consideration, except in certain cases due to geographic expansion by the City (see CMC 14.25.040(3)). Has the same or a substantially-similar amendment been proposed during the last three annual amendment cycles?  □ No  □ Yes

   If yes, how has geographic expansion necessitated the proposed amendment?
   Not Applicable.

3. Does the proposed amendment raise any policy or land-use issues that are more appropriately addressed by an ongoing work program approved by the City Council?  □ No  □ Yes.
   Please explain:
   Not Applicable.

4. Explain how the proposed amendment addresses significantly changed conditions since the last time the pertinent comprehensive plan map or text was amended. “Significantly changed conditions” are those resulting from unanticipated consequences of an adopted policy, or changed conditions on the subject property or its surrounding area, or changes related to the pertinent comprehensive plan map or text; where such change has implications of a magnitude that need to be addressed for the comprehensive plan to function as an integrated whole.
   Not Applicable.
DESCRIBE HOW PROPOSAL MEETS SELECTION / DECISION CRITERIA (CONT’D.)

5. Explain how the proposed amendment is consistent with:

   a. The vision, goals, and policies of the comprehensive plan, and other goals and policies of the City:
      Not Applicable.

   b. The Countywide Planning Policies, the Growth Management Act, State Environmental Policy Act (SEPA),
      the Washington Administrative Code, and other applicable state and federal laws.
      Not Applicable.

COSTS & BENEFITS / ADDITIONAL INFORMATION

1. Describe the effects of the proposed amendment in terms of costs and benefits to the public, both
   monetary and non-monetary.
   The proposed amendment will not monetarily impact the public as the amendment process will be paid for by
   the applicant via fees assessed by the City. If the parcel is developed in the future, there could be additional
   traffic to the site depending on the development proposed. Due to existing traffic volumes in the area, traffic
   impacts would likely be minimal to the public traveling on SE 272nd Street and 156th Place SE. Alternatively,
   if the parcel is developed in the future, there would be benefit to the public: Aesthetically there would be an
   improvement to a very visible area as the public enters the City of Covington gateway on SE 272nd
   Street. Any new commercial development on the site would also provide additional services to the public
   depending on the development proposed.

2. Describe and/or attach any studies, research information, or further documentation that will support
   this proposal.
   Prior to submitting this application, SCWSD approached King County, the neighboring property owner, to
   make them aware of the District’s Intent for application of Comprehensive Plan and Zoning Map amendments
   to the City. King County was not opposed to either action.

CERTIFICATION / SIGNATURE

I have reviewed the Comprehensive Plan Amendment Instruction Guide and Timeline, and certify that the
information provided on this application is true and correct.

Applicant’s/Agent’s Signature  Date

Please note: If this is a site-specific amendment proposal, all affected property owners must complete, sign,
and have notarized a Property Owner Declaration.
PROPERTY OWNER DECLARATION

I/We make the following statements based upon personal knowledge:

1. I am/We are the current owner(s) of the following parcel number(s) that is/are the subject of this application, including all rights-of-way, easements, or other property ownerships which are necessary to fulfill the requirements of the application: 

   Ron Speer, General Manager, Soos Creek Water & Sewer District

2. All statements contained in the application are true and correct to the best of my/our knowledge.

3. The application is being submitted with my/our knowledge and consent.

I/We declare under penalty of perjury under the laws of the State of Washington that the foregoing statement is true and correct.

Signed this 9th day of January, 2018, at Renton, Washington.

Signature

Print Name: Lynn M. Ramsey

Address: 14616 SE 192 St

Phone Number: 253-693-9900

State of Washington

County of King

I certify that I know or have seen satisfactory evidence that Ron Speer (Property Owner) signed this instrument and acknowledges it to be his/her free and voluntary act for the uses and purposes mentioned in this instrument.

Date: 1/09/2018

Signature: Lynn M. Ramsey

Printed Name: Lynn M. Ramsey

Notary Public in and for the State of Washington
My appointment expires: 11/20/2018

(Notary Seal or Stamp)

Use additional pages as needed for all property owner signatures.
# Comprehensive Plan Amendment Application

**2018 Application Deadline: January 22, 2018**

<table>
<thead>
<tr>
<th>STAFF USE ONLY</th>
<th>Docket Number: LA-18-0002</th>
<th>Application Date: 01/22/18</th>
</tr>
</thead>
</table>

## Applicant

- **Name:** Oakpointe Land Covington LLC
- **Address:** 3025 112th Avenue NE, Suite 100
- **City/State/Zip:** Bellevue, WA 98004
- **Phone:** (425) 898-2100, Fax: (425) 898-2139
- **E-mail Address:** duffy@oakpointe.com
- **Signature:**

## Agent

- **Name:** Oakpointe Land Covington LLC
- **Address:** 3025 112th Avenue NE, Suite 100
- **City/State/Zip:** Bellevue, WA 98004
- **Phone:** (425) 898-2100, Fax: (425) 898-2139
- **E-mail Address:** duffy@oakpointe.com
- **Signature:**

## Property Owner

- **Name:** Hawk Family Properties Limited Partnership
- **Address:** 701 5th Avenue, Suite 5500
- **City/State/Zip:** Seattle, WA 98104
- **Phone:** (206) 682-7090, Fax: (206) 625-9534
- **E-mail Address:** brockman@mpba.com
- **Signature:**

## Property Owner 2

- **Name:** Hughes Family Investment, Ltd.
- **Address:** 701 5th Avenue, Suite 5500
- **City/State/Zip:** Seattle, WA 98104
- **Phone:** (206) 682-7090, Fax: (206) 625-9534
- **E-mail Address:** brockman@mpba.com
- **Signature:**

## Type of Comprehensive Plan Amendment

- **This is a site-specific amendment proposal.** Complete site-specific information below.
- **This is a non-site-specific amendment proposal.** Complete area-wide/textual amendment information.
- **This amendment proposal involves changes to development regulation text and/or tables and/or changes to the zoning map.** Complete a separate Application for Development Regulation and/or Zoning Map Amendment. Amendment Regulation.

## Site-Specific Amendments

- **Give street address or, if vacant, indicate lot(s), block, and subdivision OR tax lot number, access street and nearest intersection.** If proposal applies to several parcels, list the streets bounding the area.
- **ADDRESS(ES):** 18008 SE 266th Street, Covington, WA 98042
- **ASSESSOR’S PARCEL NUMBER(S):** 182200-001-020200-0012-09152-282200-0102-382200-0011-09901
- **SITE AREA:** Approximately 214.08 acres
- **LEGAL DESCRIPTION(S):** See attached

- **PROPOSED CHANGE TO FUTURE LAND USE MAP DESIGNATION:** FROM (CURRENT) TO (PROPOSED)
- **PROPOSED CHANGE TO OFFICIAL ZONING MAP DESIGNATION:** FROM (CURRENT) TO (PROPOSED)
AREA-WIDE & TEXT AMENDMENTS

Chapter and section of comprehensive plan to be amended: ____________________________
Indicate either conceptual or specific amendatory language. Please be as specific as possible to aid in the evaluation of your proposal. If specific changes are proposed, please indicate current language and proposed language.
See attached


DESCRIBE HOW PROPOSAL MEETS DECISION CRITERIA

An amendment may be considered for placement on the final docket under any one of the following circumstances. Check the applicable box, and describe in detail how the proposed amendment complies with the criterion. Attach additional sheets as necessary.

☐ If the proposed amendment is site-specific, the subject property is suitable for development in general conformance with adjacent land use and the surrounding development pattern, and with zoning standards under the potential zoning classifications.
   See attached

☐ State law requires, or a decision of a court or administrative agency has directed such a change.

☐ There exists an obvious technical error in the pertinent comprehensive plan provision.
DESCRIBE HOW PROPOSAL MEETS SELECTION / DECISION CRITERIA (CONT’D.)

If none of the three conditions on p. 2 apply, then the proposed amendment must meet all five of the following criteria. Please answer the following questions, providing specific details and attaching additional sheets as necessary.

1. Explain how the proposed amendment is appropriately addressed through the comprehensive plan and how it would be a public benefit to the City of Covington (i.e. enhances the public health, safety, and welfare).

2. Proposed amendments that are the same or substantially-similar to an amendment proposed during the last three amendment cycles are not eligible for consideration, except in certain cases due to geographic expansion by the City (see CMC 14.25.040(3)). Has the same or a substantially-similar amendment been proposed during the last three annual amendment cycles?  □ No  □ Yes

   If yes, how has geographic expansion necessitated the proposed amendment?

3. Does the proposed amendment raise any policy or land-use issues that are more appropriately addressed by an ongoing work program approved by the City Council?  □ No  □ Yes

   Please explain:

4. Explain how the proposed amendment addresses significantly changed conditions since the last time the pertinent comprehensive plan map or text was amended. “Significantly changed conditions” are those resulting from unanticipated consequences of an adopted policy, or changed conditions on the subject property or its surrounding area, or changes related to the pertinent comprehensive plan map or text; where such change has implications of a magnitude that need to be addressed for the comprehensive plan to function as an integrated whole.
5. Explain how the proposed amendment is consistent with:

a. The vision, goals, and policies of the comprehensive plan, and other goals and policies of the City:

   ________________________________________________________________
   ________________________________________________________________
   ________________________________________________________________
   ________________________________________________________________

b. The Countywide Planning Policies, the Growth Management Act, State Environmental Policy Act (SEPA), the Washington Administrative Code, and other applicable state and federal laws.

   ________________________________________________________________
   ________________________________________________________________
   ________________________________________________________________
   ________________________________________________________________

1. Describe the effects of the proposed amendment in terms of costs and benefits to the public, both monetary and non-monetary.

   See attached

   ________________________________________________________________
   ________________________________________________________________
   ________________________________________________________________
   ________________________________________________________________

2. Describe and/or attach any studies, research information, or further documentation that will support this proposal.

   See attached

   ________________________________________________________________
   ________________________________________________________________
   ________________________________________________________________
   ________________________________________________________________

CERTIFICATION / SIGNATURE

I have reviewed the Comprehensive Plan Amendment Instruction Guide and Timeline, and certify that the information provided on this application is true and correct.

______________________________________________________________
Applicant's/Agent's Signature

1/22/18
Date

Please note: if this is a site-specific amendment proposal, all affected property owners must complete, sign, and have notarized a Property Owner Declaration.
Area-Wide and Text Amendments

Chapter and section of Comprehensive Plan to be amended:

- **Exhibit LU-6; Page LU-9** – Exhibit LU-6 provides targets and capacity for anticipated projects in the City of Covington between the years 2012 and 2035. Lapointe Urban Village Capacity is noted as 1,500 Housing units and 1,889 Jobs. The proposed Comprehensive Plan Amendment would modify the Housing target for the Lakepointe Urban Village to 1,750 and the Jobs target to approximately 2,900.

- **Exhibit LU-7; Page LU-9** – Similar to Exhibit LU-6 above, Exhibit LU-7 provides a graphical representation of growth targets, the projected 20-year demand and capacity. The graph indicates Lakepointe Planned Development at 1,500 housing units and 1,889 jobs. The proposed Comprehensive Plan Amendment would modify the Housing target for the Lakepointe Urban Village to 1,750 and the Jobs target to approximately 2,900.

- **Page LU-14** – The text indicates “The City adopted a range of concepts for the subarea allowing 1,000-1,500 dwellings and 680,000 to 850,000 square feet of commercial development.” The proposed Comprehensive Plan Amendment would modify the target housing units to 1,750 and modify the targeted commercial square feet to 1.32 million square feet.

- **Page ED-5** – The text indicates “The addition of 850,000 square feet of commercial space – largely retail – in the Lakepointe Urban Village will reinforce the city’s retail and service center reputation, create a substantial number of new jobs, and reduce the leakage of retail sales dollars to businesses located outside the city.” The proposed Comprehensive Plan Amendment would modify the targeted commercial square feet to 1.32 million square feet.

Describe How Proposal Meets Decision Criteria

If the proposed amendment is site-specific, the subject property is suitable for development in general conformance with adjacent land use and the surrounding development pattern, and with zoning standards under the potential zoning classifications.

The subject property is the Lakepointe Urban Village property which has undergone City adoption of a Planned Action EIS, a Subarea Plan, new zoning classifications and modifications to the City’s Comprehensive Plan. Further, the City adopted a Development Agreement which vests the development as a mixed use urban village over the next 15 years. Therefore, the proposed Lakepointe Urban Village has been determined to be in general conformance with adjacent land use and surrounding development pattern and new zoning standards have been implemented to accommodate the proposed uses.

As part of the final Development Agreement negotiations, the City desired to have residential units on the peninsula area. Section 19.1.3 of the adopted Lakepointe Development Agreement states “Development to the north of the central pond feature, in the peninsula area, shall consist of mixed-use development that includes upper-story residential units.”

Residential units were not originally contemplated on the peninsula area in initial site planning studies. However, locating additional residential units on the Peninsula can be provided as units above planned retail space in mixed-use buildings and will help activate the space. Therefore, a
request is being made to increase the number of residential units from 1,500 to 1,750 to accommodate the adopted provision of the Development Agreement while ensuring there is an appropriate number of residential units on the peninsula area to activate the space.

The requested Comprehensive Plan Amendment includes an increase in the commercial square footage from 850,000 square feet to 1.32 million square feet. Since the time of the Subarea Plan, substantial site analysis has been conducted and the site has a capacity well in excess of 1.32 million square feet of commercial. This is primarily a result of adding second floor retail to a number of buildings and providing a significant number of parking spaces in structured parking. The additional square footage fits within the existing commercial footprint as depicted during the Development Agreement process and of specific note, no charge to the "hotel area" at the southwesterly portion of the site would occur. The additional square footage would occur primarily between Highway 18 and the Covington Connector and on the peninsula area.

It is also anticipated that the specific land uses contemplated within the Lakepointe Urban Village will generate less PM peak vehicle trips than the general commercial land use threshold anticipated in the Planned Action EIS. If this proposed amendment moves forward, an update to the PM Peak vehicle trip analysis will be provided to the City as part of an update to the Planned Action EIS.

**Costs & Benefits / Additional Information**

*Describe the effects of the proposed amendment in terms of costs and benefits to the public, both monetary and non-monetary.*

Increasing the commercial square footage from 850,000 square feet to 1.32 million square feet will substantially increase the city's long-term tax base while creating a vibrant urban village serving southeast King County. The additional square footage is made possible through the accommodation of several parking stalls in parking structures. There is no other currently entitled planned urban village in the region that has the potential to create a true gathering space both for the local citizens and the surrounding communities. Restaurants, entertainment venues, aspirational shopping, and office space with an active waterfront and numerous parks and trails will provide activities for a host of people of all ages.

The additional square footage will further reduce the leakage of retail sales dollars to businesses located outside the City and will draw additional retail dollars to the City of Covington from the surrounding communities.

The modification of residential units from 1,500 to 1,750 will primarily be located on the peninsula area over planned retail space. The infrastructure necessary to serve the additional units will already be provided by the planned commercial buildings. Additional structured parking would be required; however, this does not add any short-term or long-term cost to the City as structured parking will be provided by the developer. The City will benefit from initial REET dollars from a land or building sale and additional building permit fees, impact fees, and property and city taxes.
Describe and/or attach any studies, research information, or further documentation that will support this proposal.

Increasing the commercial square footage from 850,000 square feet to 1.32 million square feet and increasing the residential units from 1,500 to 1,750 will be done on the existing planned footprint of the project and will generate fewer PM peak vehicle trips than anticipated by the general commercial land use contemplated in the Planned Action EIS. The planned amendments also do not require any modifications to the planned "hotel area" in the southwest portion of the site which was a concern for adjacent residents during the Development Agreement deliberations. If this proposal moves forward, a separate analysis of various sections of the Planned Action EIS (such as PM peak vehicle trips and greenhouse gas emissions) will need to be evaluated to determine if any additional mitigations measures would be necessary as a result of the increase in commercial and residential units.
RESOLUTION NO. 2018-06


WHEREAS, the City of Covington is a code city planning under the requirements of the Revised Code of Washington (RCW) 36.70A, Growth Management Act (GMA); and

WHEREAS, the City Council adopted its Comprehensive Plan 2015-2035 by Ordinance 02-2016 on January 12, 2016; and

WHEREAS, the GMA requires that the City’s Comprehensive Plan be amended no more than once annually (RCW 36.70A.130 (2)(a)); and

WHEREAS, the GMA requires that proposed amendments to the City’s Comprehensive Plan be considered by the City Council concurrently so that cumulative effect of the various proposals can be ascertained (RCW 36.70A.130(2)(b)); and

WHEREAS, the City of Covington has codified the procedures for amending the City’s Comprehensive Plan in Covington Municipal Code (CMC) Chapter 14.25; and

WHEREAS, the City of Covington published notice on October 20, 2017 and November 3, 2017, in the Covington Reporter, seeking applications for amendments to the City’s Comprehensive Plan, with a submittal deadline of January 22, 2018. Notice was also posted on the City’s website and posted at city hall; and

WHEREAS, two privately-initiated, site specific applications and one city-initiated application from the Community Development Department requesting amendments to City’s Comprehensive Plan were received; and

WHEREAS, the Planning Commission held a public hearing on March 15, 2018 and made a recommendation that the City Council include all three applications on the City’s Final 2018 Comprehensive Plan Amendment Docket, therefore,

BE IT RESOLVED by the City Council of the City of Covington, King County, Washington, as follows:

Section 1. 2018 Final Comprehensive Plan Amendment Docket. The Covington City Council will include the following applications on the Final Comprehensive Plan Amendment Docket:
1. LA18-0001 – A proposed amendment to the Future Land Use Map Amendment to change the land use designation of on parcel on the northeast corner of SE 272nd St and 156th Place SE from Urban Separator (US/R-1) to Downtown General- Commercial (GC).

2. LA18-0002 – Proposed text amendments to the Land Use Element & Economic Development Element of the City’s Comprehensive Plan to allow an increase in the maximum development thresholds allowed within the Lakepointe Urban Village Subarea.

3. LA18-0003 – Proposed text amendments to the City’s Comprehensive Plan to address technical amendments to clarify that plans and manuals, adopted by reference, include approved updates and amendments, and other minor amendments that include an updated Critical Aquifer Recharge Area map, add a policy that was inadvertently left out of the Transportation Element at adoption in 2016, and update text related to the city’s new classification as a Larger City by the Puget Sound Regional Council.

PASSED in open and regular session on this 8th day of May 2018.

____________________________________
Jeff Wagner, MAYOR

ATTESTED:

____________________________________
Sharon Scott, City Clerk

APPROVED AS TO FORM:

____________________________________
Kathy Hardy, City Attorney
SUBJECTS: AUTHORIZE THE CITY MANAGER TO EXECUTE AN INTERLOCAL AGREEMENT WITH PUGET SOUND REGIONAL FIRE AUTHORITY (RFA) FOR EMERGENCY MANAGEMENT SERVICES.

RECOMMENDED BY: Don Vondran, Public Works Director

ATTACHMENT(S):
1. Interlocal Agreement with Puget Sound RFA for Emergency Management Services

PREPARED BY: Shellie Bates, Programs Supervisor/Public Works

EXPLANATION:
The Puget Sound RFA provides services to Kent, Covington, SeaTac and unincorporated areas of King County within King County Fire District 37. Their service district is 60 square miles with a total population of approximately 177,390 people (2016 OFM). The city has an existing Interlocal Agreement (ILA) with the RFA to provide Fire Marshal Services, Inspection and Plan Review Services; and Fire Investigative Services (Contract No. 1418-15) and for collection, distribution, and expenditure of Fire Impact Fees. (Contract No. 099-2017).

The city currently does not have a dedicated emergency management position. By contracting with the Puget Sound RFA for a part-time emergency management position, the city would receive overhead guidance, program coordination and activation support as well as the benefits of a five person emergency management staff with various skills and abilities. The city would be eligible to apply for Emergency Management Performance Grant (EMPG) funds each year to support this position.

ALTERNATIVES:
1. Recommend amendments to the proposed Interlocal Agreement.
2. Do not enter into an Interlocal Agreement with Puget Sound RFA.

FISCAL IMPACT:
The Emergency Management Coordinator position (.5 FTE) was funded during the 2018 budget process with a decision card. The funds are in the Central Services – Emergency Management fund. The following one-time expenditures are for start-up: desk, chair, phone and computer. The Puget Sound RFA will provide salary, benefits and overhead costs for $38,480 for 2018.

CITY COUNCIL ACTION:  ___X___ Ordinances  ___X___ Resolution  ___X___ Motion  ___Other

Council member ____________ moves, Council member _______________ seconds, to authorize the City Manager to execute an Interlocal Agreement with Puget Sound Regional Fire Authority, in substantial form as presented in Attachment 1, for Emergency Management Services.

REVIEWED BY:  City Manager; City Attorney, Finance Director
EMERGENCY MANAGEMENT SERVICES AGREEMENT

This Agreement is entered into between THE PUGET SOUND REGIONAL FIRE AUTHORITY, a municipal corporation, hereafter referred to as "PSRFA," and the City of Covington, a municipal corporation, hereafter referred to as “Covington.”

RECITALS

1. This agreement is entered into under the authority of Chapter 52.26 RCW, Regional Fire Protection Service Authority, and in conformity with Chapter 39.34 RCW, the Interlocal Cooperation Act; and

2. Covington maintains a director who has the direct responsibility for the organization, administration, and operation of Covington’s department of emergency management; and

3. PSRFA maintains a professional Emergency Management division that regularly performs emergency management for other agencies including the Cities of Kent and SeaTac; and

4. Covington desires to use the resources of the PSRFA to assist Covington in managing Covington’s emergency management functions; and

5. Covington has agreed to compensate the PSRFA for conducting such services; and

6. PSRFA and Covington find the working relationship established under previous interlocal agreements to be mutually beneficial to both parties and wish to continue this relationship.

AGREEMENT

NOW, THEREFORE, in consideration of the mutual promises and benefits contained herein, it is agreed between the parties as follows:

1. Scope and Purpose of Agreement

   1.1. The scope of this Agreement includes the terms and conditions under which PSRFA will provide Covington with Emergency Management Services, as defined in Section 3 of this Agreement.

   1.2. Each entity shall retain full authority for and jurisdiction over such issues as boundaries, elections, and budgets and other matters not specifically addressed in this Agreement.

2. Administration of Agreement. To carry out the purpose of this Agreement, a two-person board is hereby created to administer this Agreement (“Administrative Board”). The Administrative Board shall consist of the Fire Chief, or Designee for the PSRFA and the Covington City Manager or Designee for Covington. The Administrative Board shall meet no less than one time per year to discuss the performance of the obligations of the PSRFA and Covington pursuant to this Agreement. The Administrative Board may, at its discretion and
by mutual agreement, develop policies and procedures to aid in the implementation of this Agreement.

3. **Emergency Management Services.** The PSRFA shall provide Emergency Management services to Covington in the manner and at the level identified by Covington in writing. Such services may include but are not limited to, any of the following services:

3.1. Administer all emergency management programs.

3.2. Ensure that plans, programs, and training are in compliance with federal and state standards.

3.3. Ensure that adequate training is provided to meet federal mandates. However, the PSRFA will not be responsible if Covington staff does not participate or meet these mandates.

3.4. Fulfill the role as the Emergency Coordination Center Manager during activations.

3.5. Maintain and update the following plans in accordance with state and federal requirements, as well as any other plans that are required pursuant to future state and federal requirements:

   3.5.1. Comprehensive Emergency Management Plan;
   
   3.5.2. Hazardous Materials Emergency Response Plan;
   
   3.5.3. Local Hazard Mitigation Plan;
   
   3.5.4. Hazardous Identification and Vulnerability Analysis; and
   
   3.5.5. Homeland Security Exercise and Evaluation Program.

3.6. Apply for and manage all disaster recovery grants, Emergency Management Performance Grants, and other public assistance grants.

3.7. Represent Covington and actively coordinate and participate on local and regional groups, committees, and associations to further emergency preparedness, and to keep current on emergency management issues facing the region and Covington. The participation may include the following groups, committees, or associations, as well as any new local or regional Emergency Management Related groups:

   3.7.1. Emergency Management Advisory Committee;
   
   3.7.2. Training and Exercise Sub-Committee;
   
   3.7.3. King County Citizen Corps Sub-Committee;
   
   3.7.4. City of Covington Emergency Planning Committee;
   
   3.7.5. Regional Disaster Planning Committee; and

3.8. Manage and oversee the Local Emergency Planning Committee in accordance with federal, state and Covington statutes, regulations, and policies.

3.9. Prepare Covington staff and residents for emergencies by providing the following training:

3.9.1. National Incident Management System Training;

3.9.2. Emergency Coordination Center Position Training;

3.9.3. Department Operation Center Training;

3.9.4. Community Emergency Response Training;

3.9.5. School Emergency Response Training;

3.9.6. Business Emergency Response Training;

3.9.7. Debris Management Training.

3.10. Perform all other tasks related to providing Emergency Management Services.

3.11. All money, fees, and charges of any kind collected or charged by the Emergency Management or as a result of the provision of Emergency Management services for Covington shall be the sole property of Covington and payable to Covington. The PSRFA shall establish a standard procedure for the charging and collection of fees and charges as directed by Covington’s Finance Department, and shall immediately transmit all such money collected to Covington.

4. Emergency Coordination Center ("ECC"). Covington shall provide an Emergency Coordination Center for the PSRFA to use in the event of an activation. Covington recognizes that the PSRFA may use Covington’s ECC for low level emergencies which do not warrant the full activation of the Covington ECC. Covington shall retain all statutory authority in operational and/or policy decisions during an activation. Covington shall provide staffing of key functions to ensure adequate operation of the Covington ECC. In the event that adequate staffing is not available, and when agreed to by both parties, the PSRFA may staff the ECC with additional PSRFA staff to be reimbursed as provided in Section 7.2.

5. Term. This Agreement shall become effective on the date of mutual execution. This Agreement shall remain in full force and effect until terminated by either party as provided for in Section 6.

6. Termination.

6.1. Termination by Notice. This Agreement may be terminated by either party upon the terminating party providing the other party with 90 days’ advance written notice of such termination.
6.2. Termination by Mutual Written Agreement. This Agreement may be terminated at any time by mutual written agreement of the parties.

6.3. Termination for Breach. The PSRFA may terminate this Agreement with fourteen (14) days’ advance written notice upon the failure of Covington to make payments as required by this Agreement. Covington may terminate this Agreement upon fourteen (14) days’ advance written notice in the event PSRFA fails to provide services as required in this Agreement, except disputes handled per Section 7.5

7. Payment to the PSRFA.

7.1. Basic Fee & Hours worked. In consideration of this Agreement and the services provided, Covington will pay the PSRFA an hourly rate of $37.00 per hour for work performed by a Program Manager. Covington acknowledges that based on staff scheduling the City may receive less than 20 hours in some weeks and more than 20 hours in other weeks. The total hours should not exceed 40 hours in a pay period, without authorization as addressed in Section 7.2. Covington shall pay this amount on a monthly basis and no additional invoice shall be required.

7.2. Additional Hours. In the event of Emergency Call backs (un-planned events, including but not limited to fires, earthquakes, demonstrations, weather, etc.) and for other events when authorized in writing by Covington, the PSRFA may provide additional services at the hourly rate, or when an employee’s services are required in excess of 40 hours per week, Covington shall pay for such hours at 150% of the hourly rate. For additional hours, the PSRFA shall document the reason and the hours worked. Each hour shall be divided into fifteen (15) minute increments, or four (4) units. Covington shall pay for each fifteen (15) minute increment, which shall be rounded to the nearest fifteen (15) minute increment. At the end of each quarter, the PSRFA will invoice Covington for the additional hourly services provided during that immediately preceding quarter by the 10th of the month following the quarter. For the purposes of this Agreement, quarters shall end on March 31, June 30, September 30, and December 31 of each year. Covington will remit payment to the PSRFA within thirty (30) days from the date of the PSRFA’s invoice.

7.3. Administrative fee. Covington shall pay the PSRFA an Administrative fee of one percent of the total payments made pursuant to Sections 7.1 and 7.2.

7.4. Annual Adjustment. Each year, the hourly rates charged under this Agreement will increase by the amount equal to the percentage increase in the Consumer Price Index (CPI-W) for Seattle-Tacoma-Bellevue for the previous year from the period of June to June. The rate will be rounded to the nearest cent.

7.5. Billing Dispute. In the event that there is a dispute regarding the amount of money owed by Covington to the PSRFA, the Administrative Board shall make every effort to resolve such dispute. In the event that there is no resolution to the dispute, the parties shall proceed in accordance with the dispute resolution process identified in Section 11.

8.1. **PSRFA Personnel.** PSRFA personnel who provide services under this Agreement shall remain personnel of PSRFA and shall not be considered personnel of Covington. PSRFA shall, at all times, be solely responsible for the conduct of its personnel in performing the services called for in this Agreement and shall be solely responsible for all compensation, benefits and insurance for its personnel. PSRFA personnel shall not be entitled to any benefit provided to personnel of Covington.

8.2. **Covington Personnel.** Covington personnel who provide services under this Agreement shall remain personnel of Covington and shall not be considered personnel of PSRFA. Covington shall, at all times, be solely responsible for the conduct of its personnel in performing the services called for in this Agreement and shall be solely responsible for all compensation, benefits and insurance for its personnel. Covington personnel shall not be entitled to any benefit provided to personnel of PSRFA.

9. **Indemnification and Hold Harmless.** Each party agrees to defend, indemnify, and hold harmless the other party and each of its employees, officials, agents, and volunteers from any and all losses, claims, liabilities, lawsuits, or legal judgments arising out of any negligent or willfully tortious actions or inactions by the performing party or any of its employees, officials, agents, or volunteers, while acting within the scope of the duties required by this Agreement. This provision shall survive the expiration of this Agreement. It is further specifically and expressly understood that the indemnification provided herein constitutes each party’s waiver of immunity under industrial insurance, Title 51 RCW, solely to carry out the purposes of this indemnification clause. The parties further acknowledge that they have mutually negotiated this waiver.

10. **Insurance.** Each party shall provide all risk property insurance coverage for all facilities and equipment owned by that party and general liability insurance, including errors and omissions coverage. The insurance policies of each party shall name the other party and its officials, officers, employees, and volunteers, who are acting within the scope of this Agreement as additional named insureds for any and all actions taken by each party, its officials, officers, employees, and volunteers in the scope of their duties pursuant to this Agreement. In the alternative, each party may satisfy the requirements of this section by becoming or remaining a participant in an authorized self-insurance pool in the State of Washington.

11. **Dispute Resolution.**

11.1. Prior to any other action, the parties shall meet and attempt to negotiate a resolution to such dispute.

11.2. If the parties are unable to resolve a dispute regarding this Agreement through negotiation, either party may demand mediation through a process to be mutually agreed to in good faith between the parties within 30 days. The parties shall share equally the costs of mediation and each party shall be responsible for their own costs in preparation and participation in the mediation, including expert witness fees and reasonable attorney’s fees.
11.3. If a mediation process cannot be agreed upon or if the mediation fails to resolve the dispute then, within 30 calendar days, either party may submit the dispute to arbitration according to the procedures of the Superior Court Rules for Mandatory Arbitration, including the Local Mandatory Arbitration Rules of the King County Superior Court, King County, Washington, as amended, unless the parties agree in writing to an alternative dispute resolution process. The arbitration shall be before a disinterested arbitrator selected pursuant to the Mandatory Arbitration Rules with both parties sharing equally in the cost of the arbitrator. The location of the arbitration shall be mutually agreed or established by the assigned Arbitrator, and the laws of Washington will govern its proceedings. Each party shall be responsible for its own costs in preparing for and participating in the arbitration, including expert witness fees and reasonable attorney’s fees.

11.4. Following the arbitrator’s issuance of a ruling/award, either party shall have 30 calendar days from the date of the ruling/award to file and serve a demand for a bench trial de novo in the King County Superior Court. The court shall determine all questions of law and fact without empaneling a jury for any purpose. If the party demanding the trial de novo does not improve its position from the arbitrator’s ruling/award following a final judgment, that party shall pay all costs, expenses and attorney fees to the other party, including all costs, attorney fees and expenses associated with any appeals.

11.5. Unless otherwise agreed in writing, this dispute resolution process shall be the sole, exclusive and final remedy to or for either party for any dispute regarding this Agreement, and its interpretation, application or breach, regardless of whether the dispute is based in contract, tort, any violation of federal law, state statute or local ordinance or for any breach of administrative rule or regulation and regardless of the amount or type of relief demanded.

12. Miscellaneous:

12.1. Assignment. Any assignment of this Agreement by either party without the prior written consent of the non-assigning party shall be void. If the non-assigning party gives its consent to any assignment, the terms of this Agreement shall continue in full force and effect and no further assignment shall be made without additional written consent. The parties recognize that the PSRFA may enter additional interlocal agreements with other government agencies for the performance of the work called for in this Agreement. The parties also recognize that the PSRFA may become a party to an interlocal agency in conjunction with other south county municipalities for the purpose of performing the work called for in this Agreement. Covington agrees that by signing this Agreement, the performance of the work called for in this Agreement may be performed by an interlocal agency in which the PSRFA is a party, and that emergency management personnel who are employed by jurisdictions other than the PSRFA which are a party to that other interlocal agreement may perform the work called for in this Agreement; provided that all other terms of this Agreement shall apply to the performance of the work in Covington.

12.2. Property Ownership. This Agreement does not provide for jointly owned property. All property presently owned or hereafter acquired by a party to enable it to perform the
services required under this Agreement, shall remain the property of the acquiring party in the event of the termination of this agreement.

12.3. **Notices.** All notices, requests, demands and other communications required by this agreement shall be in writing and, except as expressly provided elsewhere in this agreement, shall be deemed to have been given at the time of delivery if personally delivered or at the time of mailing if mailed by first class, postage pre-paid and addressed to the party at its address as stated in this agreement or at such address as any party may designate at any time in writing.

12.4. **Severability.** If any provision of this agreement or its application is held invalid, the remainder of the agreement or the application of the remainder of the agreement shall not be affected.

12.5. **Modification.** This agreement represents the entire agreement between the parties. No change, termination or attempted waiver of any of the provisions of this agreement shall be binding on either of the parties unless executed in writing by authorized representatives of each of the parties. The agreement shall not be modified, supplemented or otherwise affected by the course of dealing between the parties.

12.6. **Benefits.** This agreement is entered into for the benefit of the parties to this agreement only and shall confer no benefits, direct or implied, on any third persons.

12.7. **Non-Exclusive Agreement.** The parties to this agreement shall not be precluded from entering into similar agreements with other municipal corporations.

12.8. **Equipment/Uniforms.** The following equipment will be issued by PSRFA and Covington: PSRFA will provide a Cell phone, Lap Top, Radio, Uniform & PPE, Covington will provide a Work Station, Computer with access to City drives, printer and an optional Covington uniform.

12.9. **Filing/Web Site.** This Agreement shall either be filed with the County Auditor or by listing on either of the party’s websites in accordance with RCW 39.34.040.

---

**COVINGTON:**

CITY OF COVINGTON:

By: __________________________

Print Name: Regan Bolli
Its: City Manager

DATE: __________________________

---

**PSRFA:**

THE PUGET SOUND REGIONAL FIRE AUTHORITY:

By: __________________________

Print Name: Matthew Morris
Its: Fire Chief

DATE: __________________________

---

Emergency Management Interlocal
NOTICES TO BE SENT TO:

Don Vondran, Public Works Director
City of Covington
16720 SE 271st Street, Suite 100
Covington, WA 98042

(253) 480-2400 (telephone)
(253) 480-2401 (facsimile)

NOTICES TO BE SENT TO:

Matthew Morris, Chief
Puget Sound PSRFA
24611 116th Ave SE
Kent, WA 98030

(253) 856-4300 (telephone)
(253) 856-6300 (facsimile)

APPROVED AS TO FORM:

Kathy Hardy
City Attorney

APPROVED AS TO FORM:

Brian Snure,
PSRFA Attorney
SUBJECT: DISCUSS AND CONSIDER ACTION ON SUPPORTING THE MASTER BUILDERS COMMENT LETTER TO THE PUGET SOUND REGIONAL COUNCIL (PSRC) UPDATE TO VISION 2050.

RECOMMENDED BY: Richard Hart, Community Development Director

ATTACHMENT(S):
1. Draft Cover Letter from Master Builders to PSRC on Vision 2050-Coalition of Local Governments and Stakeholders.
2. Draft Comment Letter from Master Builders to PSRC on Vision 2050-Impacts and Issues.

PREPARED BY: Richard Hart, Community Development Director

EXPLANATION:
The Master Builders Association of King and Snohomish Counties is working with various cities in PSRC’s four county region to develop a coalition that will provide a common comment letter that supports the efforts of all cities within PSRC’s jurisdiction to ensure that issues and concerns are fully understood, addressed, and reflected in their Vision 2050 Update. The Master Builders has met with various local government staffs and is seeking support from city councils for both a cover letter (See Attachment 1) and a general comment letter (See Attachment 2).

Staff feels the draft comment letter relating to the issues of The Regional Growth Strategy, Housing Affordability, and the Framework for Vision 2050 directly reflects the City of Covington’s concerns in the Vision 2050 Update. City staff would request that the city council support the Master Builders effort in this coalition and agree to sign both the final cover letter and general comment letter to PSRC as part of their scoping process for the Vision 2050 Update.

ALTERNATIVES:
Decline to sign the cover letter and general comment letter to PSRC on Vision 2050 Update.

FISCAL IMPACT:
None.

CITY COUNCIL ACTION: _____Ordinance _____Resolution X Motion _____Other

Council member ___________ moves, Council member _______________ seconds, to authorize the Mayor to sign the cover letter and general comment letter to PSRC on their Vision 2050 Update.

REVIEWED BY: City Manager; City Attorney; & Finance Director.
DATE

RE: PSRC Vision 2050 – Coalition of local governments and stakeholders

Dear colleagues and partners:

PSRC is currently in the scoping process for the update to Vision 2040. The policies and requirements within VISION 2050 will have a major impact on jurisdictions, stakeholders, taxpayers and families throughout the four-county region. Its policies will influence how cities and counties are required to plan for future growth going forward.

Many local governments and stakeholder groups have provided comments individually to PRSC regarding actions and issues that need to be addressed in the update. However, in areas where we share common concerns, we’d like to propose that we will be more effective if we come together and speak as one voice to PSRC staff and leadership. We will be most effective if we work together on a well-coordinated strategy, including active participation with a keen focus on actions, outcomes, and decisions that will benefit those we serve.

Attached is a letter that was jointly drafted by local governments and stakeholders who want to come together during this process. We ask that you join with us in voicing our concerns and expectations to PSRC related to what we want to see in VISION 2050.

We drafted the letter after reviewing scoping comment letters submitted to PSRC and have done our best to consolidate several big issues into one joint statement. We understand that some of these issues may be more important to your city/county or stakeholder group than others. However, we hope you will see that if we join together, our voice will be stronger.

This letter would be the first step in our coalition’s active engagement with PSRC on the important issues we would like to see addressed. We plan to coordinate with you over the next two years to ensure we are working together, speaking up, and providing a consistent message throughout the process. We hope those on the Growth Management Policy Board and Executive Board will also carry our message to PSRC staff and leadership. Lastly, we understand that many local governments and stakeholder groups may not have a voice at PSRC. We hope that this will be a mechanism to ensure your voice is heard.

Next steps
PSRC is concluding the scoping process therefore it is important that we move quickly. We ask that you consider this request to come together and sign the attached letter on behalf of your city/county or organization. If you could send it to us by PDF and include your city/county or organization logo as well, we will consolidate everyone’s signature into one letter. However, we need to send this no later than May 25th, 2018. We do understand that it takes time to move these issues through a council or board but hopefully this will allow you to take the time.

If you have any questions about why we are engaging in this process, how you can get involved, or have any concerns, just let us know. Our contact is Patricia Akiyama, external relations manager at the Master
Builders Association of King and Snohomish Counties. She will be coordinating our coalition efforts moving forward. You can reach Patricia at pakiyama@mbaks.com or 425-457-7067.

We hope that you will take action and join our efforts to strengthen our collective voices at PSRC as this process moves forward. By proactively working together, we know we will obtain results that will benefit our communities.

Regards,
DATE

Josh Brown, Executive Director
PSRC
1011 Western Ave Suite 500
Seattle, WA

Dear Josh,

The VISION 2050 update will have a major impact on jurisdictions, stakeholders, taxpayers and families throughout the four-county region. It is therefore imperative that the scope of the Vision update is representative of the four county region and that the scope of the project addresses critical issues that are important to our communities and businesses. We are very concerned that the current scope will not address critically important issues. A course correction is needed.

Several local governments and stakeholders have come together to form a “working coalition” to ensure that issues and concerns we have in common are fully understood, addressed and reflected in VISION 2050. While the intent of PSRC is to represent the four-county region in an equitable way, many of the key policy decisions focus and converge around the most urbanized areas of King County – Seattle and surrounding cities. This does not represent a “regional” approach to planning. As jurisdictions and stakeholders, we believe that our equally-important issues, challenges and considerations are not being addressed.

We engage as much as possible in the work of PSRC’s 23 boards and committees, however, it is challenging to fully and consistently participate in the processes and to follow the complicated and lengthy decision-making process. While each of us works to address matters of concern to our respective jurisdiction and stakeholders, there are three foundational issue areas that we agree should receive dedicated attention, input and discussion in the PSRC Vision 2050 update or in parallel to that process.

1. The Regional Growth Strategy is misaligned and not effective

The process of distributing growth using Regional Geographies is not accounting accurately or reflecting market trends impacting how and where growth is actually occurring. The current system relies on a notion (or hopeful assumption) that growth patterns are driven only by policy, growth targets and zoned capacity. True in some respects, but hardly the whole story. This approach does not consider:

- Differences between communities and how that drives and impacts growth;
- Existing population capacity and preferences that impact or influence where growth will or can occur;
- The impact of increasing regulation on the goal of encouraging urban growth; or
- Significant market factors that drive development and redevelopment of land.

Since there is no requirement for accuracy in the growth target setting process, or goals and performance-based metrics, there is no accountability when targets miss the mark. This deficiency in what is the heart of a planning document is profound. It creates a growth target-setting process that is
more aspirational than realistic and invites local governments to adopt targets that are not likely going to be achieved in reality. It also penalizes some jurisdictions who actively encourage urban growth within their cities by trying to suppress that growth even when there is market demand. Vision never was designed to set maximum targets. This has created a domino effect as inaccurate growth targets adversely impact capital facility plans and undermine school districts and other service providers who rely on the accuracy of the planning work.

As VISION 2050 is scoped and drafted, we believe the following must be studied and discussed with the GMPB and Executive Committee for incorporation into the final document:

- **Eliminate the Regional Geographies growth allocation process.** It simply adds another unneeded layer of complexity and adds no value. Utilize existing processes outlined in the Growth Management Act (GMA) for growth allocations. This approach puts the onus on local governments with the local knowledge and insight to make smart decisions about where growth should be allocated within their respective counties. Further, while there is a desire for UGAs to be remain static over the long term, sub-regional data should drive these decisions, not an aspirational growth target setting process. Cities and counties, through the adopting of Countywide Planning Policies, are in the best position to do this and an additional layer of required policies regarding the growth allocation process are redundant.

  OR

- **Make it clear that Regional Geographies process of allocating growth provides guidance to local governments and are not required to be adopted.** If the Regional Geographies system remains within Vision, we ask that it be made clear that the targets identified are provided as guidance to local governments and are not prescriptive. Any policies regarding growth target setting must recognize local market realities and dynamics.

- **Create incentives through transportation budget investments.** Transportation investments should focus on those communities and Centers that adopt appropriate growth targets, implement measures to encourage urban growth, and show measurable progress towards reaching those targets.

There are many unincorporated urban areas in our region that should be provided substantial transportation investments but fall “below the line” because they are not designated as a Center. Continuing this path will create a greater gap between areas that receive transportation funding and those that do not. While focusing growth in designated Centers may make sense much of the time, it doesn’t always make sense. This must be revisited so we invest smartly as our region grows and do not rest on policies that may not always make sense for our region.

Many stakeholders have recorded their disappointment that PSRC opted to update the Centers Framework prior to completing the Vision 2050 update. This cart-before-the-horse situation should not be allowed to avoid the difficult discussions and the ultimate policy outcomes that emerge from the Vision 2050 update. If necessary, retroactive changes may be needed to adjust the Centers Framework, and all stakeholders approach the process with this in mind. These decisions are far too important to the future of our region to deflect or ignore.
It has also become apparent that PSRC may be limiting the scope of the Vision update based upon a need to complete the project by mid-2020. We understand that this is an important milestone given local governments must update their comprehensive plans in 2023 and 2024 respectively. While this is important, it cannot be used as a reason to not address critically important issues as part of the Vision update. PSRC staff has been notified for several years that the Vision update would require some comprehensive analysis and changes. They were also encouraged, as early as 2015, to begin the Vision update sooner than planned in anticipation of substantial changes being needed. With the changes happening on our region, this is the time to fully vet these important issues.

2. Housing affordability is fundamental to job growth

We are faced with a housing affordability crisis in our region that VISION 2050 must squarely address. Affordable condominiums, townhouses, duplexes and other multifamily options are not being built in the region — leaving people with no alternative but to move further from job centers to find the type of housing they can afford. This is acutely true for most first-time homebuyers. If new solutions and approaches are not implemented, this trend will continue. The burden of already-clogged transportation corridors and ever-increasing travel times will undermine economic sustainability, social vitality and quality of life in our communities and region. We must have a realistic plan, that relies on sound data, so growth and jobs are focused near where people are moving. Our current strategy is not working. We cannot plan for or influence the future if we don’t honestly recognize and acknowledge where we stand right now. Current policies will continue to force people to move further and further away from Centers until they find a home they can afford. With current market dynamics, it will be too expensive for many people to live near mass transit options — especially in places where infrastructure is years or decades away. They will not be able to find the type of housing they desire. We must address these difficult issues with realistic planning and new ideas for the long term.

3. Framework for VISION 2050: Big picture issues

We ask that the following be studied, discussed with the GMPB and Executive Committee, and considered for inclusion or discussed in parallel with the VISION 2050 update:

- Multi-County Planning Policies (MPPs) that require local government action but that do not include dedicated funding should not be included in Vision 2050.
- MPPs that do not add value to the region or add to the value/use of the document should be deleted. A shorter, more concise document is important to make it more useable, transparent, accessible and influential.
- Many of the MPPs are simply redundant to policies already provided for within Countywide Planning Policies and are not necessary at the regional level. This must be addressed. We cannot afford to have planning processes that are not streamlined.
- Vision is in conflict with the GMA in many areas and this must by synced up. This includes limiting the ability of Urban Growth Areas to encourage Urban Growth in some smaller cities and limiting their ability to grow as the GMA intended. Further, the certification process under Vision must fall in line with the GMA planning process.
- It is time to address the expanding scope of PSRC in relation to the Interlocal Agreement and By-Laws. The purpose and mandate of the organization seems to be 'creeping' far beyond what was originally intended and approved.
- PSRC review of comprehensive plans should be limited, sharply focused and occur within the appeal period prescribed in the GMA. We also urge you to help stakeholders better understand why/how the Vision adds desired results, beyond those achieved by simply meeting the GMA requirements, when it does not appear to add measurable value to the planning initiatives of local jurisdictions. Given the enormous cost this additional planning adds to local governments, this issue is critically important.

We appreciate this opportunity to engage with you early in the update process. Our commitment is to work cooperatively and collaboratively with you on the complex planning issues we all share to produce outcomes that will that will positively impact our communities and region for years to come. As a coalition of local governments and stakeholders, we will stay actively engaged throughout this process. Please consider these comments as part of the documented record that PSRC is creating in order to shape this important update process.

If you have any questions or wish to meet to talk about these issues, please contact Patricia Akiyama, external relations manager at the Master Builders Association of King and Snohomish Counties, who will be coordinating our coalition efforts moving forward. You can reach Patricia at pakiyama@mbaks.com or 425.457.7067.
Agenda Item 4  
Covington City Council Meeting  
Date: May 8, 2018

SUBJECT: 2018 FIRST QUARTER FINANCIAL REPORTS

RECOMMENDED BY: Rob Hendrickson, Finance Director

ATTACHMENT(S):
1. 2018 First Quarter Report
2. Quarterly Performance Reports by Fund
3. Major Revenue Comparison
4. Current Investment Listing

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.

ALTERNATIVES:
N/A

FISCAL IMPACT:
None.

CITY COUNCIL ACTION: _____ Ordinance _____ Resolution _____ Motion  X Other

ASK QUESTIONS OF STAFF

REVIEWED BY: City Manager
United States
- The economic expansion continues but at a slower pace although consumer confidence remains high.
- The U.S. Labor market added 103,000 net new jobs in March.
- U.S. manufacturing activity expanded for the 19th straight month.
- U.S. residential construction activity slowed in February.

Washington
- Car and truck sales increased in March after 3 straight months of decreases.
- Washington initial claims for unemployment insurance reached a new all-time low.
- Seattle home prices rose by the highest percentage in the country—12.8% in 2017 y/y. (per S&P/Case-Schiller Natl Home Price Index)
- Washington personal income growth was 4.8%. Easily outpacing the nation’s growth rate which was 3.1%.
- Housing construction has been close to the February forecast.
- Seattle area CPI outpaces the nation at 3.3% compared to the rest of the nation at 2.3%.

Quarterly Summary
First quarter 2018 continues the trends seen in 2017. Major revenues such as sales, utility, and REET taxes are continuing their strong showing. It’s difficult to forecast based on first quarter results since some revenues aren’t collected until later quarters, but unless there is some economic catastrophe in the near future, all funds should continue moving forward without any bumps. Sales tax collections were the highest first quarter collections in the city’s history and REET is surpassing previous highs with home sales and the commercial sale of Covington Square.

Rob Hendrickson, Finance Director

Inside this issue:

<table>
<thead>
<tr>
<th>Category</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>Property Tax</td>
<td>2</td>
</tr>
<tr>
<td>Real Estate Excise Tax</td>
<td>2</td>
</tr>
<tr>
<td>Retail Sales and Use Tax</td>
<td>3</td>
</tr>
<tr>
<td>Utility Tax</td>
<td>3</td>
</tr>
<tr>
<td>General Fund</td>
<td>4</td>
</tr>
<tr>
<td>Public Works</td>
<td>5</td>
</tr>
<tr>
<td>Development Services</td>
<td>5</td>
</tr>
<tr>
<td>Parks, Aquatics, Recreation,</td>
<td>5</td>
</tr>
<tr>
<td>Cash and Investments</td>
<td>6</td>
</tr>
<tr>
<td>Capital investment Program</td>
<td>7</td>
</tr>
</tbody>
</table>

39 of 55
Property Tax
(cash basis)

Property tax is collected by King County and distributed on a daily basis to all taxing agencies within the county. Since taxes are due on April 30 and October 30 each year, the major distributions are realized in early May and November.

Through 1st quarter the city received $95,176 or 3.5% of budget. This is 5.1% or $4,654 ahead of 2017 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 tax revenues are unrestricted. As such they may be used to pay for any need within the city.

Currently, property taxes are allocated 100% to the general fund.

The 2017 levy for 2018 collection is $2,748,267 and the levy rate is $1.12/$1,000 assessed value. The legal cap for property tax collections is $2.10/$1,000 assessed value.

The city’s assessed valuation is $2.5 billion—an increase of $257 million or 11.6% over the previous year.

Real Estate Excise Tax (REET)
(cash basis)

REET is a restricted revenue dedicated to paying debt service on the 2007 transportation bonds which paid for 168th Place SE/165th Place SE 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 which is divided into two quarter percents.

Through March, collections are $223,956 or 32.0% of the $700,000 budget. This is $24,217 or 12.1% higher than 2017 due to a large number of lot sales, rising home prices, and a strong economy.

There were 15 new home sales, 75 existing home sales, and 1 commercial sale through 1st quarter.
Retail Sales & Use Tax  
(cash basis)

Sales and use tax is the largest revenue source available to the city. The 1st quarter outpaced 2017 levels by $98,151 or 8.2%. Total collections are at $1,291,608 or 30.8% of the $4,200,000 budget. Cumulatively comparing each category y/y to 2017 shows that retail came in ahead at 14.9% and construction was down by 21.2%. Food services was positive 4.8% for the quarter while the "all other" category was up 28.5%.

<table>
<thead>
<tr>
<th></th>
<th>2016</th>
<th>2017</th>
<th>2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>341</td>
<td>383</td>
<td>416</td>
</tr>
<tr>
<td>2</td>
<td>759</td>
<td>827</td>
<td>931</td>
</tr>
<tr>
<td>3</td>
<td>1,033</td>
<td>1,193</td>
<td>1,292</td>
</tr>
<tr>
<td>4</td>
<td>1,322</td>
<td>1,579</td>
<td>1,292</td>
</tr>
<tr>
<td>5</td>
<td>1,673</td>
<td>1,910</td>
<td>1,292</td>
</tr>
<tr>
<td>6</td>
<td>2,031</td>
<td>2,295</td>
<td>1,292</td>
</tr>
<tr>
<td>7</td>
<td>2,435</td>
<td>2,676</td>
<td>1,292</td>
</tr>
<tr>
<td>8</td>
<td>2,818</td>
<td>3,072</td>
<td>1,292</td>
</tr>
<tr>
<td>9</td>
<td>3,260</td>
<td>3,542</td>
<td>1,292</td>
</tr>
<tr>
<td>10</td>
<td>3,656</td>
<td>4,350</td>
<td>1,292</td>
</tr>
<tr>
<td>11</td>
<td>4,079</td>
<td>4,751</td>
<td>1,292</td>
</tr>
<tr>
<td>12</td>
<td>----</td>
<td>----</td>
<td>----</td>
</tr>
</tbody>
</table>

Utility Tax  
(cash basis)

The city imposes a utility tax on electrical energy, natural gas, brokered natural gas, and telephone at the rate of 6.0%. Solid waste, cable TV, and SWM are taxed at an 8.0% rate. Utility tax supports the general fund, debt service and streets.

The 1st quarter y/y is down by $46,381 or 9.6% while total collections are $435,735 or 19.0% of budget and $163,192 or 7.6% below 2017. Three categories are negative, two of which are payment timing issues while the other (Cable) is down for unknown reasons.

The T-Mobile audit is complete. A check was received totaling $10,422 for the three-year audit period. Moving forward, there will be some small amount added to their collections.

<table>
<thead>
<tr>
<th>Utility</th>
<th>2017</th>
<th>2018</th>
<th>Δ</th>
</tr>
</thead>
<tbody>
<tr>
<td>Electricity</td>
<td>$146,547</td>
<td>$156,132</td>
<td>$9,585</td>
</tr>
<tr>
<td>Natural Gas</td>
<td>81,330</td>
<td>88,422</td>
<td>7,092</td>
</tr>
<tr>
<td>Solid Waste</td>
<td>46,800</td>
<td>17,131</td>
<td>(29,669)</td>
</tr>
<tr>
<td>Cable</td>
<td>117,445</td>
<td>114,038</td>
<td>(3,407)</td>
</tr>
<tr>
<td>Telephone</td>
<td>89,171</td>
<td>51,132</td>
<td>(38,039)</td>
</tr>
<tr>
<td>SWM</td>
<td>823</td>
<td>8,880</td>
<td>8,057</td>
</tr>
<tr>
<td>Total</td>
<td>$482,116</td>
<td>$435,735</td>
<td>($46,381)</td>
</tr>
</tbody>
</table>

MARCH 31, 2018
GENERAL FUND
(cash basis)

Operating revenues are 17.5% of budget or $2.7 million. This exceeds 2017 levels by $186,975. Sales, utility, and property tax collections are detailed on pages 2 and 3 and parks revenue is reviewed on page 5.

Total expenditures including transfers out are $1,726,076. This is an increase in spending of 13.8% or $209,862 over the same period last year.

Overall, 11.6% of the budget was spent.

Fund balance at year end is $9,531,104. This is $2,583,709 above the 2016 ending fund balance.

### GENERAL FUND DEPARTMENT BUDGET UPDATE

<table>
<thead>
<tr>
<th>Department</th>
<th>YTD - 2017</th>
<th>% of Budget</th>
<th>YTD - 2018</th>
<th>% of Budget</th>
</tr>
</thead>
<tbody>
<tr>
<td>City Council</td>
<td>$66,969</td>
<td>38.8%</td>
<td>$68,400</td>
<td>37.2%</td>
</tr>
<tr>
<td>Municipal Court</td>
<td>71,057</td>
<td>14.2%</td>
<td>72,922</td>
<td>13.1%</td>
</tr>
<tr>
<td>Executive</td>
<td>199,920</td>
<td>18.9%</td>
<td>253,799</td>
<td>22.4%</td>
</tr>
<tr>
<td>Finance</td>
<td>140,001</td>
<td>22.5%</td>
<td>184,651</td>
<td>26.4%</td>
</tr>
<tr>
<td>Legal</td>
<td>7,962</td>
<td>3.7%</td>
<td>37,864</td>
<td>18.6%</td>
</tr>
<tr>
<td>Human Resources</td>
<td>142,785</td>
<td>31.2%</td>
<td>116,930</td>
<td>27.8%</td>
</tr>
<tr>
<td>Central Services</td>
<td>304,638</td>
<td>70.5%</td>
<td>279,606</td>
<td>35.7%</td>
</tr>
<tr>
<td>Law Enforcement</td>
<td>3,718</td>
<td>0.1%</td>
<td>4,907</td>
<td>0.1%</td>
</tr>
<tr>
<td>Community Development</td>
<td>73,395</td>
<td>17.1%</td>
<td>78,851</td>
<td>14.8%</td>
</tr>
<tr>
<td>Parks Maintenance</td>
<td>68,639</td>
<td>17.0%</td>
<td>72,073</td>
<td>12.0%</td>
</tr>
<tr>
<td>Aquatics</td>
<td>220,614</td>
<td>20.0%</td>
<td>251,446</td>
<td>17.7%</td>
</tr>
<tr>
<td>Recreation &amp; Cultural Arts</td>
<td>131,075</td>
<td>18.4%</td>
<td>160,157</td>
<td>19.3%</td>
</tr>
<tr>
<td>Parks</td>
<td>65,019</td>
<td>17.2%</td>
<td>79,478</td>
<td>19.8%</td>
</tr>
<tr>
<td>Operating Transfers Out</td>
<td>20,422</td>
<td>1.5%</td>
<td>64,992</td>
<td>2.25%</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td><strong>$1,516,214</strong></td>
<td><strong>12.6%</strong></td>
<td><strong>$1,726,076</strong></td>
<td><strong>11.6%</strong></td>
</tr>
</tbody>
</table>
PUBLIC WORKS  
(cash basis)

Public Works consists of street operations and surface water management (SWM).

Street operations is funded by franchise fees received from Comcast, a motor vehicle fuel excise tax, and motor vehicle license fees.

Comcast franchise fees are ahead of forecast at $69,360 or 25.9%.
Total operating revenues are $258,086 and other financing sources are $40,829. At $298,915, this puts total revenue sources at 24.6% for the 1st quarter.

Gas tax came in slightly below budget. The amount received is $103,025 or 24.0% of budget. This is higher than 2017 by $9,783 or 10.5%.

Motor vehicle license fees are at $76,963 or 24.8% of budget.
Total expenditures are on budget at 20.1% or $286,302.
Street operating revenues are less than operating expenditures by $13,087. Operating transfers of $40,624 from the general fund help offset that deficit.

Ending fund balance for Streets is $406,623 a decrease of $131,231.
SWM is primarily funded through drainage fees collected by King County and distributed to the city. Collections through December are $78,963 or 3.6% of budget. Total revenues are at 3.5% or $83,628.
Total expenditures are at 79.3% or $452,041—$125,471 below 2017 due to decreased capital project costs.

DEVELOPMENT SERVICES  
(cash basis)

Total revenue is at $448,790 or 39.8% of forecast. This is a $38,863 decrease over 2017. Charges for Services declined in 2018.
The number of permits for single family residences are at 16 compared to 15 in 2017. There are no multi-family permits and 5 commercial permits year-to-date.

Operational expenditures came in at 19.7% or $339,216.

Ending fund balance for 2017 was $4,541,778 an increase of $915,922.

AQUATICS, RECREATION and CULTURAL ARTS  
(cash basis)

Parks' activities now reside within the general fund. Parks is divided into three divisions: aquatics, maintenance, recreation and cultural arts, and parks administration. Two divisions bring in revenue: aquatics, and recreation and cultural arts.

First quarter budget-to-actual aquatics revenue is $165,089 or 22.3%; and recreation and cultural arts is $86,673 or 31.9%.

Total year-to-date attendance for aquatics is 26,915—371 patrons less than 2017. Athletics had 650 participants and recreation 261. 2017 had 536 and 231 participants respectively y/y.

Operating expenditures for the two divisions total $411,603 which exceeds corresponding revenue by $159,841.
The individual expenditure breakdown is as follows: aquatics is $251,446; and recreation and cultural arts is $160,157.
CASH & INVESTMENTS

Cash and investments total $23,130,800. This exceeds December 2017 by $4,764,230. The largest gainers are the general fund development services, and capital. The Street Fund and Equipment Replacement Fund declined.

The Local Government Investment Pool (LGIP) earned 1.58% in March 2018. The City has $16,601,654 invested with the LGIP. (as of Mar 2018)

Investments outside the LGIP total $6,449,762 (market value).

They are currently all US Government Agencies.

The weighted yield of the portfolio with the state pool is 1.48% and without the pool is 1.27%. Average days to maturity with the pool is 171 days or 0.47 years and without the pool is 550 days or 1.50 years.

Cash on hand is kept at US Bank and various petty cash funds throughout the City. Investment securities are kept with US Bank Safekeeping.

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

<table>
<thead>
<tr>
<th>TOTAL GENERAL LEDGER CASH ACCOUNTS</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>INVESTMENTS</strong></td>
</tr>
<tr>
<td>GENERAL FUND</td>
</tr>
<tr>
<td>STREET FUND</td>
</tr>
<tr>
<td>CONTINGENCY FUND</td>
</tr>
<tr>
<td>CUMULATIVE RESERVE FUND</td>
</tr>
<tr>
<td>REET 4th 1/4% FUND</td>
</tr>
<tr>
<td>REET 4th 1/4% FUND</td>
</tr>
<tr>
<td>DEVELOPMENT SERVICES FUND</td>
</tr>
<tr>
<td>LID 99.01 FUND</td>
</tr>
<tr>
<td>CAPITAL IMPROVEMENT PROGRAM</td>
</tr>
<tr>
<td>SURFACE WATER MANAGEMENT</td>
</tr>
<tr>
<td>UNEMPLOYMENT INSURANCE</td>
</tr>
<tr>
<td>EQUIPMENT REPLACEMENT</td>
</tr>
<tr>
<td>TOTAL ALL FUNDS</td>
</tr>
</tbody>
</table>
CAPITAL INVESTMENT PROGRAM (cash basis)

The city has collected $197,558 in GMA mitigation fees, $3,922 in interest earnings and $52,569 in parks fees-in-lieu.

Please see the chart below for current CIP activity.

<table>
<thead>
<tr>
<th>Project #</th>
<th>Project Description</th>
<th>YTD Revenues</th>
<th>YTD Expenditures</th>
</tr>
</thead>
<tbody>
<tr>
<td>1010</td>
<td>Covington Community Park Phase 2</td>
<td>$257,409</td>
<td>$723,136</td>
</tr>
<tr>
<td>1014</td>
<td>Jenkins Creek Park</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>1019</td>
<td>SoCo Park</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>1028</td>
<td>Annual Road Overlay</td>
<td>0</td>
<td>7,031</td>
</tr>
<tr>
<td>1029</td>
<td>Annual Traffic Safety</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>1057</td>
<td>SR 516 Safety Widening</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>1086</td>
<td>164th AV SE</td>
<td>24,368</td>
<td>18,666</td>
</tr>
<tr>
<td>1127</td>
<td>SR 516 Widening at Jenkins Creek</td>
<td>1,348</td>
<td>5,993</td>
</tr>
<tr>
<td>1145</td>
<td>SE 256th St Culvert</td>
<td></td>
<td>705</td>
</tr>
<tr>
<td>1172</td>
<td>Covington Aquatic Center</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>1201</td>
<td>204th Connector</td>
<td>0</td>
<td>264</td>
</tr>
</tbody>
</table>

CITY OF COVINGTON

FINANCE DEPARTMENT

Rob Hendrickson—Finance Director
Casey Parker—Senior Accountant
Lindsay Hagen—Accountant I
Staci Cles—Senior Accounting Clerk
Shelley Wells—Finance Assistant
City of Covington  
Quarterly Performance Report - General Fund  
as of 3/31/2018

Chart 1
Total Revenue Bud v Act
Thousands of $

Chart 2
Total Rev v Exp
Thousands of $

Chart 3
Year over Year Revenue Comparison
Thousands of $

Chart 4
Total Exp Bud v Act
Thousands of $

Chart 5
Total Rev & Exp Bud v Act
Thousands of $

Chart 6
Revenues by Category
Rec and Cult Events 3.2%
Chgs for Goods & Svs 9.0%
Fines 0.9%
Inv Int 1.2%
Misc 1.7%
Prop Tax 3.5%
Sales Tax 47.8%

Chart 7
Expenditures by Category
Intgov Svs 39.2%
Cap Outlay 0.0%
Salaries 36.9%
Benefits 15.8%
City of Covington
Quarterly Performance Report - Street Operations
as of 3/31/2018

Chart 1
Budget Rev v Act

Thousands of $

Chart 2
Rev v Exp

Thousands of $

Chart 3
Year over Year Revenue Comparison

Charts for Goods & Svcs
Intergovernmental Revenues
Cable TV Franchise

Thousands of $

Chart 4
Budget Exp v Act

Thousands of $

Chart 5
YTD Budget v Actual Rev & Exp

Less: Operating Transfers and Other Financing Uses

Thousands of $

Chart 6
Cash Balance

Chart 7
Revenues by Category

Inv Int 0.2%
Misc 0.2%
Other Fin Sources 13.7%
Motor Vehicle License Fee 25.7%
Franchise 23.2%
IntGov Rev 36.8%

Chart 8 & 9
Expenditures by Category

Other Fin
Uses, 14.4
9.0, 3.1
Salaries, 583.3
5.0%
Benefits, 29.1%
Chgs for Svcs, 122.3
42.7%
Supplies, 46.4
10.9, 3.8%

Legend

Data in Thousands of $

<table>
<thead>
<tr>
<th>Year</th>
<th>Budget</th>
<th>Actual</th>
<th>$ Rem</th>
<th>% ColI Spent YTD</th>
<th>Actual</th>
</tr>
</thead>
<tbody>
<tr>
<td>2018</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Motor Vehicle License Fee</td>
<td>310.0</td>
<td>77.0</td>
<td>233.0</td>
<td>24.8%</td>
<td>68.9</td>
</tr>
<tr>
<td>Cable TV Franchise</td>
<td>268.0</td>
<td>69.4</td>
<td>198.6</td>
<td>25.9%</td>
<td>67.2</td>
</tr>
<tr>
<td>Intergovernmental Revenues</td>
<td>458.0</td>
<td>110.0</td>
<td>348.0</td>
<td>24.0%</td>
<td>96.4</td>
</tr>
<tr>
<td>Charges for Goods &amp; Svcs</td>
<td>10.0</td>
<td>0.4</td>
<td>9.6</td>
<td>4.4%</td>
<td>-</td>
</tr>
<tr>
<td>Investment Interest</td>
<td>3.7</td>
<td>0.7</td>
<td>3.0</td>
<td>10.4%</td>
<td>0.7</td>
</tr>
<tr>
<td>Miscellaneous</td>
<td>-</td>
<td>0.6</td>
<td>(0.6)</td>
<td>0.0%</td>
<td>-</td>
</tr>
<tr>
<td>Total Operating Revenues</td>
<td>1,049.7</td>
<td>250.1</td>
<td>792.2</td>
<td>24.6%</td>
<td>233.2</td>
</tr>
<tr>
<td>Operating Transfer In</td>
<td>162.5</td>
<td>40.8</td>
<td>121.7</td>
<td>25.1%</td>
<td>19.1</td>
</tr>
<tr>
<td>Total Sources</td>
<td>$ 1,212.2</td>
<td>$ 290.9</td>
<td>$ 913.3</td>
<td>24.7%</td>
<td>$ 252.4</td>
</tr>
</tbody>
</table>

Salaries & Wages $ 405.8 $ 83.3 $ 322.4 20.5% $ 93.1
Benefits 168.1 45.4 119.7 27.9% 45.4
Supplies 64.3 10.9 53.4 16.9% 17.3
Charges for Services 600.3 122.3 478.0 20.4% 147.5
Intergovernmental 98.0 9.0 89.0 9.2% 5.0
Capital 90.0 - 90.0 0.0% -
Total Operating Expenses 1,424.4 271.9 1,152.6 10.1% 298.3
Other Financing Uses - 14.4 (14.4) 0.0% -
Total Uses $ 1,424.4 $ 286.3 $ 1,138.1 20.1% $ 299.3
City of Covington
Quarterly Performance Report - Development Services
as of 3/31/2018

Chart 1

Revenue vs. Actual Revenue

Chart 2

Operating Transfer In

Chart 3

Year over Year Revenue Comparison

Chart 4

Budget vs Actual Revenue & Expenses

Chart 5

Cash & Investment Balance

Chart 6

Legend

- Cur Year
- Budget
- Actual

Data in Thousands of $”

Chart 7

# of SFR Permits - YTD

Chart 8

SFR Cumulative Permit Activity

Chart 9

SFR Permit Valuation - YTD

Chart 10

Revenues by Category

Chart 11

Expenditures by Category

Rj/hendrickson/Public/Quarterly Reports/Quarterly Charts/Dev Svcs Quarterly Charts/June report
City of Covington
Quarterly Performance Report - Development Services
as of 3/31/2018

**Chart 1** Bud v Act Revenue

**Chart 2** Rev v Exp

**Chart 3** Year over Year Revenue Comparison

**Chart 4** Bud v Act Expenditures

**Chart 5** Budget v Actual Rev & Exp

**Chart 6** Cash & Investment Balance

**Chart 7** # of SFR Permits - YTD

**Chart 8** SFR Cumulative Permit Activity

**Chart 9** SFR Permit Valuation - YTD

**Chart 10** Legenda

---

### Revenues by Category

<table>
<thead>
<tr>
<th>Category</th>
<th>2018 Budget</th>
<th>2018 Actual</th>
<th>% Diff</th>
<th>2017 Actual</th>
</tr>
</thead>
<tbody>
<tr>
<td>Licenses</td>
<td>$96.6</td>
<td>$263.3</td>
<td>29%</td>
<td>$26.6</td>
</tr>
<tr>
<td>Permits</td>
<td>519.0</td>
<td>244.9</td>
<td>47%</td>
<td>171.3</td>
</tr>
<tr>
<td>Intergovernmental Svs</td>
<td>-</td>
<td>0.3</td>
<td>0.0%</td>
<td>0.3</td>
</tr>
<tr>
<td>Charges for Services</td>
<td>456.9</td>
<td>173.2</td>
<td>34%</td>
<td>270.2</td>
</tr>
<tr>
<td>Interest Income</td>
<td>18.0</td>
<td>2.1</td>
<td>11%</td>
<td>7.8</td>
</tr>
<tr>
<td>Miscellaneous</td>
<td>-</td>
<td>-</td>
<td>0.0%</td>
<td>0.0</td>
</tr>
<tr>
<td><strong>Total Operating Revenues</strong></td>
<td>1,128.4</td>
<td>446.8</td>
<td>39%</td>
<td>485.7</td>
</tr>
<tr>
<td>Operating Transfer In</td>
<td>-</td>
<td>-</td>
<td>0.0%</td>
<td>-</td>
</tr>
<tr>
<td><strong>Total Sources</strong></td>
<td>$1,128.4</td>
<td>$446.8</td>
<td>39%</td>
<td>$485.7</td>
</tr>
</tbody>
</table>

### Expenditures by Category

<table>
<thead>
<tr>
<th>Category</th>
<th>2018 Actual</th>
<th>% Diff</th>
<th>2017 Actual</th>
</tr>
</thead>
<tbody>
<tr>
<td>Salaries &amp; Wages</td>
<td>$738.7</td>
<td>16%</td>
<td>$140.0</td>
</tr>
<tr>
<td>Benefits</td>
<td>224.1</td>
<td>26%</td>
<td>61.1</td>
</tr>
<tr>
<td>Supplies</td>
<td>11.1</td>
<td>21%</td>
<td>15.3</td>
</tr>
<tr>
<td>Charges for Services</td>
<td>122.3</td>
<td>16%</td>
<td>110.0</td>
</tr>
<tr>
<td>Intergovernmental Svs</td>
<td>123.1</td>
<td>10%</td>
<td>128.1</td>
</tr>
<tr>
<td><strong>Total Operating Expenses</strong></td>
<td>1,722.7</td>
<td>17%</td>
<td>1,383.5</td>
</tr>
<tr>
<td>Other Financing Uses</td>
<td>-</td>
<td>0.0%</td>
<td>-</td>
</tr>
<tr>
<td><strong>Total Uses</strong></td>
<td>$1,722.7</td>
<td>17%</td>
<td>$1,383.5</td>
</tr>
</tbody>
</table>

---

Legend:
- **Cur Year**
- **Budget**
- **Actual**

Data in Thousands of $
City of Covington  
Quarterly Performance Report - SWM Operations  
as of 3/31/2018

**Chart 1**  
Budget Rev v Act  

**Chart 2**  
Rev v Exp  

**Chart 3**  
Budget Exp v Act  

**Chart 4**  
Legend  

**Chart 5**  
Year over Year Drainage Fee Collections  

**Chart 6**  
Cash & Investment Balance  

**Chart 7**  
Revenues by Category  

**Chart 8**  
Expenditures by Category  

---

### Revenues by Category

<table>
<thead>
<tr>
<th>Category</th>
<th>2018 Budget</th>
<th>2018 Actual</th>
<th>% Diff</th>
<th>2017 Budget</th>
<th>2017 Actual</th>
</tr>
</thead>
<tbody>
<tr>
<td>Grants</td>
<td>$120.0</td>
<td>$120.0</td>
<td>0.0%</td>
<td>$120.0</td>
<td>$120.0</td>
</tr>
<tr>
<td>Intergovernmental Revenues</td>
<td>54.0</td>
<td>53.6</td>
<td>0.6%</td>
<td>54.0</td>
<td>53.6</td>
</tr>
<tr>
<td>Drainage Utility</td>
<td>2,159.8</td>
<td>2,120.8</td>
<td>1.7%</td>
<td>2,159.8</td>
<td>2,120.8</td>
</tr>
<tr>
<td>Other Svs and Charges</td>
<td>0.2</td>
<td>0.2</td>
<td>0.0%</td>
<td>0.2</td>
<td>0.2</td>
</tr>
<tr>
<td>Investment Interest</td>
<td>9.0</td>
<td>5.4</td>
<td>40.0%</td>
<td>9.0</td>
<td>5.4</td>
</tr>
<tr>
<td>Misc</td>
<td>3.6</td>
<td>3.6</td>
<td>0.0%</td>
<td>3.6</td>
<td>3.6</td>
</tr>
<tr>
<td>King County Flood Control</td>
<td>26.8</td>
<td>26.8</td>
<td>0.0%</td>
<td>26.8</td>
<td>26.8</td>
</tr>
<tr>
<td>Total Operating Revenues</td>
<td>2,409.6</td>
<td>2,325.9</td>
<td>3.5%</td>
<td>2,409.6</td>
<td>2,325.9</td>
</tr>
<tr>
<td>Transfers in</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Other Financing Sources</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Total Sources</td>
<td>$2,409.6</td>
<td>$2,325.9</td>
<td>3.5%</td>
<td>$2,409.6</td>
<td>$2,325.9</td>
</tr>
</tbody>
</table>

**Chart 9**  

**Chart 10 & 11**  

---

Note: Percentages may not equal 100% due to rounding.
## ATTACHMENT 3

### CITY OF COVINGTON

#### MAJOR REVENUE REVIEW

**2016 - Current**

<table>
<thead>
<tr>
<th>Source/Data</th>
<th>Budget vs Actual</th>
<th>Revenue by Month (shown on a cash basis)</th>
<th>High/Low</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>GENERAL FUND</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Sales Tax</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>QTR - QTR Revenues</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2016 Annual Revenues</td>
<td>$4,200,000</td>
<td>$1,291,600</td>
<td>30.8%</td>
</tr>
<tr>
<td>2016 Annual Revenues</td>
<td>$3,650,000</td>
<td>$4,448,844</td>
<td>22.5%</td>
</tr>
<tr>
<td><strong>Property Tax</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>QTR - QTR Revenues</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2016 Annual Revenues</td>
<td>$2,743,000</td>
<td>$95,170</td>
<td>3.0%</td>
</tr>
<tr>
<td>2016 Annual Revenues</td>
<td>$2,820,000</td>
<td>$2,061,681</td>
<td>90.4%</td>
</tr>
<tr>
<td><strong>Utility Tax</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>QTR - QTR Revenues</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2016 Annual Revenues</td>
<td>$2,171,009</td>
<td>$2,510,894</td>
<td>95.5%</td>
</tr>
<tr>
<td>2016 Annual Revenues</td>
<td>$2,279,043</td>
<td>$2,146,223</td>
<td>94.5%</td>
</tr>
<tr>
<td><strong>Aquatics Revenue/Attendance</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>QTR - QTR Revenues</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2016 Annual Revenues</td>
<td>$165,800</td>
<td>$165,099</td>
<td>94.9%</td>
</tr>
<tr>
<td>2016 Annual Revenues</td>
<td>$165,800</td>
<td>$165,099</td>
<td>94.9%</td>
</tr>
<tr>
<td><strong>Vehicle License Fees</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>QTR - QTR Revenues</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2016 Annual Revenues</td>
<td>$318,006</td>
<td>$66,801</td>
<td>34.8%</td>
</tr>
<tr>
<td><strong>Fuel Tax</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>QTR - QTR Revenues</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2016 Annual Revenues</td>
<td>$190,000</td>
<td>$213,213</td>
<td>95.9%</td>
</tr>
<tr>
<td><strong>Comcast Franchise Fees</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>QTR - QTR Revenues</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2016 Annual Revenues</td>
<td>$45,000</td>
<td>$103,005</td>
<td>35.3%</td>
</tr>
<tr>
<td><strong>Development Services Permitting Revenue/Activity</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>QTR - QTR Revenues</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2016 Annual Revenues</td>
<td>$171,000</td>
<td>$244,907</td>
<td>43.0%</td>
</tr>
<tr>
<td><strong>SWM Fees</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>QTR - QTR Revenues</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2016 Annual Revenues</td>
<td>$56,000</td>
<td>$76,994</td>
<td>35.1%</td>
</tr>
<tr>
<td><strong>Real Estate Excise Tax (REET)/Avg Sales Price/Unit</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>QTR - QTR Revenues</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2016 Annual Revenues</td>
<td>$196,000</td>
<td>$223,956</td>
<td>12.1%</td>
</tr>
<tr>
<td>Institution</td>
<td>Par/Shares</td>
<td>Maturity Date</td>
<td>Current Date</td>
</tr>
<tr>
<td>------------------------------</td>
<td>------------</td>
<td>---------------</td>
<td>--------------</td>
</tr>
<tr>
<td>US Bank - Cash</td>
<td>$42,828.28</td>
<td>overnight</td>
<td></td>
</tr>
<tr>
<td>Forfeiture Account</td>
<td>36,555.82</td>
<td>overnight</td>
<td></td>
</tr>
<tr>
<td>Local Government Investment Pool</td>
<td>16,801,053.74</td>
<td>overnight</td>
<td></td>
</tr>
<tr>
<td>US Government Agencies</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>PICO Strips</td>
<td>1,049,000.00</td>
<td>7/15/20</td>
<td>3/31/2018</td>
</tr>
<tr>
<td>RFCSP Strip Principal</td>
<td>1,058,000.00</td>
<td>10/15/20</td>
<td>3/31/2018</td>
</tr>
<tr>
<td>FICO Strip PRW13</td>
<td>1,020,000.00</td>
<td>12/27/19</td>
<td>3/31/2018</td>
</tr>
<tr>
<td>FNMA</td>
<td>1,000,000.00</td>
<td>8/28/19</td>
<td>3/31/2018</td>
</tr>
<tr>
<td>FNMA</td>
<td>1,000,000.00</td>
<td>11/27/19</td>
<td>3/31/2018</td>
</tr>
<tr>
<td>FHMLC</td>
<td>500,000.00</td>
<td>12/30/19</td>
<td>3/31/2018</td>
</tr>
<tr>
<td>FHLB</td>
<td>1,000,000.00</td>
<td>3/20/20</td>
<td>3/31/2018</td>
</tr>
<tr>
<td>subtotal</td>
<td>6,627,000.00</td>
<td></td>
<td>3/31/2018</td>
</tr>
</tbody>
</table>

-$23,308,037.84                 $6,498,386.27              $23,130,799.70
DISCUSSION OF FUTURE AGENDA TOPICS:

6:20 p.m. Tuesday, May 22, 2018 Special Meeting
Interviews for Youth Council & Arts Commission

7:00 Tuesday, May 22, 2018 Regular Meeting

(Draft Agenda Attached)
CALL CITY COUNCIL REGULAR MEETING TO ORDER – approximately 7:00 p.m.

ROLL CALL/PLEDGE OF ALLEGIANCE

APPROVAL OF AGENDA

PUBLIC COMMUNICATION
- Report on Green-Duwamish River, Pollutants and Otters (Michelle Wainstein, Woodland Park Zoo)

PUBLIC COMMENT Speakers will state their name, address, and organization. Comments are directed to the City Council, not the audience or staff. Comments are not intended for conversation or debate and are limited to no more than four minutes per speaker. Speakers may request additional time on a future agenda as time allows. *

APPROVE CONSENT AGENDA
C-1. Minutes: April 24, 2018 Study Session with Youth Council; April 24, 2018 Regular Meeting; and May 8, 2018 Special & Regular Meeting (Scott)
C-2. Vouchers (Hendrickson)
C-3. Appoint Voting Delegate for Association of Washington Cities 2018 Annual Business Meeting (Council)
C-4. Appoint Voting Delegate for the 2018 Puget Sound Regional Council General Assembly (Council)
C-5. Approve Easement with Puget Sound Energy for Transformer at Covington Community Park (Newton)
C-6. Approve Easement with Puget Sound Energy for Guy Wire Location at Covington Community Park (Newton)
C-7. Approve Easement with Covington Water District for Water Line at Covington Community Park (Newton)
C-8. Approve SoCo Park Acquisition Grant Agreement (Newton)

REPORTS OF COMMISSIONS
- Economic Development Co-Chair Josh Lyons
- Youth Council Member
- Human Services Chair Leslie Hamada
- Arts Chair Ed White
- Parks & Recreation Chair Laura Morrissey
- Planning Chair Chele Dimmett
PUBLIC HEARING
1. To Receive Public Testimony on Proposed 2019-2024 Transportation Improvement Program (Lindskov)

NEW BUSINESS
2. Consider Appointments to Arts Commission (Council)
3. Consider Appointment to Youth Council (Council)
4. Consider Resolution Naming the Covington Community Park Pavilion in Honor of Margaret Harto (Newton)
5. Consider Awarding Construction Contract for Covington Aquatic Center Fall Protection Project (Newton)
6. Discuss Ordinance Extending Comcast Cable TV Franchise for Five Years (Hardy)
7. 2018 Summit Action Items Update (Bolli)

FUTURE AGENDA ITEMS

COUNCIL/STAFF COMMENTS

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

EXECUTIVE SESSION – if needed

ADJOURN

Americans with Disabilities Act – reasonable accommodations provided upon request a minimum of 24 hours in advance (253-480-2400).