Tuesday, May 28, 2019
City Council Chambers
7:00 p.m.
16720 SE 271st Street, Suite 100, Covington

Council will interview applicants for the Arts Commission beginning at 5:20 p.m.

CALL CITY COUNCIL REGULAR MEETING TO ORDER – approximately 7:00 p.m.

ROLL CALL/PLEDGE OF ALLEGIANCE

APPROVAL OF AGENDA

PUBLIC COMMUNICATION

• End of Session Report (Trevor Justin, Gordon Thomas Honeywell)
• Recognition of Retiring Covington Master Police Officer Kyle Riches (Council)

RECEPTION TO HONOR MASTER POLICE OFFICER KYLE RICHES

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. Minutes: May 14, 2019 Special & Regular Meetings (Scott)
C-2. Vouchers [Parker]
C-3. Appoint Voting Delegates for the 2019 Association of Washington Cities Annual Business Meeting (Council)
C-4. Authorize Awarding the Construction Contract for the Lake at Winterwood Drainage Ditch Repair and Shoulder Regrading Project to Iron Creek Construction LLC (Lindskov)
C-5. Resolution Adopting Six-Year 2020-2025 Transportation Improvement Program (TIP) (Vondran)

REPORTS OF COMMISSIONS

• Economic Development Council
• Parks & Recreation Commission
• Planning Commission
• Youth Council
• Human Services Commission
• Arts Commission
NEW BUSINESS

1. Consider Appointments to Arts Commission (Council)
2. Consider Republic Services Request for a Recycle Processing Charge and Cedar Grove Tipping Fee (Vondran)
3. Selection of Signature Art Piece for Covington Community Park (Patterson)
4. 2019 First Quarter Financial Report (Parker)

FUTURE AGENDA ITEMS

COUNCIL/STAFF COMMENTS

PUBLIC COMMENT See guidelines 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 MINUTES: MAY 14, 2019 CITY COUNCIL SPECIAL MEETING - JOINT STUDY SESSION WITH GREEN RIVER COLLEGE REPRESENTATIVES MINUTES AND MAY 14, 2019 REGULAR MEETING MINUTES

RECOMMENDED BY: Sharon G. Scott, City Clerk

ATTACHMENT(S): Proposed Minutes

PREPARED BY: Joan Michaud, Senior Deputy City Clerk

EXPLANATION:

ALTERNATIVES:

FISCAL IMPACT:

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

Councilmember __________ moves, Councilmember __________ seconds, to approve the May 14, 2019 City Council Special Meeting – Joint Study Session with Green River College Representatives Minutes and May 14, 2019 Regular Meeting Minutes.
The Special Meeting - Joint Study Session with representatives of Green River College was called to order in the City Council Chambers, 16720 SE 271st Street, Suite 100, Covington, Washington, Tuesday, May 14, 2019, at 5:32 p.m., with Mayor Wagner presiding.

COVINGTON COUNCILMEMBERS PRESENT:
Jeff Wagner, Joseph Cimaomo, Jennifer Harjehausen, Margaret Harto, Fran Hollums, Marlla Mhoon, and Sean Smith.

COVINGTON STAFF PRESENT:
Regan Bolli, City Manager; Gina Estep, Community Development Director; Briahna Murray, City Lobbyist; and Sharon Scott, City Clerk/Executive Assistant.

GREEN RIVER COLLEGE REPRESENTATIVES PRESENT:
Dr. Suzanne Johnson, College President; Dr. Rolita Ezeonu, Vice President of Instruction; George Frasier, Vice President for College Advancement, Executive Director of College Foundation; Christie Gilliland, Dean of Fine Arts, Social Science, Tutoring and Resource Center and the Covington Project; and Sandra Davidson, Program Manager City of Covington & SE King County.

CALL TO ORDER:
Mayor Wagner called the special meeting to order at 5:32 p.m.

ITEMS FOR DISCUSSION:
The City Council met with the representatives of Green River College to discuss higher education in Covington and how Green River College could best meet those needs. The College and Council both agreed that there was not enough interest in Covington residents at this time to continue to offer higher education classes in Covington.

ADJOURNMENT:
There being no further business, the special meeting was adjourned at 7:47 p.m.

Prepared by:      Submitted by:
__________________________________  __________________________________
Joan Michaud      Sharon Scott
Sr. Deputy City Clerk      City Clerk
City of Covington
Regular City Council Meeting Minutes
Tuesday, May 14, 2019

The Regular Meeting of the City Council of the City of Covington was called to order in the City Council Chambers, 16720 SE 271st Street, Suite 100, Covington, Washington, Tuesday, May 14, 2019, at 7:00 p.m., with Mayor Wagner presiding.

COUNCILMEMBERS PRESENT:
Jeff Wagner, Joe Cimaomo, Jennifer Harjehausen, Margaret Harto, Fran Hollums, Marlla Mhoon, and Sean Smith.

STAFF PRESENT:
Regan Bolli, City Manager; Andrew McCurdy, Covington Police Chief; Ethan Newton, Parks & Recreation Director; Bob Lindskov, City Engineer; Gina Estep, Community Development Director; Casey Parker, Finance Director; and Sharon Scott, City Clerk/Executive Assistant.

Mayor Wagner opened the meeting with the Pledge of Allegiance.

APPROVAL OF AGENDA:
The agenda was approved as amended to move Consent Item C-5 to New Business.

PUBLIC COMMUNICATION:
• City Engineer Bob Lindskov accepted the May 19-25, 2019 National Public Works Week Proclamation.

PUBLIC COMMENT:
Mayor Wagner called for public comments.

Jonathan Ingram, Covington resident, announced that there would be a pet food drive on Saturday, June 1, from 12 noon to 5:00 p.m. at the Covington Safeway.

There being no further comments, Mayor Wagner closed the public comment period.

APPROVE CONSENT AGENDA:
C-1. Minutes: April 9, 2019 City Council Special and Regular Meetings Minutes; April 23, 2019 City Council Special Meeting – Study Session Minutes; and April 23, 2019 City Council Special (Interviews) & Regular Meetings Minutes.

C-2. Vouchers: Vouchers #38991- #39069, including ACH payments in the amount of $510,614.23, dated April 26, 2019; Paylocity Payroll Vouchers #1010280421 - #1010280433 inclusive, plus employee direct deposits and wire transfers, in the amount of $256,392.14, dated April 19, 2019; and Paylocity Payroll Vouchers #1010348953 - #1010348965 inclusive, plus employee direct deposits and wire transfers, in the amount of $226,383.85, dated May 3, 2019.

ORDINANCE NO. 07-2019

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF COVINGTON, KING COUNTY, WASHINGTON AMENDING THE CITY OF COVINGTON MUNICIPAL CODE (CMC) SECTIONS 14.30.050 AND 14.45.030(6) RELATING TO OPEN AND CLOSED RECORD PUBLIC HEARINGS AND APPEALS


The consent agenda was approved as amended to move Consent Item C-5 to New Business.

PUBLIC HEARING:

City Engineer Bob Lindskov gave the staff report on this item.

Councilmembers provided comments and asked questions, and Mr. Lindskov provided responses.

Mayor Wagner called for public comments for the public hearing.

Jonathan Ingram, Covington resident, praised the City Engineer for the work on the TIP.

Briana Walter, Covington resident, noted that the only documents she could find online were 2017-2022. Council responded that those were the most current approved documents.

There being no further comments, Mayor Wagner closed the public comment period.

NEW BUSINESS (MOVED FROM CONSENT C-5):
2. Resolution Authorizing City Manager to Execute Purchase and Sale Agreement for Acquisition of the Covington Elementary School Property.

City Manager Regan Bolli gave the staff report on this item.

RESOLUTION NO. 2019-04

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COVINGTON, KING COUNTY, WASHINGTON, AUTHORIZING THE CITY MANAGER TO EXECUTE A REAL ESTATE PURCHASE AND SALE AGREEMENT AND OTHER CLOSING DOCUMENTS FOR ACQUISITION OF THE COVINGTON ELEMENTARY PROPERTY
Council Action: Councilmember Cimaomo moved and Councilmember Mhoon seconded to adopt Resolution No. 2019-04, in substantial form as that provided in the agenda packet, to authorize the City Manager to execute a real estate purchase and sale agreement and other closing documents necessary to complete the purchase of the Covington Elementary School property. Vote: 7-0. Motion carried.

FUTURE AGENDA ITEMS:
Councilmembers reviewed future meeting agendas.

COUNCIL/STAFF COMMENTS:
Councilmembers and staff made comments.

Council Action: There was Council consensus to cancel the Regular Meeting on June 11 and hold only a Special Meeting for interviews for commissions and Youth Council. There was also Council consensus to cancel the Regular Meeting on August 27.

PUBLIC COMMENT:
Mayor Wagner called for public comments.

There being no comments, Mayor Wagner closed the public comment period.

ADJOURNMENT:
There being no further business, the meeting was adjourned at 7:50 p.m.

Prepared by:      Submitted by:

__________________________________      _______________________________________
Joan Michaud      Sharon Scott
Senior Deputy City Clerk    City Clerk
SUBJECT: APPROVAL OF VOUCHERS

RECOMMENDED BY: Casey Parker, Finance Director

ATTACHMENT(S): (Provided under separate cover.) Vouchers: Vouchers #39070- #39127, including ACH payments in the amount of $450,546.55, dated May 10, 2019; and Paylocity Payroll Vouchers #1010414755 - #1010414765 inclusive, plus employee direct deposits and wire transfers, in the amount of $226,510.62, dated May 17, 2019.

PREPARED BY: Casey Parker, Finance Director

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

Councilmember ________ moves, Councilmember ________ seconds, to approve for payment Vouchers: Vouchers #39070- #39127, including ACH payments in the amount of $450,546.55, dated May 10, 2019; and Paylocity Payroll Vouchers #1010414755 - #1010414765 inclusive, plus employee direct deposits and wire transfers, in the amount of $226,510.62, dated May 17, 2019.
SUBJECT: APPOINT VOTING DELEGATES FOR THE 2019 ASSOCIATION OF WASHINGTON CITIES ANNUAL BUSINESS MEETING

RECOMMENDED BY: Regan Bolli, City Manager

ATTACHMENT(S): None

PREPARED BY: Sharon Scott, City Clerk/Executive Assistant

EXPLANATION:
The Association of Washington Cities (AWC) will hold its annual business meeting this year on June 27 in Spokane. Each city selects up to three delegates to vote on AWC policy at the annual business meeting held during the conference. Also at the annual business meeting:

- You elect your board of directors – the people who guide your association’s activities.
- You debate the hot issues that impact cities.
- Hear about AWC’s legislative work and what happened during the legislative session directly from AWC’s lobbyists. Find out how it impacts your city and what bills survived.

Mayor Wagner and Councilmember Harto are registered to attend the conference.

ALTERNATIVES:
Not Applicable

FISCAL IMPACT:
None.

CITY COUNCIL ACTION: _____Ordinance _____ Resolution   X  Motion  _____ Other

Councilmember ___________ moves, and Councilmember _________________ seconds to appoint Mayor Wagner and Councilmember Harto as the voting delegates to represent the City of Covington at the 2018 Association of Washington Cities Annual Business Meeting.

REVIEWED BY: City Manager, City Clerk
SUBJECT: AUTHORIZEAWARDING THE CONSTRUCTION CONTRACT FOR THE LAKE AT WINTERWOOD DRAINAGE DITCH REPAIR AND SHOULDER REGRADING PROJECT

RECOMMENDED BY: Don Vondran, Public Works Director

ATTACHMENT(S):
1. MRSC Small Works Roster Bid Tabs

PREPARED BY: Robert Lindskov, City Engineer

EXPLANATION:
On April 11, 2019, the city requested bids, through the small works roster process, for the Lake at Winterwood Drainage Ditch Repair and Shoulder Regrading Project. The informal invitation for bids were due May 3, 2019.

The Lake at Winterwood Drainage Ditch Repair and Shoulder Regrading Project was identified as a priority project during the 2017 Surface Water Management (SWM) rate study. This project will clean and grade approximately 9,700 +/- linear feet of drainage ditch to establish flow lines between culverts. Vegetation will be removed that is in ditch lines and pipe ends. The contractor will also clean and regrade approximately 6,700 +/- linear feet of roadside shoulders. The contractor will provide gravel back fill to re-establish grades, slopes, and shoulders.

The city received three bids that ranged from $183,235.35 to $367,556.70. The Engineer’s Estimate was $177,289.50. The bidders and their respective bid amounts, including sales tax where applicable, are as follows:

<table>
<thead>
<tr>
<th>Bidder</th>
<th>Contract Bid</th>
</tr>
</thead>
<tbody>
<tr>
<td>Engineer’s Estimate</td>
<td>$177,289.50</td>
</tr>
<tr>
<td>1. Iron Creek Construction, LLC (Issaquah, WA)</td>
<td>$183,235.35</td>
</tr>
<tr>
<td>2. Maroni Construction, LLC (Enumclaw, WA)</td>
<td>$210,982.65</td>
</tr>
<tr>
<td>3. Mike McClung Construction Co. (Buckley, WA)</td>
<td>$367,556.70</td>
</tr>
</tbody>
</table>

Since the lowest bid is in line with the engineer’s estimate, we recommend awarding the project to Iron Creek Construction, LLC as the lowest responsive and responsible bidder.

FISCAL IMPACT:
This project is funded as part of the City’s Stormwater Management program. The SWM Rate Study, and subsequent budget, allocates approximately $100,000 (plus CPI) annually towards ditching and shoulder maintenance. Due to the large nature and cost of the Lake at Winterwood project, we needed to “save” the funds from 2018 in order to allocate enough funds for 2019 to
cover the costs of the project. The following breakdown will show how the completion of the project will most likely occur.

Lake at Winterwood Drainage Ditch Repair and Shoulder Regrading Project

2019 Budget:

<table>
<thead>
<tr>
<th>Construction</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>2019 SWM FUND DITCHING ALLOCATION</td>
<td>$102,000</td>
</tr>
<tr>
<td>2019 SWM FUND BALANCE (No 2018 project)</td>
<td>$102,000</td>
</tr>
<tr>
<td><strong>Total Budgeted</strong></td>
<td><strong>$204,000</strong></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Expenditures</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Construction Bid</td>
<td>$183,235</td>
</tr>
<tr>
<td>Contingency (10%)</td>
<td>$18,324</td>
</tr>
<tr>
<td><strong>Total Expenditures</strong></td>
<td><strong>$201,559</strong></td>
</tr>
</tbody>
</table>

With the funds budgeted in 2019 and the use of the SWM fund balance, the available funding more than cover the costs of the Lake at Winterwood Drainage Ditch Repair and Shoulder Regrading Project. A 10% contingency cost has been included to cover unforeseen issues/costs associated with the project.

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

Council member ______________ moves, Council member ______________ seconds, to award the bid for the Lake at Winterwood Drainage Ditch Repair and Shoulder Regrading Project and authorizes the City Manager to execute a contract with Iron Creek Construction LLC in the amount of $183,235.35.

REVIEWED BY:  City Manager, Finance Director, City Attorney
<table>
<thead>
<tr>
<th>Item No.</th>
<th>Description</th>
<th>Bid Quantity</th>
<th>Unit</th>
<th>Unit Rate</th>
<th>Total Amount</th>
<th>Unit Rate</th>
<th>Total Amount</th>
<th>Unit Rate</th>
<th>Total Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Unexpected Site Changes (WSDOT 1-04.4(1))</td>
<td>1</td>
<td>Lump Sum</td>
<td>$ 5,000.00</td>
<td>$ 5,000.00</td>
<td>$ 5,000.00</td>
<td></td>
<td></td>
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<tr>
<td>2</td>
<td>Mobilization, Cleanup, and Demobilization (WSDOT 1-09.7)</td>
<td>1</td>
<td>Lump Sum</td>
<td>$ 20,000.00</td>
<td>$ 20,000.00</td>
<td>$ 25,000.00</td>
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<td></td>
<td></td>
</tr>
<tr>
<td>3</td>
<td>Removal of Structures and Obstructions (WSDOT 2-02.5)</td>
<td>1</td>
<td>Lump Sum</td>
<td>$ 5,000.00</td>
<td>$ 12,650.00</td>
<td>$ 14,000.00</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>4</td>
<td>Ditch Cleaning and Regrading (Incl. Haul)</td>
<td>Approx. 9,700</td>
<td>Linear Feet</td>
<td>$ 7.25</td>
<td>$ 70,325.00</td>
<td>$ 6.11</td>
<td>$ 59,267.00</td>
<td>$ 18.00</td>
<td>$ 174,600.00</td>
</tr>
<tr>
<td>5</td>
<td>Shoulder Restoration (Incl. Haul)</td>
<td>Approx. 6,700</td>
<td>Linear Feet</td>
<td>$ 4.50</td>
<td>$ 30,150.00</td>
<td>$ 4.44</td>
<td>$ 29,748.00</td>
<td>$ 8.00</td>
<td>$ 53,600.00</td>
</tr>
<tr>
<td>6</td>
<td>5/8” Minus Crushed Surfacing Top Coarse (CSTC) (WSDOT 9-03.9(3))</td>
<td>150</td>
<td>Tons</td>
<td>$ 35.00</td>
<td>$ 5,250.00</td>
<td>$ 127.80</td>
<td>$ 19,170.00</td>
<td>$ 75.00</td>
<td>$ 11,250.00</td>
</tr>
<tr>
<td>7</td>
<td>1-1/4” Clear Crushed Rock</td>
<td>500</td>
<td>Tons</td>
<td>$ 45.00</td>
<td>$ 22,500.00</td>
<td>$ 87.88</td>
<td>$ 43,940.00</td>
<td>$ 60.00</td>
<td>$ 30,000.00</td>
</tr>
<tr>
<td>8</td>
<td>Erosion/ Water Pollution Control (WSDOT 8-01.5)</td>
<td>1</td>
<td>Lump Sum</td>
<td>$ 500.00</td>
<td>$ 1,500.00</td>
<td>$ 5,000.00</td>
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<td></td>
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<tr>
<td>9</td>
<td>Project Temporary Traffic Control (WSDOT 1-10.5(1))</td>
<td>1</td>
<td>Lump Sum</td>
<td>$ 10,000.00</td>
<td>$ 3,000.00</td>
<td>$ 20,000.00</td>
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<tr>
<td></td>
<td><strong>Subtotal</strong></td>
<td></td>
<td></td>
<td><strong>$ 168,725.00</strong></td>
<td><strong>$ 194,275.00</strong></td>
<td><strong>$ 338,450.00</strong></td>
<td></td>
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<tr>
<td></td>
<td><strong>Sales Tax (8.6%)</strong></td>
<td></td>
<td></td>
<td><strong>$ 14,510.35</strong></td>
<td><strong>$ 16,707.65</strong></td>
<td><strong>$ 29,106.70</strong></td>
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<tr>
<td></td>
<td><strong>Grand Total</strong></td>
<td></td>
<td></td>
<td><strong>$ 183,235.35</strong></td>
<td><strong>$ 210,982.65</strong></td>
<td><strong>$ 367,556.70</strong></td>
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</tbody>
</table>
SUBJECT: CONSIDER RESOLUTION TO ADOPT THE PROPOSED SIX-YEAR 2020 – 2025 TRANSPORTATION IMPROVEMENT PROGRAM (TIP).

RECOMMENDED BY: Don Vondran, Public Works Director

ATTACHMENT(S):
1. Proposed Resolution

PREPARED BY: Robert Lindskov, City Engineer

EXPLANATION:
The city is required by RCW 35.77.010 to annually prepare and adopt a comprehensive transportation program by July 1st for the ensuing six calendar years and to forward a copy of that Six-Year Transportation Improvement Program (TIP) to the Washington State Secretary of Transportation by July 31st. The TIP represents the first six years of the 20-year transportation (street) capital improvement program. The projects contained in the proposed City of Covington Six-Year TIP 2020 – 2025 are consistent with the transportation projects identified in the Capital Facilities Element of the City’s Comprehensive Plan adopted January 12, 2016.

A Public Hearing for the proposed 2020 – 2025 Six-Year TIP was held before the City Council on May 14, 2019. No comments were received during the Public Hearing, however there were questions about project timing.

A Determination of Non-Significance was issued under WAC 197-11-340. The comment period was 14 calendar days and ended May 17, 2019 at 5:00 pm.

Making changes in the project priority list can be explored, discussed, and modified at this time.

ALTERNATIVES:
Direct Staff to modify the proposed 2020 – 2025 Six-Year TIP.

FISCAL IMPACT:
The fiscal impact of each proposed project is indicated in the draft Six-Year TIP 2020 – 2025. The specific revenue source(s) for the city portion of the funds for each project is determined each year during the budget process. Additional revenues are needed to fund these projects. Possible sources are grants, appropriations and traffic impact fees.

CITY COUNCIL ACTION: _____Ordinance   _X_ Resolution   ____Motion   ____Other

Councilmember _______________ moves, Councilmember _______________ seconds, to pass a Resolution adopting the City of Covington Six-Year (2020 - 2025) Transportation Improvement Program (TIP).

REVIEWED BY: City Manager, City Attorney, Finance Director
RESOLUTION NO. 2019-05

A RESOLUTION OF THE CITY COUNCIL OF THE  
CITY OF COVINGTON, KING COUNTY,  
WASHINGTON, ADOPTING THE 2020-2025 SIX-  
YEAR TRANSPORTATION IMPROVEMENT  
PROGRAM

WHEREAS, pursuant to RCW 35.77.010, the City of Covington (the “City”) is required to prepare and adopt a comprehensive transportation improvement program that addresses transportation improvements and needs for the ensuing six calendar years, which is commonly known as the Six-Year Transportation Improvement Program (“TIP”); and

WHEREAS, pursuant to RCW 35.77.010, the City is also required to revise and extend its Six-Year TIP annually to ensure that the City has a guide in carrying out a coordinated transportation program; and

WHEREAS, Chapter 35.77 RCW requires that the Six-Year TIP must be consistent with the City’s adopted Comprehensive Plan; and

WHEREAS, a Determination of Non-Significance was issued under WAC 197-11-340 and allowed for a 14-calendar day comment period that ended on May 17, 2019 at 5:00 PM; and

WHEREAS, the City is further required to conduct a public hearing prior to adopting any revisions or extensions of its Six-Year TIP; and

WHEREAS, on May 14, 2019, the Covington City Council held a public hearing on the revised Six-Year TIP for the years 2020-2025, inclusive; and

WHEREAS, the city council, being satisfied that the revised and extended Six-Year TIP for the years 2020-2025, inclusive, addresses the City’s needs for the ensuing six years and is consistent with the City’s Comprehensive Plan.

NOW THEREFORE, THE CITY COUNCIL OF THE CITY OF COVINGTON, WASHINGTON, hereby resolves as follows:

1. The Six-Year Transportation Improvement Program (2020-2025) for the City of Covington, as revised and extended for the ensuing calendar year, incorporated herein in its entirety as Exhibit A and on file in the Covington City Clerk’s Office, is hereby adopted in its entirety, shall take effect on May 28, 2019, and previous plans shall be amended accordingly.

2. A copy of the adopted Six-Year TIP for the years 2020-2025, together with a copy of this resolution, shall be filed with the Washington State Secretary of Transportation and the Washington State Transportation Improvement Board within thirty (30) days after the adoption of this resolution.
PASSED by the City Council of the City of Covington, Washington, in open and regular session this 28th day of May, 2019.

_____________________________________
JEFF WAGNER, MAYOR

ATTESTED:

______________________________
Sharon Scott, City Clerk

APPROVED AS TO FORM:

______________________________
Kathy Hardy, City Attorney
DETERMINATION OF NON-SIGNIFICANCE (DNS)
TRANSPORTATION IMPROVEMENTS PROJECTS (TIP) 2020-2025

Project Name: City of Covington Six Year Transportation Improvement Program (TIP) 2020-2025
File Number: SEPA19-05
Applicant/Contact: Bob Lindskov, City Engineer
City of Covington, Public Works Department
16720 SE 271st Street, Suite 100
Covington, Washington 98042
253-480-2467
blindskov@covingtonwa.gov

Date of Issuance: May 3, 2019

Project Description: The proposal is a non-project action to adopt the City of Covington’s Six Year TIP 2020-2025 by the Covington City Council. This proposal is for the overall Capital Improvement and Transportation Improvement (CIP/TIP) programs within the city in accordance with the requirements of State law as defined in RCW 35.77.010 and 35.36.70A. The proposed 2020-2025 TIP projects are as follows and further described in the attachments.

1. CIP 1127 SE 272nd Street between Jenkins Creek and 185th Place SE
2. CIP 1201 204th Avenue SE between SE 272nd Street SE and SE 259th Street
3. CIP 1145 SE 256th Street between 168th Avenue SE and 173rd Avenue SE
4. CIP 1128 SE 272nd Street between 185th Place SE and 192nd Avenue SE
5. CIP 1063 SE 272nd Street between 160th Avenue SE and 164th Avenue SE
6. CIP 1056 & CIP 1149 SE 256th Street between 172nd Avenue SE and 180th Avenue SE & SE 256th Street and SE Wax Road (N)
7. Town Center 1 SE 276th Street between 168th Place SE and SE Wax Road
8. Town Center 2 171st Avenue SE (Main Street between SE 275th Street and SE 276th Street)
9. CIP 1124 185th Place SE Extension - Wax Road/180th Ave SE to SE 272nd Street
10. ADA Ramp Updates – Various Locations

DocumentsReviewed: Covington Comprehensive Plan 2015-2035, as amended, 6-Year TIP 2020-2025, and description of TIP/CIP and other information on file with Covington’s Public Works Department. Contact Bob Lindskov, City Engineer blindskov@covingtonwa.gov.

Responsible Official/ Lead Agency: Gina Estep, Community Development Director
City of Covington SEPA Official
16720 SE 271st Street, Suite 100
Covington, Washington 98042
253-480-2441

This DNS is issued under WAC 197-11-340(2). The comment period is 14 calendar days and ends May 17, 2019 at 5 PM.

Comments and Appeals Notice: Comments and appeals on this DNS may be submitted by first class mail or delivered to the responsible official at the above lead agency address. Any notice of appeals must be filed in writing, with the required filing fee paid and received within 14 calendar days of the end of the comment period at Covington City Hall Offices, by May 31, 2019 at 5 PM. You must make specific factual objections, identify error, harm suffered, or identify anticipated relief sought and raise specific issues in the statement of appeal. Contact the Community Development Department at Covington City Hall to read or to ask about the procedures for SEPA appeals.

Signature of Responsible Official: ___________________________ Date: 4-25-19
## CITY OF COVINGTON
### 2020 to 2025 Transportation Improvement Program
#### Summary

<table>
<thead>
<tr>
<th>Priority</th>
<th>City CIP #, Project Name, Termini, Major Class of Work</th>
<th>Phase</th>
<th>Funded</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>1127, SE 272nd Street (SR 516) Jenkins Creek to 185th Place SE, Widen to 5 lanes &amp; reconstruct, Sidewalks, New stream crossing</td>
<td>Dgn</td>
<td>XX</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>0</td>
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<tr>
<td>2</td>
<td>1201, 204th Avenue SE SE 272nd Street to SE 256th Street, Widen to full City Standard, Sidewalks, Bicycle Lanes, Planted Medians</td>
<td>Dgn</td>
<td>XX</td>
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<tr>
<td></td>
<td></td>
<td></td>
<td>12,042</td>
</tr>
<tr>
<td>3</td>
<td>1145, SE 256th Street 168th Avenue SE to 173rd Avenue SE, Widen &amp; reconstruct, Sidewalks, New stream crossing</td>
<td>Dgn</td>
<td>XX</td>
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<tr>
<td></td>
<td></td>
<td></td>
<td>5,623</td>
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<td>4</td>
<td>1128, SE 272nd Street (SR 516) 185th Place SE to 192nd Avenue SE, Widen to 5 lanes &amp; reconstruct, Sidewalks, New signal.</td>
<td>Dgn</td>
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<td></td>
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<td>11,940</td>
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<td>5</td>
<td>1063, SE 272nd Street (State Route 516) 160th Avenue SE to 164th Avenue SE, Signal modifications, add turn lanes, stream crossing.</td>
<td>Dgn</td>
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<td></td>
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<td>13,895</td>
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<td>6</td>
<td>Portions of 1056 and 1149 SE 256th Street and 180th Avenue SE, Safety improvements,Sidewalks, Signal modifications, add right turn lane.</td>
<td>Dgn</td>
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<td>6,817</td>
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<tr>
<td>7</td>
<td>Town Center 1 SE 276th Street 168th Place SE to SE Wax Road, New Route, New Alignment, Type II Roadway</td>
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<td>XX</td>
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<td></td>
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<td>1,550</td>
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<tr>
<td>8</td>
<td>Town Center 2 172nd Avenue SE SE 275th Street to SE 276th Street, New Route, New Alignment, Type I Roadway</td>
<td>Dgn</td>
<td>XX</td>
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<tr>
<td></td>
<td></td>
<td></td>
<td>5,79</td>
</tr>
<tr>
<td>9</td>
<td>1124, 185th Place SE Extension Wax Road/180th Avenue SE Roundabout to SE 272nd Street, New Route, New Alignment, Access management.</td>
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<tr>
<td>ADA</td>
<td>Annual Citywide ADA Improvements Various Locations, Installation of 36 truncated domes every year for first four years Rebuilds 7 ADA sidewalk ramps in 2022 and 2023</td>
<td>Dgn</td>
<td>XX</td>
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### Expenditure Schedule in Thousands

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<th>1</th>
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<th>3</th>
<th>4</th>
<th>5</th>
<th>6</th>
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<tr>
<td>Total</td>
<td>109,681</td>
<td></td>
<td></td>
<td></td>
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</table>

### 3.0% Annual Construction Cost Increase
Annual Citywide ADA Improvements - Various Locations

Associated with the adoption of the City’s ADA policy, the City has begun a larger initiative to bring city facilities into compliance with the ADA. First year Public Works efforts are aimed at installing truncated domes at various locations throughout the city.

Capital Improvement Project Priorities

1. **CIP 1127  SE 272nd Street between Jenkins Creek and 185th Place SE**

   This project is to widen and reconstruct a portion of SE 272nd Street between Jenkins Creek and 185th Place SE. This project will include the crossing of Jenkins Creek with a new structure for the stream, widening the street from 2-lanes to 5-lanes including curb and gutter, 8’ sidewalks, access control features, landscaping and provisions for u-turns.

2. **CIP 1201  204th Avenue SE between SE 272nd Street SE and SE 259th Street**

   The new roadway connection will provide overall benefits to the citywide street system by providing more options for vehicles traveling between SE 272nd Street and SR 18. This collector arterial will be widened to two 12-foot lanes, one 14-foot turn lane/median, and two 5-foot wide bike lanes. Each side of the roadway will also include a curb, a gutter, a 5-foot landscape buffer, and a 5-foot sidewalk.
3. **CIP 1145  SE 256th Street between 168th Avenue SE and 173rd Avenue SE**

   This project replaces the culvert crossing over Little Soos Creek and widens SE 256th to 5 lanes. The project includes curb, gutter, 8’ sidewalk, landscaping, bike lanes, illumination and undergrounding of utilities. Project length is about 1500 feet. This project will complete a gap in our pedestrian/non-motorized transportation system.

4. **CIP 1128  SE 272nd Street between 185th Place SE and 192nd Avenue SE**

   This project is to widen and reconstruct a portion of SE 272nd Street between 185th Place SE and 192nd Avenue SE. This project will widen the street from 2-lanes to 5-lanes including curb and gutter, 8’ sidewalks, access control features, landscaping and provisions for u-turns.

5. **CIP 1063  SE 272nd Street between 160th Avenue SE and 164th Avenue SE**

   This project provides for design and future construction of additional turn lanes, channelization, and signal modifications. Widening SE 272nd Street will require modifications to the existing stream crossing at the intersection. Project length is 800 feet. Construct street section consistent with the existing SR 516 section including illumination, landscaping, 10’ wide sidewalks with street trees in planting wells.
6. **CIP 1056  SE 256th Street between 172nd Avenue SE and 180th Avenue SE**  
**CIP 1149  180th Avenue SE between SE 256th Street and SE Wax Road (N)**

Portions of these two larger CIP projects (see map) are being combined to provide improvements adjacent to the new fire station at SE 256th Street and 180th Avenue SE. The improvements will include widening the north side of SE 256th Street from 180th Avenue SE to 176th Avenue SE to match the section at 168th Avenue SE. The frontage along 180th Avenue SE will be widened from the intersection to Crestwood Elementary School.

7. **Town Center 1  SE 276th Street between 168th Place SE and SE Wax Road**

This is a new route; new alignment roadway that will support the Town Center vision and meet the Town Center Design Guidelines. The schedule of these projects will be primarily driven by development and may be constructed in portions.

8. **Town Center 2  171st Avenue SE (Main Street) between SE 275th Street and SE 276th Street**

This is a new route; new alignment roadway that will support the Town Center vision and meet the Town Center Design Guidelines. The schedule of these projects will be primarily driven by development and may be constructed in portions.
9. **CIP 1124 185th Place SE Extension - Wax Road/180th Ave SE to SE 272nd Street**

This project connects SE Wax Road/180th Avenue SE to SE 272nd Street via a new route and alignment designated as 185th Place SE. The street section will consist of a 3-lane urban arterial standard with curb, gutter and 8’ sidewalks, landscaping strips, illumination and stormwater infrastructure. The project will also include crossing Jenkins Creek. The actual route and alignment will be determined during design.
SUBJECT: CONSIDER APPOINTMENTS TO OPENINGS ON THE ARTS COMMISSION

RECOMMENDED BY: Pat Patterson, Recreation & Cultural Arts Manager

ATTACHMENTS: See Interview Schedule and applications provided separately.

PREPARED BY: Joan Michaud, Senior Deputy City Clerk

EXPLANATION:
Two position terms on the Arts Commission are due to expire on May 31, 2019 (Position Nos. 1 and 2). Three additional positions are now vacant (Position Nos. 3, 4, and 5) and are partial term replacements. The City has received four new applications and one incumbent application for these positions. The Council interviewed all applicants on May 28, 2019. The current members of the Arts Commission all live inside city limits; therefore, there are two positions that may be filled with applicants living within the three-mile radius of city limits. Two of the applicants are youth. Youth serve for only one year.

The current applicants are:

<table>
<thead>
<tr>
<th>Name of Applicant</th>
<th>Resides/Works</th>
<th>Attendance Last 12 Months</th>
</tr>
</thead>
<tbody>
<tr>
<td>Balneet Sraon (youth)</td>
<td>Resides inside city limits</td>
<td>N/A</td>
</tr>
<tr>
<td>Marita Ledesma (current Position No. 1)</td>
<td>Resides inside city limits</td>
<td>92%</td>
</tr>
<tr>
<td>Heather Ernst</td>
<td>Resides within 3-mile radius of city limits</td>
<td>N/A</td>
</tr>
<tr>
<td>Marrina Vaessen</td>
<td>Resides within 3-mile radius of city limits</td>
<td>N/A</td>
</tr>
<tr>
<td>Lilianna Fernandez (youth)</td>
<td>Resides inside city limits</td>
<td>N/A</td>
</tr>
</tbody>
</table>

Current Arts Commission Rules state:

2.70.020 Membership, terms, residence requirements.
(1) Membership. The Arts Commission shall consist of seven members appointed by the City Council, two of which may be youth members who must be between the ages of 14 and 18 at the start of their terms. Up to two of the members may reside outside the City, but those outside must reside within a three-mile radius of the City limits. The remaining five members must work or reside within the City limits.

(2) Term of Office. Each position shall have a term of office for three years; provided, however, any member designated as a youth member shall serve for only one year. If a youth member is appointed, the Council shall fill the position for the remaining years, if any, at the end of the youth term. Terms shall commence on June 1 and expire on May 31 of the respective years. If a member is not appointed for a new term on June 1, the incumbent member may continue to serve.
in that position until such later date when a member is appointed for a new term. The date a
member is appointed to their term of office shall not affect the expiration date of that term. When
a vacancy occurs on the Commission, the replacement member shall be appointed only for the
remainer of the unexpired term.

ALTERNATIVES:
Not appoint at this time and direct staff to continue to advertise for additional applicants to be
considered for the open positions.

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

Councilmember ______________ moves, Councilmember ______________ seconds, to appoint ______________ to fill Adult Position No. 1 on the Arts

Councilmember ______________ moves, Councilmember ______________ seconds, to appoint ______________ to fill Adult Position No. 2 on the Arts

Councilmember ______________ moves, Councilmember ______________ seconds, to appoint ______________ to fill Youth Position No. 3 on the Arts

Councilmember ______________ moves, Councilmember ______________ seconds, to appoint ______________ to fill Youth Position No. 4 on the Arts

Councilmember ______________ moves, Councilmember ______________ seconds, to appoint ______________ to fill Adult Position No. 5 on the Arts

REVIEWED BY:  Recreation & Cultural Arts Manager, City Manager
SUBJECT: CONSIDER REPUBLIC SERVICES REQUEST FOR A RECYCLE PROCESSING CHARGE AND CEDAR GROVE TIPPING FEE.

RECOMMENDED BY: Regan Bolli, City Manager

ATTACHMENT(S):
1. Republic Services Letter Dated March 29, 2019 Requesting a Recycle Processing Charge
2. Republic Services Letter Dated March 29, 2019 Requesting a Compost Fee Increase
3. Public Works Director Email to Republic Services Requesting More Information
4. Republic Services Letter Dated May 13, 2019 Regarding Rate Modifications
5. Letters from Other Cities Regarding Recycling Rate Increase

PREPARED BY: Don Vondran, Public Works Director
Shellie Bates, Programs Supervisor

EXPLANATION:
Over the past several months, Republic Services has been updating city staff on concerns and issues associated with China National Sword and its impact on recycling.

Beginning in July 2017, the Chinese government imposed a new regulation – known as “National Sword 2017” and “Blue Sky 2018.” These regulations restrict the import of low-grade and contaminated recyclables. China accepted more than 50 percent of the world’s exported recyclables for almost two decades. While recyclable material fuels China’s industries, contamination in the imported material has caused high levels of waste and environmental pollution. China’s restrictions on imported recyclable materials has resulted in disruptions in recycling markets. These restrictions and changes in the markets have significant impacts on Washington state’s residential and commercial recycling programs.

On March 29, 2019, the city received a letter (Attachment 1) formally requesting authority to impose a recycle processing charge of $2.96 per month per single-family residence.

In addition, the city received another letter on March 29, 2019 (Attachment 2) regarding a similar yet separate issue requesting increased tipping fees of compost material associated with Cedar Grove. The letter indicated the need to increase the rates by 20 cents per month per single-family residence due to King County Health and Department of Ecology requirements.

Staff met with the City Attorney to review the Republic Services contract and how its terms apply to these two requests from Republic Services. After reviewing the contract, the Public Works Director sent an email (Attachment 3) to Republic Services asking for additional information and clarification on certain aspects of the contract. On May 13, 2019 we received a response letter (Attachment 4) providing some additional information regarding recycling as well as requesting the ability to present and detail their request before the Council.
In lieu of attaching the entire contract, we have included the following sections that pertain to recycling and tipping fees. Particularly relevant language has been bolded.

2.2.2 Single Family Residence Recyclables Collection

2.2.2.1 Subject Materials

The defined list of Residential Recyclables shall be collected from all participating Single-Family Residences as part of basic Garbage collection services, without extra charge.

3.3.3 Changes in Disposal/Processing Sites and Tipping Fees

If the Compostables processing site to which the Contractor delivers Compostables collected pursuant to the Contract increases its charges to Contractor for such materials due solely to regulatory changes enacted by third party agencies with jurisdiction over the Compostables processing site, and if such increases in charges are in excess of the CPI change described in Section 3.3.1, the Contractor shall have the right to request a rate modification to the City. The Contractor shall bear the burden of demonstrating the presence of such conditions to open consideration for rate modifications under this provision and shall be required to retain and bear the full cost of a third-party auditor, as approved by the City, to provide financial analysis to support their rate modification request. Upon the Contractor meeting the preceding conditions, the City shall consider the proposed rate modification and may, at its option, approve the proposed rate modification.

3.3.4 Other Modifications

The contractor shall not adjust or modify rates due to employee wage increases, or changes in the value of Recyclables, Garbage collection service level shifts, or other changes affecting the collection system, or any shifts in the Contractor’s services implemented unilaterally by Contractor.

6.17 Right to Renegotiate/Amendment

The City shall retain the right to renegotiate this Contract or negotiate amendments to affected provisions of this Contract based on City policy changes, state statutory changes, or rule changes in King County, Washington State, or federal regulations regarding issues that materially modify the terms and conditions of the Contract. The City may also renegotiate this Contract or affected provisions of this Contract should any Washington State, King County, or City rate or fee associated with the Contract be held illegal or any increase thereof be rejected by voters. In addition, the Contractor and the City each agrees to negotiate in good faith with respect to a change requested by the City regarding disposal locations, collection frequency, or with respect to the addition of new services to this Contract. The Contractor may request to renegotiate provisions of this Contract affecting the Contractor’s costs of providing service and/or the Contractor’s compensation for its services pursuant to this Contract in the event that one or more
unanticipated changes in system costs consistently increase the net cost of furnishing services under this Contract by the greater of either fifty thousand dollars ($50,000) annually or two and a half percent (2.5%) of gross annual revenues. Each party shall provide full disclosure of existing and proposed costs and operational impacts with respect to any changes to this Contract proposed pursuant to this Section, provided that no such disclosure shall be required as to trade secret or other confidential information of a party unless disclosure can be made without material risk that the information disclosed will be subject to disclosure under Washington’s Public Records Act or otherwise available to the public.

This Contract may be amended, altered, renewed, extended, or otherwise modified only by a written amendment, alteration, or modification, executed by authorized representatives of the City and the Contractor.

A failure by the parties to reach agreement on any provisions of this Contract as to which either party has a right to renegotiate under this Section or under any other Section of this Contract shall not in and of itself give rise to any right of the party requesting renegotiation, or on the part of the other party, to terminate this Contract, nor shall a failure to reach such an agreement otherwise affect the validity or continued enforceability of this Contract.

This issue of increased recycling costs and requests to increase rates is not just impacting Covington and Republic Services but numerous cities around the region and coming from multiple solid waste service providers. Attachment #5 includes letters from other cities and their responses to similar requests.

FISCAL IMPACT:
There is no direct fiscal impact to the City of Covington as the rate increase would be directly charged to the customer.

CITY COUNCIL ACTION:   ____Ordinance   ____Resolution   XMotion   ____Other

Council member ____________ moves, Council member _________________ seconds, to authorize the City Manager to amend the Republic Services contract to include the recycle processing charge.

Council member ____________ moves, Council member _________________ seconds, to authorize the City Manager to amend the Republic Services contract to include the compost tipping fee.

REVIEWED BY: City Manager, City Attorney, Finance Director
March 29, 2019

Shellie Bates
Programs Supervisor
City of Covington
16720 SE 271st St, Ste 100
Covington, WA 98042

Dear Shellie,
Thank you again for taking the time to meet with Jeff Wagner to discuss the issues associated with Recycling and the China National Sword.

As you know, China had originally cut back on which recyclable materials they would accept, cutting back to a less than .5% contamination level. Republic invested several million dollars in our Materials Recovery Facility (MRF) in 2018 and slowed our processing lines to cut back on contamination levels. We were successful in that effort. Unfortunately, China then stopped accepting recyclable materials on March 1, creating a over abundance of materials, with no outlet to send the materials to. With this, it has driven down the commodity value to way below sustainable levels. As shown when we met, our breakdown shows it costs $7.00 for our drivers to service each single-family residential home for recyclable materials, in which in prior years, the commodity value covered those costs. With record lows of values, we are seeing on average $4.04 per residential home, per month in commodity value, creating a shortfall of $2.96 month per home per month.

Republic Services is kindly asking for rate relief in the amount of $2.96 month per residential home as a ‘Recycle Processing Surcharge’.

While looking at this, we would also like to request a contract amendment to include allowing Low Income/Disabled rate adjustment, per City Finance.

Please let me know if you have any questions
Thank you

Greg Hale
General Manager
South King County
March 29, 2019

Shellie Bates
Programs Supervisor
City of Covington
16720 SE 271st St, Ste 100
Covington, WA 98042

Dear Shellie,
Thank you again for taking the time to meet with Stephan Banchero III of Cedar Grove and Jeff Wagner on March 27.

With the new requirements by King County Department of Health and the changes in law of Department of Ecology, Cedar Grove has needed to increase their tipping fee from $44.87 ton to $48.61 ton on January 1 of 2019, with another rate increase to occur on July 1 to $52.74 ton. This will be an increase of $7.87 ton for the year. This equates to 20 cents per residential customer per month.

Republic Services has a contractual agreement with Cedar Grove to send all compost materials to them, as directed through our contract with the City of Covington. In respect to Section 3.3.3, Changes in Disposal or Yard & Food Waste Processing Sites of our Contract with the City of Covington, “If the Compostables processing site to which the Contractor delivers Compostables collected pursuant to this contract increase its charges to Contractor for such materials due solely to regulatory changes enacted by third party agencies with jurisdiction over the Compostables processing site, and if such increases in charges are in excess of the CPI change, the Contractor shall have the right to request a rate modification to the City...”. Republic Services is requesting an increase of 20 cents per residential customer per month to take effect July 1, 2019, with the approval of the City of Covington.

Please let me know if you have any questions
Thank you

Greg Hale
General Manager
South King County
Hi Jeff,

I wanted to get back to you in regard to your requests for the City to consider a recycle processing surcharge and a compost tipping fee increase. We have reviewed the letters and wanted to provide some initial feedback.

In regard to the recycle processing surcharge request, we are not seeing how we have the ability to approve a rate change based on the contract language. According to Section 3.3.4 Other Modifications, it states The Contractor shall not adjust or modify rates due to employee wage increases, or changes in the value of Recyclables, Garbage collection service level shifts, or other changes affecting the collection system, or any shifts in the Contractor’s services implemented unilaterally by Contractor. The contract specifically states no rate changes due to changes in the value of Recyclables, which is how we see his request. So, unless there is something we are missing, I don’t see how Republic can make that request or how the City could allow the surcharge.

We also reviewed the letter regarding the Cedar Grove tipping fee increase. The letter mentions the new requirements by the Department of Health and changes from the Department of Ecology. In order to fully review everything, we will need Cedar Grove to provide the specific changes that led to this request as documented and or mandated by those agencies.

In addition, I wanted to point out that, under 3.3.3 of the contract, it states the following:

The Contractor shall bear the burden of demonstrating the presence of such conditions to open consideration for rate modifications under this provision and shall be required to retain and bear the full cost of a third party auditor, as approved by the City, to provide financial analysis to support their rate modification request. Upon the Contractor meeting the preceding conditions, the City shall consider the proposed rate modification and may, at its option, approve the proposed rate modification.

So, prior to us even being able to consider the request, we need to have a third party auditor to provide a financial analysis to support the request and the costs are to be fully born by Republic. I wanted to bring this to your attention as this was not mentioned during our discussion.

We recognize that the contract does allow for modifications due to regulatory changes by third party agencies. We just need to have more information in order to evaluate the request and follow the process that is outlined in the contract.

Let me know if you have any additional questions or would like to discuss.
May 13, 2019

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

Re: Recycling Customer Agreement

Dear Don Vondran:

I am writing regarding the Comprehensive Garbage, Recyclables and Compostables Collection Agreement approved on April 9, 2013 (the “Agreement”), between the City of Covington ("City"), and Fiorito Enterprises Inc. and Rabanco Company dba Kent-Meridian Disposal Company ("Republic Services"), and the ongoing discussions related thereto.

Republic Services has requested a rate increase in the amount of $2.96 month, per single family customer, from the City to offset the increasing costs to process Covington’s materials. This rate increase is justified due to increased costs pursuant to Section 6.17, which we have already disclosed. The entire recycling industry has changed and the cost to perform under the Agreement and provide service to the City has significantly increased. The consideration that induced Republic Services to enter into the Agreement in 2013 is no longer present.

As you know, the recycling industry and commodity market for recyclable materials has drastically changed due primarily to the National Sword initiative implemented by China. Effective March 1, 2018, China imposed a new quality standard for all paper and paperboard materials, even those that are not banned (such as old newspaper (ONP) or old corrugated containers (OCC), limiting contamination to 0.5 percent. While higher grades of fiber have been allowed to continue to move through China, in June of 2018, the China State Council indicated that they are likely to ban all types of scrap imports by the end of 2020. To make matters even worse, in August 2018, China imposed a 25% duty on imports of U.S. scrap metal, waste paper and plastics. Additionally, Vietnam and Malaysia, for fear that they will become a dumping ground, have stopped issuing import permits for scrap imports.

China’s actions have disrupted the recycling industry on a global level, leading to lower or negative prices, thereby decreasing revenues. Even more importantly, the stringent .5 percent contamination standard has forced recycling facilities all over the
nation to slow down processing lines, add sorters and increase capital expenditures, thereby reducing throughput and increasing costs. Because of China’s drastic actions, some materials have not been able to find an economically viable end market, while some material is being diverted to other countries with increasing shipping costs and lower purchase prices.

The Agreement requires us to process Recyclables in such a manner as to meet market specifications and to minimize out throws and prohibitives in baled material. For us to abide by this term (i.e. meet the new market specifications), Republic Services has been forced to install more than two million dollars’ worth of new equipment at the material recovery facility, add labor, and slow down the processing line (which in and of itself adds time and costs to service). Additionally, instead of selling the commodities, we are now paying to get rid of them.

Put simply, the cost to provide the service of recycling to Covington has increased, and the contract allows us to request a rate increase as a result. The contract requires the parties to negotiate in good faith. The current market specifications are completely different than they were in 2013 when we entered into this Agreement, and no one expected the standards to change so significantly and in such a short amount of time. Good faith negotiation requires that the City acknowledge the changes that have occurred, and that the we must adjust and adapt in response. This certainly is not just an issue of commodity value, which implies a short-term dip in the market. To the contrary, the entire recycling industry has changed permanently, resulting in national news headlines reporting that recycling is “broken.”

We do not want recycling to be a broken industry - we want to continue to be a good steward of the environment. To do that, we ask that the City partner with us, so we may continue to serve your community. We are authorized to ask for rate modifications under Sections 3.4 and 6.17. Both apply to the circumstances here. Given that there are several ways the Agreement allows parties to negotiate a rate increase, the parties understood that a rate increase outside of annual adjustments may occur. Given the industry changes, we ask the City to allow for the increases enumerated above.

We are happy to furnish the City with further information on these issues. Indeed, we plan to present and detail our request at the upcoming Council meeting.

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1 The City’s reliance on Section 3.3.4 is misplaced. While changes in the value of Recyclables are a result of China’s change and certainly an equitable consideration for the City, it is not the basis for our request. Nor are we asking for an increase based on wage increases, service level shifts or changes to the collection system. Thus, Section 3.3.4 neither applies nor controls.
Given the sensitivity of our financials, however, the City can understand our hesitancy to attach confidential business and financial records and data to this letter.

Should the City determine that it will not acknowledge the increased costs resulting from the new contamination standards, we hope the City will understand we will be forced to be more stringent on the contamination procedures set forth in the Agreement. Specifically, pursuant to Section 2.2.2.3 (Single Family Residence Recyclables Collection - Specific Collection Requirements) we will ask the City to participate in the monitoring of the quality of the Recyclables set out for collection, and we will begin to leave notification and “oops tags” with residents. When necessary, we will seek involvement of the City management staff. Pursuant to Section 2.2.6.1 (Multi-Family Complex Recycling Collection – Subject Materials) we will also tag contaminated containers and leave them at the curb. Should notification and correction procedures be completed, but residents continue to leave contaminated containers, we will be forced to charge a contamination fee.

We look forward to our continued partnership with the City and are happy to answer questions and present pertinent information at the City Council meeting.

Sincerely,

[Signature]

Greg Hale
General Manager
South King County
October 11, 2018

VIA CERTIFIED MAIL

Ms. Mary Evans
Area Director of Public Sector Services
Waste Management of Washington, Inc.
720 4th Avenue, Suite 400
Kirkland, WA 98033

Re: City Response to Waste Management Letter Requesting an Extraordinary Recycling Rate Increase

Dear Ms. Evans:

The City received a letter from Laura Moser, Public Sector Solutions Manager, dated June 18, 2018, requesting an extraordinary recycling rate increase to offset the higher cost of processing recyclables and the decline of commodity values. The request cited Section 3.2.4 of the Comprehensive Garbage, Recyclables and Compostables Collection Contract between the City and Waste Management of Washington, Inc. (Waste Management).

After review of the contract, the City has determined the request conflicts with the language in Sections 3.2.3 and 3.2.4 where it specifically states the Contractor, Waste Management, ‘...shall not adjust or modify rates due to...the value of recyclables...’ and also ‘...assumes all risk for the processing and marketing of recyclables...’.

This letter serves notice to Waste Management that the City of Auburn does not intend to consider this request. The City understands the circumstances surrounding the request and is committed to working with Waste Management to support education surrounding recycling contamination, assist in cart monitoring, and participate in regional discussions addressing potential solutions to eliminate non-marketable/marginal materials.

If you have any questions please contact me at 253-804-5019 or scoleman@auburnwa.gov, or Joan Nelson, Solid Waste and Recycling Supervisor at 253-931-5103 or jenelson@auburnwa.gov.

Sincerely,

Shelley Coleman
Director of Finance

Copy:  Nancy Backus, Mayor of the City of Auburn
Steve Gross, City of Auburn Attorney
City of Auburn Councilmembers
Laura Moser, South Sound Public Sector Solutions Manager
Robin Freedman, Western Washington Public Sector Senior Manager
September 28, 2018

Recology CleanScapes
Attn: Kevin Kelly
117 S. Main Street, Suite 300
Seattle, WA 98104-3428

RE: Rate Increase Adjustment Request

Dear Mr. Kelly:

We have reviewed your July 9, 2018 letter requesting that the City of Bothell agree to a rate increase adjustment due to recycling import market changes.

The City of Bothell is denying your request at this time based on the clear language of our Comprehensive Garbage, Recyclables, and Organics Collection Contract and the discretion given the City under the contract. Section 4.3.4, Other Modifications, of our contract states, “The Contractor shall not adjust or modify rates due to employee wage increases, changes in Organics processing fees, the value or processing costs of Recyclables, Garbage collection service level shifts, or other changes affecting the collection system.” In contrast, the contract provides possibilities for rate adjustments if garbage disposal fees increase or if Recology CleanScapes is required to use different processing sites for disposal or organics; notably recyclables are not included in those provisions.

We understand the challenges your organization faces, but the City has a responsibility to residents and businesses to adhere to the language of the contract. We are willing to meet with you or consider additional materials if there is other information you can present to clarify how your rate request is consistent with our contract.

Additionally, the City recognizes that residential and commercial recycling contamination is problematic. The City has and will continue to provide education, engagement, and outreach to combat such contamination. It is our belief that addressing this issue through a strategic education campaign will result in behavior modifications that reduce contamination and will thereby lead to better outcomes than increasing rates for our customers. As a further step in our
September 28, 2018
Page 2, Letter to Kevin Kelly at Recology CleanScapes, Rate Increase Request

continued efforts to improve recycling to the benefit of both the City and Recology CleanScapes, the City is proactively developing cart-tagging enforcement protocols.

We look forward to meeting with your outreach team in the near future. Please contact Sabrina Combs, Sustainability and Projects Coordinator, if you have any questions.

Sincerely,

Erin Leonhart
Public Works Director

CC: Paul Byrne, City Attorney
    Sabrina Combs, Sustainability and Projects Coordinator
September 28, 2018

Waste Management
Attn: Emily Newcomer
720 4th Avenue, Suite 400
Kirkland, WA 98033

RE: Extraordinary Recycling Rate Increase Request

Dear Ms. Newcomer:

We have reviewed your June 15, 2018 letter requesting that the City of Bothell agree to a rate increase adjustment due to recycling import market changes.

The City of Bothell is denying your request at this time based on the clear language of our Comprehensive Garbage, Recyclables and Organics Collection Contract and the discretion given the City under the contract. Section 3.3, Compensation Adjustments, of our contract states, “The Contractor shall not adjust or modify rates due to employee wage increases, the value of Recyclables, Garbage collection service level shifts, or other such market changes affecting the collection system.” In contrast, the contract provides a possibility for rate adjustments if Waste Management is required to use different processing sites for disposal or organics; notably recyclables are not included in that provision. Furthermore, Section 6.3, Contractor to Make Examinations, states that “the Contractor assumes the risk of all conditions foreseen and unforeseen, and agrees to continue to work without additional compensation under whatever circumstances may develop other than as provided herein.”

We understand the challenges your organization faces, but the City has a responsibility to residents and businesses to adhere to the language of the contract. We are willing to meet with you or consider additional materials if there is other information you can present to clarify how your rate request is consistent with our contract.

Additionally, the City recognizes that residential and commercial recycling contamination is problematic. The City has and will continue to provide education, engagement, and outreach to combat such contamination. It is our belief that addressing this issue through a strategic education campaign will result in behavior modifications that reduce contamination and will thereby lead to better outcomes than increasing rates for our
September 28, 2018
Page 2, Letter to Emily Newcomer at Waste Management, Rate Increase Request

customers. As a further step in our continued efforts to improve recycling to the benefit of both the City and Waste Management, the City is proactively developing cart-tagging enforcement protocols.

We look forward to meeting with your outreach team in the near future. Please contact Sabrina Combs, Sustainability and Projects Coordinator, if you have any questions.

Sincerely,

Erin Leonhart
Public Works Director

CC: Paul Byrne, City Attorney
    Sabrina Combs, Sustainability and Projects Coordinator
    Robin Freedman, Waste Management
September 25, 2018

Ms. Mary Evans
Waste Management of Washington, Inc.
Area Director of Public Sector Services
720 4th Avenue, Suite 400
Kirkland, WA 98033

Re: City Decision to Decline Request for “Extraordinary Recycling Rate Increase”

Dear Ms. Evans:

The June 18, 2018 letter from Laura Moser, Public Sector Solutions Manager, outlines Waste Management’s request for a rate increase to offset higher costs related to recycling, referencing Section 3.3.4 of the Comprehensive Garbage, Recyclables, and Compostables Collection Contract between the City of Federal Way and Waste Management of Washington, Inc. (Waste Management).

The City appreciates the time Waste Management put into making this rate increase request and the related efforts to meet with City staff throughout the region to provide details and answer questions. However, after review and policy-level consideration of this request, the City has determined it conflicts with provisions in Sections 2.1.12, 3.3.3 and 3.3.4 that clearly assign Waste Management with the risks and responsibilities related to processing and marketing recyclables. This letter serves as notice that the City of Federal Way does not intend to further consider this request.

However, the City acknowledges the conditions that motivated Waste Management to seek rate relief, and the City is prepared to take steps that support Waste Management in addressing this situation. To this end, the City commits to:

- Provide ongoing support and coordination of our mutual efforts to enhance and improve messaging and educational initiatives, focusing on positive customer behavior change.
- Support continuation and expansion of cart inspection and tagging efforts, in accordance with Section 2.1.12 of our Contract.
- Adding resources to augment efforts to address recycling contamination issues in the multi-family sector. For example, the City has retained consulting expertise to provide focused assistance to this sector.
- Engage with WM and regional stakeholders in discussions regarding the potential elimination of “marginal” materials from the “subject materials” constituting our targeted recyclable materials. Factors such as market capacity for commodities as well as the potential for cross-contaminating more valuable (or more “marketable”) commodities will be part of this discussion.

While the City acknowledges that recycling as a line-of-business may currently have a lower rate-of-return than previously realized, during times of high recycling commodity pricing (coupled with lower commodity processing thresholds), no windfalls were passed through to Federal Way ratepayers. Section 3.3.4 of the Contract also
refers to changes in tax rates. The recent decrease in federal tax rate will likely result in an improved financial position at the corporate level, but the City has (so far) not sought a corresponding rate adjustment to the benefit of ratepayers. Further, media reports indicate Waste Management is meeting corporate financial objectives, so the near-term recycling market situation does not appear to severely undermine the viability of Waste Management as a corporate entity.

In closing, the City acknowledges Waste Management’s professionalism and willingness to innovate. The City looks forward to continue working with Waste Management to handle issues that may arise.

If you have any questions or concerns about this response please contact me, or contact Rob Van Orsow, Solid Waste and Recycling Coordinator at 253.835.2770 or rob.vanorsow@cityoffederalway.com.

Sincerely,

EJ Walsh, P.E.
Public Works Director

cc: Jim Ferrell, Mayor, City of Federal Way
City of Federal Way, City Councilmembers
Mindi Rostami, 720 4th Avenue, Suite 400, Kirkland, WA 98033
Laura Moser, Waste Management South Sound; 701 2nd Street NW; Auburn, WA 98001
Rob Van Orsow, Solid Waste & Recycling Coordinator
Project File
Day File
October 17, 2018

Ms. Emily Newcomer
Public Sector Solutions Manager
Waste Management, Inc.
720 4th Avenue, Suite 400
Kirkland, WA 98033

RE: RESPONSE TO EXTRAORDINARY RECYCLING RATE INCREASE REQUEST

Dear Ms. Newcomer,

Thank you for your letter of June 15, 2018, requesting that the City of Kirkland agree to a rate increase to recover increased costs of recycling due to the recycling import market changes implemented by the Chinese government. Thank you as well for the meeting between City staff (Kathy Brown and John MacGillivray) and Waste Management (Robin Freedman and you) on this topic. From the information in your letter and your discussion with City staff, your request is clear, and staff and I have considered it carefully in the context of our contract with Waste Management. Based upon that review, briefly explained below, the City is denying your request for a rate increase.

As the basis for this request, you reference Section 3.3.4 Other Modifications of our Comprehensive Garbage, Recyclables, and Compostables Collection Agreement (the “Agreement”), which explicitly states that Waste Management “... shall not adjust or modify rates due to employee wage increases, the value of Recyclables, Garbage collection service level shifts, or other changes affecting the collection system.” (Emphasis added.) Similarly explicit is Section 3.3 Changes in Recyclables or Compostable Processing Sites and Tipping Fees and Changes in Disposal Location, in which Waste Management “... assumes all risk for the processing and marketing of Recyclables and Compostables.”

Based upon the foregoing and exercising the discretion given the City under the Agreement, the City is denying the requested rate increase.

Recognizing, however, that our recycling system is in an apparent temporary state of flux and reformation, the City has and will continue to support local and regional efforts to reduce residential and commercial recycling contamination. In fact, the City enacted and implemented a plastic bag reduction policy in 2016, is a recognized leader in the development of regional cart tagging enforcement protocols emulated by other cities for both recycling and composting, and has provided tens of thousands of dollars in in-kind, City-led education and outreach to combat contamination. The City has also been pro-active and flexible in removing problematic items from the list of accepted recyclables such as plastic bags and aluminum foil. These efforts have benefitted Kirkland’s recycling program, with the City leading in recycling success in King
County. These efforts have had a positive impact on the regional waste management system in general, and on Waste Management operations in Kirkland in particular.

As a next step in our continued efforts to improve recycling to the benefit of both the City and Waste Management my staff and I look forward to and welcome the opportunity to engage with Waste Management, its other partner cities, and the Responsible Recycling Task Force to work together on the following tasks: 1) re-evaluating the efficacy of continuing to accept some of the marginal recyclables that may contaminate and devalue bales of recyclable commodities; 2) continuing to provide a robust and sustained level of contamination education to our customers; and, 3) implementing and supporting proven and innovative cart and container tagging enforcement protocols. I believe it is the best and most responsible use of our rate payer dollars to combat recycling contamination upstream and at its source in lieu of subsidizing downstream processing costs and temporarily low prices for some recyclable commodities.

Please let me know if you would like to discuss this decision. If you have any questions or comments on the City’s suggested action items, please contact John MacGillivray, Solid Waste Programs Supervisor, at (425) 587-3804 if you have any questions.

Sincerely,

/Signature
Kurt Triplett
City Manager

Cc: Stephanie Croll, Senior Assistant City Attorney
Kathy Brown, Public Works Director
John Starbard, Interim Deputy Public Works Director
SUBJECT: SELECTION OF SIGNATURE ART PIECE FOR COVINGTON COMMUNITY PARK

RECOMMENDED BY: Arts Commission

ATTACHMENT(S):
1. City of Covington Call for Artist Entry
2. “Metamorphosis” by Abe Singer
3. “Bamboo Stalks” by Anita Schuller and Debbie Drilevich
4. “Rites of Nature” by Stuart Nakamura

PREPARED BY: Pat Patterson, Recreation and Cultural Arts Manager

EXPLANATION:
The purpose of this agenda item is for the City Council to review and approve the Arts Commission’s recommendation of the signature art piece design, Metamorphosis by Abe Singer. The fabricated steel sculpture is a large-scale artistic interpretation of a common camas wildflower with a caterpillar at the base of the stem and a butterfly poised on the uppermost blossom. The caterpillar’s six front walking legs are solidly welded to the bottom of the lower stem and its hind legs are welded to the base plate, increasing the structure stability. The legs and antennae are fabricated of high carbon tool steel. The ends of the antennae are welded to the stem to protect them from damage.

The announcement of the call to artists for the Covington Community Park signature art piece was posted on the city’s website on February 7, 2019. The city also utilized CaFÉ to promote the opportunity. CaFÉ is a comprehensive tool for artists looking for arts opportunities and was used to find the city’s SeaHorse art piece.

The Arts Commission held a special meeting on April 29 to interview the top three proposals and select their recommendation to City Council. Seventeen (17) artists submitted one hundred twelve (112) proposals to the city for consideration. An art selection panel consisting of members of the Arts Commission and two community members independently reviewed and rated each proposal. Each member of the panel rated the same design proposal as their first choice. The panel unanimously selected the design “Metamorphosis” by artist Abe Singer as their recommendation to City Council for placement at Covington Community Park. “Bamboo Stalks” by Anita Schuller and Debbie Drilevich was the panel’s second choice, and “Rites of Nature” by Stuart Nakamura was their third choice. If the City Council approves the selection of a signature art piece for Covington Community Park, staff will proceed with coordinating its installation.

ALTERNATIVES:
1. Reject the recommended artwork and provide direction as to how to proceed with selecting a signature art piece for Covington Community Park.
FISCAL IMPACT:
The current estimated cost of the proposed project is $25,000.

CITY COUNCIL ACTION:  ___Ordinance  ___Resolution  X Motion  ___Other

1. Council member ________________ moves, Council member _________________ seconds, to approve the selection of “Metamorphosis” by Abe Singer as recommended by the Arts Commission for installation at Covington Community Park.

REVIEWED BY: Parks and Recreation Director; Finance Director; City Manager
City of Covington
Call for Artist Entry
Covington Community Park Signature Art Piece

The City of Covington (City) and the Covington Arts Commission (Commission) announce a Call for Artists to submit proposals for the signature piece of public art to be permanently installed in the main entrance of Covington Community Park (see Appendix A - Site Layout).

The City and Commission seek artists to develop and create a unique piece of art that not only welcomes visitors to the park but also draws people from far and wide to our community to see a regionally loved treasure. The Commission is searching for well-qualified applicants who are both professional and emerging 3D artists residing in the Great Northwest—Washington, Oregon, and Idaho. Artist teams are welcome to apply as well.

**Covington Community Park Description**
Covington Community Park is located at the southwest corner of 180th Avenue SE and SE 240th Street.

Park features:
- Athletic Field
- Fitness Equipment
- Trails (ADA Accessible)
- Natural Areas
- Interpretative Sign Program
- Margaret Harto Pavilion
- Picnic Shelters
- Playground
- Tennis/Pickleball Court
- Restrooms
- Concessions
- Parking
- Electric Vehicle Charging Station

The park has been built in phases. The first phase was completed in 2013 and added an athletic field, trails, and parking on the site. The second phase was just recently completed in 2018 and includes all the remaining elements now found at the park. A future phase of construction will fully build-out the park with additional athletic fields but currently is unfunded.

Covington Community Park is an outdoor center of community activity for recreation, relaxation, education, nature exploration, sporting events, live performances as well as engaging and creative community events.

The Margaret Harto Pavilion is an outdoor stage designed to support a wide range of public performances. The pavilion stage structure is covered by a live green roof that is visible from the main entrance to the park.

**The City of Covington**
The City of Covington was incorporated in August of 1997 and has steadily grown as a bedroom and retail community with a population over 20,000.

**Early History of Covington**
Covington was originally known as Jenkins Prairie which was used by ancestors of the Muckleshoot tribe. At the end of the 1800’s, the Northern Pacific Railway added a new east-west cut-off from Auburn across Stampede Pass to Kanaskat, Washington. Richard Covington, a surveyor for the Northern Pacific Railroad, established the line through western Washington to complete the route from St Paul, Minnesota, to Auburn. In 1900, during the building of the Palmer Cut-Off, the Northern Pacific installed a passing track, a loading track, a section house and other facilities to support steam locomotives at Covington. By 1908 the tiny village was home to the Covington Lumber Company, which had set up a mill capable of cutting 85,000 board feet of timber a day. Reference: Washington, Covington - From Wikipedia, the free encyclopedia [https://en.wikipedia.org/wiki/Covington, Washington]; Kershner, Kate. "Covington -- Thumbnail History." History link. Retrieved 3 October 2015.
Natural Elements of Covington
Waterways include Jenkins Creek and tributaries to the Soos Creek. Native trees include Garry oaks, Douglas fir, red alders, western red cedar, Pacific dogwood, western big-leaf maples, and vine maples. Native shrubs: include lady ferns, common camas, yarrow, ox-eyed daisy, bleeding heart, sala, and many others. Reference Jenkins Creek. King County, WA. List covers plants found in Jenkins Creek Park, in Covington. A list by Fred Weinmann, June 2002. 91 spp.

Project Budget
$25,000

Artwork Specifications
Artwork may be in any media and must be durable, suitable for outdoors and able to withstand the elements as well as interaction with pedestrians and the general public. Works may be functional or non-functional. Existing sculptures as well as artwork proposals are accepted. Proposals can be submitted as a sketch/illustration along with examples of other work that demonstrates artistry, proficiency and finish quality.

Art Envelope Requirements
The art envelope requirement is 8 feet wide by 5 feet deep by 18 feet tall as shown in Appendix A - Site Layout. Artists are free to propose art that stretches this envelope but remains esthetically suitable and practical for this installation location. Maximum weight of the installed art piece shall not exceed 5,000 lbs.

Art Anchorage Requirements
The installation foundation includes an existing 8 feet long by 5 feet wide by the 18-inch-thick reinforced concrete slab. The artist will be responsible for proposing necessary mounting interface details for artwork anchorage. The City will be responsible for final approval of anchorage design.

Artwork Insurance
The City will be responsible for insurance of the installed art piece. The artist will be responsible for insurance before and during installation.

Artwork Installation
The artist shall be present and provide guidance during installation. The City will provide artwork lift for up to a maximum of 5,000 lbs.

Art Selection Requirements & Process
Selection will be based on the following criteria:
- Artist merit and strength of proposed design(s)
- Unique creation capable of becoming a regional treasure
- Contribution to aesthetic of Covington Community Park
- Interpretation of City Art theme “water, air, earth” (artists are free to choose one or more of the three elements of the City Art theme)
- Reflection of the Covington community spirit
- Completeness of application as noted in submission requirements
- Ability to produce work within the agreed timeframe
- All proposed artwork must be appropriate for viewing by all age groups and viewing in a public space.

Existing work may be proposed. Freestanding murals will not be considered for this installation.

Artist proposal materials will be reviewed by the Selection Committee including Commission members and representatives from the community and arts professionals. For the top three proposals, artists will be invited to
present their proposal in person to the Selection Committee. The presentations will be up to thirty minutes, including Q & A. Artists or artist teams presenting to the Selection Committee will be paid a single stipend of $350.

The selection committee will provide choices to the Covington Arts Commission. The Arts Commission will then submit their recommendations to the Covington City Council for final approval.

Submissions
All applications must be submitted through CaFE™, www.callforentry.org™, an online application tool. If additional information is needed, please contact Pat Patterson at npatterson@covingtonwa.gov or call him at 253-480-2482.

Application Guidelines
All applications must be submitted through CaFE™, www.callforentry.org™, an online application tool.

The Application Package Includes
• Artist’s statement
• Current resume’ (two-page limit)
• Artist can submit up to 3 artworks for consideration. A minimum of 3 digital images per artwork is required. A maximum of 20 digital images is allowed per total submission.

Applications must be received by 5:00PM PST Monday, April 22, 2019. Please allow time for any website complications with the CaFE™ process.

Submission Requirements
1. Artist name, the point of contact name, mailing address, telephone number, email address, website, and social media if appropriate. If submitting as a team, each member shall be identified. Teams shall also declare the lead or point person for the team.
2. A one-page statement of interest briefly addressing the concept, design and how you approached the project for each proposal.
3. One-page resume or curriculum vitae for each artist involved with the project.
4. Annotated list of images; Artist or Team Name, Proposal #, image #, view (front, back, and sides) including a brief description of each image including the title.
5. All images shall be labeled as follows: Artist or Team Name, Proposal #, image #, view (front, back, and sides.)
6. Submission of a maximum of five (5) proposed designs for consideration. Each proposal shall include a minimum of three and maximum of five different views including front, side, and others.
7. Statement of the artist’s ability to meet the installation date identified in the Project Timeline. If unable to meet this given Project Timeline, propose an alternate installation date and the reason for the alternate installation date.
8. Statement of the purchase price of the installed artwork.
9. The weight of the installed art piece.

Project Timeline
February 7, 2019........................................ Announcement of the call to artists
April 22, 2019............................................... Submission deadline – 5:00 PM PST
April 23-24, 2019........................................ Selection Committee reviews submissions and select top three proposals
April 29-30, 2019......................................... In-person presentations of the top three proposals to Selection Committee
June 2019.................................................... Selection Committee presents recommendations to the Arts Commission
July 2019.................................................... Commission presents recommendations to City Council for approval
August 2019................................................ Selected artist contacted
September-October 2019............................. Artwork creation and fabrication
November 2019.......................................... Artwork installed
**Disclaimer**
The City and Commission reserve the right to delay or reschedule this call for artists for any reason it deems necessary to do so. Applicants will be contacted in the event of a delay or modification of the project timeline.

The City does not discriminate on the basis of race, color, age, ethnicity, religion, national origin, sexual orientation, gender identity, sex, marital status, or disability.

**Appendix A – Site Layout**
The location is prominently centered on the front side of the drop-off circle to the Margaret Harto Pavilion.
Close-up view of Entry Covington Community Park

Location for Signature Public Art

Main Entry

Margaret Harto Pavilion Stage

Entry Drop-off Circle

View of Art installation location looking west from park entrance

Proposed envelope for Art installation

Pavilion Structure

18 feet tall

5 feet deep

8 feet wide
Contemplating the city’s journey of transformation from a railroad stop with a lone sawmill to a thriving community, I was inspired by the parallel transformations found in nature. The image of a caterpillar and butterfly together illustrate the city art themes of earth and air. A simple creature crawling on the ground, the caterpillar symbolizes pure potential and the promise of new life. Transforming into a majestic winged beauty, the butterfly symbolizes freedom, expansion, and self-expression. Perhaps planting that image of positive transformation into the collective imagination of the community will help cultivate an optimistic culture as the City of Covington continues to grow. It also serves as a reminder that grand and beautiful things have humble beginnings.

The desire that this sculpture become a regional treasure means that it can’t just be an abstract shape. It is necessary to have something relatable, something that inspires connection at a visceral level. There’s something exciting about finding a caterpillar creeping through the underbrush, especially for a child, or to see a butterfly take to the air. I want my piece to inspire that feeling of childlike joy, setting the tone of a visit to Covington Community Park and move people to visit time and time again.

I am proposing my sculpture design “Metamorphosis” to be considered for Covington Community Park. The fabricated steel sculpture is a large-scale artistic interpretation of a common camas wildflower, with a caterpillar at the base of the stem and a butterfly poised on the uppermost blossom. The caterpillar’s six front walking legs are solidly welded to the bottom of the lower stem and its hind legs are welded to the base plate, increasing the structure stability. The body of the caterpillar is large enough for a small child to sit on and pose for a picture. The legs and antennae are fabricated of high carbon tool steel. The ends of the antennae are welded to the stem to protect them from damage. The curve of the caterpillar’s body flows into the curve of the stem, complimenting each other. At midpoint, a single leaf curves off the stem in the opposite direction bringing physical and aesthetic balance to the piece. The upper stem divides along its trajectory to form the stems of two flower blossoms. The butterfly’s decorative wing pattern is achieved through negative space; the cut out portion reduces wind shear. The four eyespots in the corners of the butterfly’s wings are filled with colored glass creating varying effects of shimmering light in the air and on the ground depending on the position of the sun. The piece will be prepped and painted in much the same manner as an automobile finish to ensure weather resistance and longevity.

The sculpture is approximately 17’ tall by 9’ wide by 4’ deep and approximately 800 pounds. The actual thickness of materials should be determined by engineering calculations. The cost of this sculpture project is $25,000. While I do believe that it would be possible to build the proposed sculpture in two months, it doesn’t leave any margin for factors beyond my control. I wouldn’t even be able to order materials until final engineering approval. Then I’d have to have heavy gauge pipes rolled to specifications and I can’t attest to that lead-time. As an experienced contractor, I’ve demonstrated my ability to complete projects within the parameters of time and budget. I would much rather ask for 5 months and deliver in 3 than vice versa.

The City of Covington is developing its identity and finding its voice. I sympathize as an emerging artist trying to gain foothold in the world of public art, letting the world know what I am capable of, my voice heard, my vision seen. I am highly motivated to offer the City of Covington a signature piece of public art of exceptional quality and value. I want to build a piece that will be embraced by the people who will see it everyday and become part of the canon of the local culture.
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Purchase Price

April 12, 2019

To the Selection Committee:

The price of the proposed art piece, weighing less than 700 pounds, for the Covington Community Park, including a minimum of 8 metal “planted” bamboo stalks 9-11’ tall, planter made specifically for the design wood bench 12 x 36”, stainless steel heron and installation guidance - $25,000.00.

Materials:
- Powder coated mild steel (bamboo stalks)
- Stainless Steel silhouette heron cutout
- Pressure treated/steel planter box with 7/8”-stone filler
- ~12” x 36” stained cedar bench
- Copper painted leaves

Best Regards,
Anita Schuller
253-332-7376
anitakschuller@gmail.com

Debbie Drilevich
206-724-1521
ddrilevich@gmail.com
Covington Community Park  
Stuart Nakamura, dba  
S Nakamura Studio, LLC  
snakamurastudio@gmail.com  
snakamurastudio.wix.com/public-art-examples

*Rites of Nature*

My two submissions for this RFP incorporates imagery and shapes in the context of the natural environment of the Covington Community Park site, and is an expression of the visitor's experience in the outdoor setting—that freedom of interaction with the natural environment. And in this respect I chose to focus on this natural setting as the theme for both proposals; they have similar individual elements, but they are placed in different compositions and have different energy qualities.

*Rites of Nature* is a statement about the natural order of things in the outdoor environment, things are in their places as determined by forces over the eons; we witness only but a brief second of its current form. Flying birds, trees and vegetation in growth, the movement of water, and the reflection of the sky above lends a feeling of wellness to our senses. Birds represent a quality of freedom in the airspace, branches and leaves thrive where they find support, which leads to the presence of water as a life force. This arrangement is a two-fold rotational symmetry, a concept of balance and equilibrium that I am using as metaphors found in nature. The material for this artwork is 304 stainless steel and all parts will receive a grinded finish to set the metal apart from the background and is a finish that can easily correct etched or painted graffiti. The gazing globes have polished surfaces and the edges of plate material will be blunted to ease the hand of the work.

Viewer interaction with the artwork occurs on various levels, but on a visceral level, the gazing globes will intrigue many age levels by affording a reflection of the viewer against the natural setting as well as the sky above. As the Covington community changes over time, the reflections of the viewers will express this quality.
SUBJECT: 2019 FIRST QUARTER FINANCIAL REPORTS

RECOMMENDED BY: Casey Parker, Finance Director

ATTACHMENT(S):
1. 2019 First Quarter Report
2. Quarterly Performance Reports by Fund
3. Current Investment Listing

PREPARED BY:
Casey Parker, 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
March 31, 2019

ATTACHMENT 1

Economic & Revenue Summary*
WA State Economic & Revenue Forecast Council

United States
- Consumer and business confidence increased.
- The U.S. labor market continues to grow at a strong pace.
- U.S. economic growth will slow but the baseline forecast does not contain a recession.

Washington
- Washington’s unemployment rate hit an all-time low in October 2018 and remains unchanged.
- Seattle area home prices fell 0.1%
- Washington exports declined for the first time in more than a year by 2.7%.

Upside
- Elevated consumer, business confidence could translate into stronger growth.
- Strong U.S., WA labor markets.

Downside
- International trade and fiscal policy uncertainty.
- Geopolitical risks: North Korea, China, Russia, Iran, Venezuela, Brexit.

Quarterly Summary

Major revenues such as sales, utility, and REET taxes continue to do well and are in line with budget estimates. General fund revenues are above 2018 levels for first quarter. Sales tax collections were down in first quarter due to an anticipated decrease in construction, but REET is surpassing previous highs due to increased existing home and land sales. Development services revenues are coming in stronger than budget, with single family residential permits double the 2018 numbers. SWM does not have a lot of activity to report, as revenue collections take place in April and October. At this point in the year, there are no foreseeable issues.

Casey Parker, Finance Director

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Property Tax*

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 31 and October 31 each year, the major distributions are realized in early May and November.

Through 1st quarter the city received $82,104 or 2.9% of budget. This is 13.7% or $13,072 below 2018 1st quarter collections.

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

Property 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 2018 levy for 2019 collection is $2,803,170 and the levy rate is $1.02/$1,000 assessed value. The legal cap for property tax collections is $2.10/$1,000 assessed value.

The city’s assessed valuation is $2.7 billion—an increase of $281.7 million or 11.5% over the previous year.

Real Estate Excise Tax (REET)

REET is a restricted revenue dedicated to paying debt service on the 2007 transportation bonds (through 2027) which paid for 168th Place SE/165th Place SE and loans from the Public Works Trust Fund (through 2024). 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 $243,945 or 24.8% of the $982,500 budget. This is $19,989 or 8.9% higher than 2018 due to a large number of lot sales and rising home prices.

There were 14 new home sales, 79 existing home sales, 1 commercial, and 11 lot sales through 1st quarter.
Retail Sales & Use Tax

Sales and use tax is the largest revenue source available to the city. The 1st quarter is below 2018 levels by $42,882 or 3.3%. Total collections are at $1,248,725 or 24.5%. The budget for 2016 is $5,100,000. Cumulatively comparing each category to the 1st quarter of 2018 shows that retail came in ahead at 2.4% and construction is negative - 45.1%. Food services is up 17.7%

Utility Tax

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 up by $150,934 or 34.6%. Total collections are $586,669 or 25.3% of budget.

The AT&T audit is in its infancy stages. Staff will keep council informed as information is received.

<table>
<thead>
<tr>
<th>Utility</th>
<th>2018</th>
<th>2019</th>
</tr>
</thead>
<tbody>
<tr>
<td>Electricity</td>
<td>$156,132</td>
<td>$180,568</td>
</tr>
<tr>
<td>Natural Gas</td>
<td>88,422</td>
<td>68,179</td>
</tr>
<tr>
<td>Solid Waste</td>
<td>17,131</td>
<td>69,136</td>
</tr>
<tr>
<td>Cable</td>
<td>114,038</td>
<td>113,961</td>
</tr>
<tr>
<td>Telephone</td>
<td>51,132</td>
<td>71,618</td>
</tr>
<tr>
<td>SWM</td>
<td>8,880</td>
<td>83,207</td>
</tr>
<tr>
<td>Total</td>
<td>$435,735</td>
<td>$586,669</td>
</tr>
</tbody>
</table>

MARCH 31, 2019
GENERAL FUND

Operating revenues are 21.1% of budget or $2.9 million. This exceeds 2018 levels by $141,908. Sales, utility, and property tax collections are detailed on pages 2 and 3 and parks revenue is reviewed on page 5.

Total expenditures excluding transfers out are $1,602,548. This is a decrease in spending of 3.5% or $58,536 over the same period last year.

Overall, 18.9% of the budget was spent. Beginning fund balance is $9,554,072—an increase of $22,968.

GENERAL FUND DEPARTMENT BUDGET UPDATE

<table>
<thead>
<tr>
<th>Department</th>
<th>YTD - 2018</th>
<th>% of Budget</th>
<th>YTD - 2019</th>
<th>% of Budget</th>
</tr>
</thead>
<tbody>
<tr>
<td>City Council</td>
<td>$68,400</td>
<td>37.2%</td>
<td>$70,508</td>
<td>33.2%</td>
</tr>
<tr>
<td>Municipal Court</td>
<td>72,922</td>
<td>13.1%</td>
<td>85,253</td>
<td>14.9%</td>
</tr>
<tr>
<td>Executive</td>
<td>253,799</td>
<td>22.4%</td>
<td>216,915</td>
<td>19.1%</td>
</tr>
<tr>
<td>Finance</td>
<td>184,651</td>
<td>26.4%</td>
<td>160,629</td>
<td>22.1%</td>
</tr>
<tr>
<td>Legal</td>
<td>37,864</td>
<td>18.6%</td>
<td>40,848</td>
<td>19.0%</td>
</tr>
<tr>
<td>Human Resources</td>
<td>116,930</td>
<td>27.8%</td>
<td>68,274</td>
<td>15.4%</td>
</tr>
<tr>
<td>Central Services</td>
<td>279,606</td>
<td>35.7%</td>
<td>282,915</td>
<td>33.8%</td>
</tr>
<tr>
<td>Law Enforcement</td>
<td>4,907</td>
<td>0.1%</td>
<td>8,230</td>
<td>0.2%</td>
</tr>
<tr>
<td>Community Development</td>
<td>78,851</td>
<td>14.8%</td>
<td>91,564</td>
<td>19.3%</td>
</tr>
<tr>
<td>Parks Maintenance</td>
<td>72,073</td>
<td>12.0%</td>
<td>91,492</td>
<td>17.2%</td>
</tr>
<tr>
<td>Aquatics</td>
<td>251,446</td>
<td>17.7%</td>
<td>246,059</td>
<td>15.9%</td>
</tr>
<tr>
<td>Recreation &amp; Cultural Arts</td>
<td>160,157</td>
<td>19.3%</td>
<td>164,016</td>
<td>18.9%</td>
</tr>
<tr>
<td>Parks</td>
<td>79,478</td>
<td>19.8%</td>
<td>75,845</td>
<td>21.1%</td>
</tr>
<tr>
<td>Operating Transfers Out</td>
<td>64,992</td>
<td>2.25%</td>
<td>999,773</td>
<td>82.0%</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td><strong>$1,728,075</strong></td>
<td><strong>11.6%</strong></td>
<td><strong>$2,602,321</strong></td>
<td><strong>18.9%</strong></td>
</tr>
</tbody>
</table>
PUBLIC WORKS

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 right on forecast at $65,688 or 25.4% and are down 5.3% from 2018.

Total operating revenues are $253,587 and other financing sources are $480,238. At $733,825 this puts total revenue sources at 40.8% for the 1st quarter.

Gas tax is on target at 23.4% at $100,455. This is lower than 2018 by $2,570 or -2.5%.

Motor vehicle license fees are at $75,517 or 22.9% of budget.

Total expenditures excluding transfers out are at 22.7% or $318,619.

Street operating revenues are less than operating expenditures by $65,032. Operating transfers of $480,238 from the general fund help offset that deficit.

Beginning fund balance for Streets is $300,020 a decrease of $106,603.

SWM is primarily funded through drainage fees collected by King County and distributed to the city. Collections through March are $61,792 or 2.4% of budget. Total revenues are at 2.6% or $68,573.

Total expenditures excluding transfers out are at 5.0% of budget or $365,078 a decrease of 9.1% over 2018.

DEVELOPMENT SERVICES

Total revenue is at $606,869 or 37.5% of forecast. This is a $158,078 increase over 2018. Both permit revenue and charges for services have increased.

The number of permits for single family residences are at 30 compared to 16 in 2018. There are no multi-family permits and 1 commercial permit year-to-date.

Operational expenditures came in at 20.9% or $392,543.

Beginning fund balance for 2018 was $5,019,681 an increase of $477,903.

AQUATICS, RECREATION and CULTURAL ARTS

Parks is divided into four 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 $179,633 or 24.2%; and recreation and cultural arts is $41,263 or 12.4%.

Total year-to-date attendance for aquatics is 26,458—457 less than 2018 for the same time period. Athletics had 681 participants and recreation 310. 2018 had 650 and 261 participants respectively y/y.

Operating expenditures for the two divisions total $410,075 which exceeds corresponding revenue by $230,442.

The individual expenditure breakdown is as follows: aquatics is $246,059; and recreation and cultural arts is $164,016.
CASH & INVESTMENTS

Cash and investments total $26,761,430. This exceeds March 2018 by $3,630,630. The largest gainers are the general fund and capital improvement program fund. Streets and SWM decreased as money is being utilized to fund new capital projects.

The Local Government Investment Pool (LGIP) earned 2.53% in March 2019. The City has $19,455,833 invested with the LGIP. (as of March 2019)

Investments outside the LGIP total $5,520,590 (market value). They are currently all US Government Agencies.

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>
<th>INVESTMENTS</th>
<th>CASH</th>
<th>TOTAL</th>
<th>2018</th>
<th>Δ</th>
</tr>
</thead>
<tbody>
<tr>
<td>GENERAL FUND</td>
<td>$2,216,512.28</td>
<td>$6,188,027.45</td>
<td>$8,404,539.73</td>
<td>$6,399,917.73</td>
<td>$2,004,622.00</td>
</tr>
<tr>
<td>STREET FUND</td>
<td>189,693.77</td>
<td>189,693.77</td>
<td>287,734.20</td>
<td>(98,040.43)</td>
<td>4,050.20</td>
</tr>
<tr>
<td>CONTINGENCY FUND</td>
<td>397,572.40</td>
<td>20,803.59</td>
<td>418,375.99</td>
<td>413,970.79</td>
<td>4,050.20</td>
</tr>
<tr>
<td>CUMULATIVE RESERVE FUND</td>
<td>1,390,515.40</td>
<td>98,726.30</td>
<td>1,489,241.70</td>
<td>1,448,961.77</td>
<td>40,279.93</td>
</tr>
<tr>
<td>REET 1st 1/4% FUND</td>
<td>-</td>
<td>169,878.46</td>
<td>169,878.46</td>
<td>112,115.45</td>
<td>57,763.01</td>
</tr>
<tr>
<td>REET 2nd 1/4% FUND</td>
<td>-</td>
<td>169,878.46</td>
<td>169,878.46</td>
<td>112,115.45</td>
<td>57,763.01</td>
</tr>
<tr>
<td>DEVELOPMENT SERVICES FUND</td>
<td>1,515,989.77</td>
<td>3,846,572.24</td>
<td>5,362,562.01</td>
<td>4,670,412.69</td>
<td>692,149.33</td>
</tr>
<tr>
<td>LID 99.01 FUND</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>CAPITAL IMPROVEMENT PROGRAM</td>
<td>-</td>
<td>9,040,794.60</td>
<td>9,040,794.60</td>
<td>7,233,785.98</td>
<td>1,807,008.62</td>
</tr>
<tr>
<td>SURFACE WATER MANAGEMENT</td>
<td>-</td>
<td>441,377.04</td>
<td>441,377.04</td>
<td>1,606,554.84</td>
<td>(1,165,177.80)</td>
</tr>
<tr>
<td>UNEMPLOYMENT INSURANCE</td>
<td>-</td>
<td>467,497.28</td>
<td>467,497.28</td>
<td>397,588.16</td>
<td>69,909.12</td>
</tr>
<tr>
<td>EQUIPMENT REPLACEMENT</td>
<td>-</td>
<td>607,590.63</td>
<td>607,590.63</td>
<td>447,642.74</td>
<td>159,947.89</td>
</tr>
<tr>
<td>TOTAL ALL FUNDS</td>
<td>$5,520,589.85</td>
<td>$21,240,839.82</td>
<td>$26,761,429.67</td>
<td>$23,130,799.79</td>
<td>$3,630,629.88</td>
</tr>
</tbody>
</table>

2019 1ST QUARTER

Page 6 of 74
**CAPITAL INVESTMENT PROGRAM** (cash basis)

The city has collected $252,170 in GMA mitigation fees, $20,747 in interest earnings and $93,357 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>$-</td>
<td>$13,881</td>
</tr>
<tr>
<td></td>
<td>Maintenance Facility</td>
<td>998,185</td>
<td>2,255</td>
</tr>
<tr>
<td>1028</td>
<td>Annual Road Overlay</td>
<td>-</td>
<td>488</td>
</tr>
<tr>
<td>1086</td>
<td>164th AV SE</td>
<td>200,000</td>
<td>106,337</td>
</tr>
<tr>
<td>1127</td>
<td>SR 516 Widening at Jenkins Creek</td>
<td>25,327</td>
<td>32,941</td>
</tr>
<tr>
<td>1145</td>
<td>SE 256th St Culvert</td>
<td>-</td>
<td>2,550</td>
</tr>
<tr>
<td>1201</td>
<td>204th Connector</td>
<td>15,300</td>
<td>21,184</td>
</tr>
</tbody>
</table>

**BOND WATCH**

As of March 31, the balance of the 2016 Refunded Bonds is $7,330,000. Payoff for these bonds is 11/1/2027. The next principal payment of $730,000 will be 11/1/2019.

The Public Works Trust Fund Loan balance is $1,289,375. The payoff for this loan is 6/1/2024. The next principal payment will be 6/1/2019 for $214,895.

**IMPACT FEES**

The total balance of traffic impact fees at the end of 2018 is $3,565,602. These are collected throughout the year and distributed to projects as needed. Transportation impact fees are restricted and can only be used for public streets and roads. They must be used in conjunction with other funding sources but may not be used to correct existing deficiencies.

**GRANTS**

Through March, grant awards totaled $50.7 million. Only $25.6 million is under contract. The amount requested is $8.4 million.

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**CITY OF COVINGTON**

**FINANCE DEPARTMENT**

Casey Parker—Finance Director  
Lindsay Hagen—Senior Accountant  
Staci Cles—Accountant I  
Shelley Wells—Accounting Technician
City of Covington
Quarterly Performance Report - General Fund as of 3/31/2019

**Chart 1**
Total Revenue Bud v Act

**Chart 2**
Total Rev v Exp

**Chart 3**
Year over Year Revenue Comparison

**Chart 4**
Total Exp Bud v Act

**Chart 5**
Total Rev & Exp Bud v Act

**Chart 6**
Cash & Investment Balance

**Chart 7**
Revenues by Category

**Chart 8 & 9**
Expenditures by Category

---

**Chart 4**
Revs & Exp - YTD

<table>
<thead>
<tr>
<th></th>
<th>2019 Budget</th>
<th>2019 Actual</th>
<th>$ Rem</th>
<th>% Coll/Spent YTD</th>
<th>2018 Actual</th>
</tr>
</thead>
<tbody>
<tr>
<td>Property Tax</td>
<td>$2,702.0</td>
<td>$2,699.9</td>
<td>3.0%</td>
<td>$952.2</td>
<td></td>
</tr>
<tr>
<td>Sales Tax</td>
<td>5,100.0</td>
<td>3,861.3</td>
<td>24.5%</td>
<td>1,291.6</td>
<td></td>
</tr>
<tr>
<td>Utility Tax</td>
<td>2,319.5</td>
<td>1,732.8</td>
<td>25.3%</td>
<td>435.7</td>
<td></td>
</tr>
<tr>
<td>Other Tax</td>
<td>633.2</td>
<td>452.8</td>
<td>28.5%</td>
<td>168.3</td>
<td></td>
</tr>
<tr>
<td>Licenses &amp; Permits</td>
<td>81.8</td>
<td>66.1</td>
<td>16.7%</td>
<td>19.0</td>
<td></td>
</tr>
<tr>
<td>Intergovernmental Rev</td>
<td>348.7</td>
<td>260.0</td>
<td>23.1%</td>
<td>95.6</td>
<td></td>
</tr>
<tr>
<td>Aquatics Revenue</td>
<td>742.6</td>
<td>563.0</td>
<td>24.2%</td>
<td>165.1</td>
<td></td>
</tr>
<tr>
<td>Recreation and Cultural Events</td>
<td>333.1</td>
<td>237.8</td>
<td>26.8%</td>
<td>86.7</td>
<td></td>
</tr>
<tr>
<td>Charges for Goods &amp; Svcs</td>
<td>922.2</td>
<td>690.5</td>
<td>26.2%</td>
<td>242.7</td>
<td></td>
</tr>
<tr>
<td>Fines &amp; Penalties</td>
<td>91.2</td>
<td>70.2</td>
<td>23.0%</td>
<td>23.5</td>
<td></td>
</tr>
<tr>
<td>Investment Interest</td>
<td>94.8</td>
<td>38.3</td>
<td>103.6%</td>
<td>31.9</td>
<td></td>
</tr>
<tr>
<td>Miscellaneous</td>
<td>46.0</td>
<td>28.5</td>
<td>38.1%</td>
<td>46.6</td>
<td></td>
</tr>
<tr>
<td>Total Operating Revenues</td>
<td>$13,494.9</td>
<td>$10,649.4</td>
<td>21.1%</td>
<td>$2,703.6</td>
<td></td>
</tr>
<tr>
<td>Other Financing Sources</td>
<td>55.0</td>
<td>55.0</td>
<td>0.0%</td>
<td>-</td>
<td></td>
</tr>
<tr>
<td>Total Sources</td>
<td>$13,549.9</td>
<td>$10,649.4</td>
<td>21.0%</td>
<td>$2,703.6</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th></th>
<th>2019 Budget</th>
<th>2019 Actual</th>
<th>$ Rem</th>
<th>% Coll/Spent YTD</th>
<th>2018 Actual</th>
</tr>
</thead>
<tbody>
<tr>
<td>Salaries &amp; Wages</td>
<td>$3,579.6</td>
<td>$2,900.3</td>
<td>19.0%</td>
<td>$643.9</td>
<td></td>
</tr>
<tr>
<td>Benefits</td>
<td>1,279.0</td>
<td>973.7</td>
<td>23.9%</td>
<td>275.8</td>
<td></td>
</tr>
<tr>
<td>Supplies</td>
<td>313.2</td>
<td>296.6</td>
<td>17.1%</td>
<td>44.7</td>
<td></td>
</tr>
<tr>
<td>Charges for Services</td>
<td>7,566.7</td>
<td>6,923.3</td>
<td>8.5%</td>
<td>683.9</td>
<td></td>
</tr>
<tr>
<td>Intergovernmental Svcs</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>0.0%</td>
<td></td>
</tr>
<tr>
<td>Capital</td>
<td>192.4</td>
<td>178.4</td>
<td>9.3%</td>
<td>2.0</td>
<td></td>
</tr>
<tr>
<td>Total Operating Expenses</td>
<td>$12,933.9</td>
<td>$11,233.3</td>
<td>13.1%</td>
<td>$1,749.6</td>
<td></td>
</tr>
<tr>
<td>Other Financing Uses</td>
<td>847.6</td>
<td>901.7</td>
<td>106.4%</td>
<td>(23.5)</td>
<td></td>
</tr>
<tr>
<td>Total Uses</td>
<td>$13,781.5</td>
<td>$12,135.2</td>
<td>18.9%</td>
<td>$1,726.1</td>
<td></td>
</tr>
</tbody>
</table>

---

**Chart 7**

**Chart 8 & 9**

---

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City of Covington
Quarterly Performance Report - Street Operations
as of 3/31/2019

Chart 1

Budget Rev v Act

Thousands of $

Chart 2

Rev v Exp

Thousands of $

Chart 3

Year over Year Revenue Comparison

Thousands of $

Chart 4

Budget Exp v Act

Thousands of $

Chart 5

YTD Budget v Actual Rev & Exp

Chart 6

Less: Operating Transfers and Other Financing Uses

Cash Balance

Thousands of $

Chart 7

Revenues by Category

Chart 8 & 9

Expenditures by Category

Legend

Cur Year  Budget  Actual  Data in Thousands of $

67 of 74
City of Covington
Quarterly Performance Report - Development Services
as of 3/31/2019

Revenues by Category
- Licenses: $28.3, Actual: $244.9
- Permits: $39.6
- Intergovernmental SvcS: $0.3
- Charges for Services: $173.2
- Interest Income: $2.1
- Miscellaneous: $0.0

Expenses by Category
- Salaries & Wages: $136.8
- Benefits: $59.2
- Supplies: $18.5
- Charges for Services: $122.3
- Intergovernmental: $18.5
- Total Operating Expenses: $339.2

Cash & Investment Balance
- Cash: $4,000
- Investments: $6,000

Legend
- Cur Year
- Budget
- Actual
- Data in Thousands of $
City of Covington
Investment Listing
for the period ending March 31, 2019

<table>
<thead>
<tr>
<th>Institution</th>
<th>Par/Shares</th>
<th>Maturity Date</th>
<th>Current Date</th>
<th>DTM</th>
<th>YTM</th>
<th>Current Principal Balance</th>
<th>Current Market Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>US Bank - Cash</td>
<td>$ 1,732,868.23</td>
<td>overnight</td>
<td></td>
<td></td>
<td></td>
<td>$ 1,732,868.23</td>
<td></td>
</tr>
<tr>
<td>Forfeiture Account</td>
<td>52,138.45</td>
<td>overnight</td>
<td></td>
<td></td>
<td></td>
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DISCUSSION OF FUTURE AGENDA ITEMS:

5:20 p.m., Tuesday, June 11, 2019 Special Meeting
Interviews for Youth Council

7:00 p.m., Tuesday, June 11, 2019 Regular Meeting – CANCELED

6:00 p.m., Tuesday, June 25, 2019 Special Meeting
Joint Study Session with Parks & Recreation Commission

7:00 p.m. Tuesday, June 25, 2019 Regular Meeting

(Draft Agendas Attached)
CITY OF COVINGTON
SPECIAL MEETING AGENDA

CITY COUNCIL JOINT STUDY SESSION
WITH PARKS & RECREATION COMMISSION – 6:00 P.M.
Council Chambers – 16720 SE 271st Street, Suite 100, Covington
www.covingtonwa.gov

Tuesday, June 25, 2019

GENERAL INFORMATION:
The study session is an informal meeting involving discussion between and among the City Council, Commissioners, and city staff regarding policy issues. Study sessions may involve presentations, feedback, brainstorming, etc., regarding further work to be done by the staff on key policy matters.

CALL CITY COUNCIL JOINT STUDY SESSION TO ORDER

APPROVAL OF AGENDA

ITEM(S) FOR DISCUSSION
1. To be determined

ADJOURN

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

*Note* A Regular Council meeting will follow at approximately 7:00 p.m.
CALL CITY COUNCIL REGULAR MEETING TO ORDER – approximately 7:00 p.m.

ROLL CALL/PLEDGE OF ALLEGIANCE

APPROVAL OF AGENDA

PUBLIC COMMUNICATION

• Covington Chamber of Commerce Quarterly Update

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. Minutes: May 28, 2019 Special & Regular Meetings (Scott)
C-2. Vouchers (Parker)

REPORTS OF COMMISSIONS

• Economic Development Council
• Parks & Recreation Commission
• Planning Commission
• Youth Council
• Human Services Commission
• Arts Commission

NEW BUSINESS
1. Consider Appointments to Youth Council (City Council)
2. Award 164th Pedestrian Construction Project (Vondran)
3. Discuss Selection of Citizen and Honorary Citizen of the Year (Slate)

FUTURE AGENDA ITEMS

COUNCIL/STAFF COMMENTS
PUBLIC COMMENT See guidelines 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).